

GODINTON ACADEMY TRUST
(A company limited by guarantee)

Annual Report and Financial Statements

For the period ended 31 August 2015

GODINTON ACADEMY TRUST
(A company limited by guarantee)

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Reference and Administrative Details of the Academy, its Members/ Trustees and Advisers For the period ended 31 August 2015

Members	Mr Stephen King Mr Stephen Phillips Mrs Cheryl Hope
Trustees	Mr Steve King (Chair) : Co-opted Governor Mr Ivor Duffy* (Vice Chair) : Parent Governor Mr Mark Terry : Parent Governor (Resigned 29/4/15) Mr Jim Holditch : Headteacher Mr Stuart Lund* : Parent Governor Mrs Simone Williams-King : Co-opted Governor Mrs Anne McGoldrick : Co-opted Governor Mrs Elaine Paggett : Staff Governor Mr Daniel O'Brien : Co-opted Governor A E McGoldrick

* members of the Finance Monitoring Pair

Company Secretary	Role Covered by Claire Williams and Susan Dinley
Senior Management Team	
. Headteacher	Mr Jim Holditch
. Deputy Headteacher	Miss Jill Talbot
. Assistant Headteacher	Miss Hayley Collins
	Mrs Sarah Stein
. HR & IT Manager	Mrs Susan Dinley
. Finance Manager	Mrs Claire Williams
. Director of Finance and Administration	Mr Jim Holditch
Headteacher and Registered Office	Godinton Primary School Lockholt Close Ashford Kent TN233JR
Company Registration Number	09404783
Auditors	Williams Giles Limited Chartered Accountants and Registered Auditors 12 Conqueror Court Sittingbourne Kent ME10 5BH
Bankers	Natwest Bank Plc, 20 High Street, Ashford, Kent. TN24 8SH
Solicitors	Stone King Boundary House 91 Charterhouse Street London EC1M 6HR

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Trustees' Report
For the period ended 31 August 2015

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

The trust operates a primary academy in Ashford, Kent. The academy has a pupil capacity of 420 and had a roll of 414 in the school census on 21st May 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Godinton Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Godinton Primary School.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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.

Method of Recruitment and Appointment or Election of Trustees

Godinton Academy Trust shall appoint the following Governors (Trustees) as set out in its Articles of Association

Subject to Articles 48 and 49, the Academy Trust shall have the following Trustees:

- up to 6 Trustees, appointed under Article 50;
- a minimum of two Parent Trustees appointed under Articles 53- 58;
- up to 1 Staff Governor, subject to Article 50A;
- the Headteacher.
- The Academy Trust may also have any Co-opted Governor appointed under Article 59.

The number of Governors (Trustees) shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The Members may by ordinary resolution appoint up to [6] Trustees, subject to Article 50A. The total number of Trustees (including the Headteacher) who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

Subject to Article 57, the Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction of new Governors (Trustees) includes access to training programmes offered through Kent County Council, which the Trust funds for the development of staff and Trustees. They provide regular updates on practice, legislation and guidance. All Trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documentation they need to undertake their role as a Governor. In addition the Trust operates a buddy system, where experienced Trustees support and mentor new Trustees.

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Organisational Structure

The Trust has a leadership structure which consists of Trustees and Senior Leadership Team. The aim of the structure is to devolve responsibility and encourage decision making at all levels.

The Trustees operate a pyramid structure to provide assurance and oversight. At the point of the pyramid is the schools Senior Management Team made up of the Headteacher, Deputy Headteacher, the two Assistant Headteachers, the HR & IT Manager and the Finance Manager. Their role is to manage and lead on all aspects of teaching and learning.

The middle of the pyramid is made up of the Strategy Group of the Governing Body whose members are taken from the Senior Management Team and the Board of Trustees. The Headteacher and Deputy Headteacher represent the Senior Management Team and the Chair and Vice Chair of Trustees, plus one annually elected Governor, represent the Board of Trustees. The role of the Strategy Group is to set and lead the strategic direction of the school. In fulfilling their role the Group also focuses on school policies and has finance as a standard agenda item at its meetings.

At the base sits the Board of Trustees, the foundation of the pyramid. The Board of Trustees is responsible for ensuring the success of the school in terms of educational achievement and financial accountability. Although some of its functions are delegated to the Headteacher and the Strategy Group, both report to the Board of Trustees to allow them to fulfil their obligations to the school and its stakeholders. The Governing Body is made up of 11 people namely, the Headteacher, one staff Governor, 3 parent Trustees and 6 Trustees appointed by the members of the Academy Trust.

The Governing Body have overall responsibility for the administration of the academy's finances. The main responsibilities of the Governing Body are prescribed in the Funding Agreement between the academy and the DfE and in the academy's scheme of governance.

The Finance Monitoring Pair made up of two Trustees forming the Finance Committee and are a sub-committee of the main Board of the Governing Body. All financial decisions and ratification is conducted by the Governing Body. The Finance Committee will meet at least once a term but more frequent meetings can be arranged if necessary.

The main responsibilities of the Finance Committee are detailed in written terms of reference which have been authorised by the Governing Body. The main responsibilities include:

- The initial review and authorisation of the annual budget;
- The regular monitoring of actual expenditure and income against budget;
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the academies financial handbook issued to academies;
- Authorising the award of contracts over £8,000

Within the framework of the academy development plan as approved by the Governing Body, the Headteacher has overall executive responsibility for the academy's activities including financial activities. The Headteacher is Godinton Academy Trust's designated Accounting Officer. The Accounting Officer is personally responsible to the Board of Trustees, DfE and EFA for compliance with the academy's financial handbook, company and charitable law.

Related Parties and other Connected Charities and Organisations

There are no related parties that either control or significantly influence the decisions and operations of Godinton Academy Trust.

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Trustees' Indemnities

Trustees benefit from indemnity insurance which is included in its Risk Protection Arrangement purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust: provided that any such insurance shall not extend to:

- a. 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
- b. the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as directors of the Academy Trust.

Further, this Article does not authorise a Governor to benefit from any indemnity insurance that would be rendered void by any provision of the Companies Act 2006, the Charities Act 2011 or any other provision of law.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The object of the Godinton Academy Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Our fundamental aim is to provide a rich, exciting education for our pupils, not weakened by an overt focus on extended periods of exam preparation, with lessons delivered by good or outstanding teachers, in an environment which our pupils and parents find safe and welcoming, and which will provide them with the academic and personal skills they require for secondary school and, ultimately, allow their development into confident, rounded adults.

Objectives, Strategies and Activities

The principle objective of the Godinton Academy Trust is the operation of the school to provide education and care for primary school age pupils of different abilities in an environment that is safe and promotes a willingness to learn.

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

- That the Academy trust must ensure that the curriculum provided to pupils is balanced and broadly based, and includes English, mathematics and science.
- That they provide education for children of different abilities.

The objectives of the Godinton Academy Trust during the period ended 31st August 2015 are summarised below :

- Provide a safe environment in which children can enjoy school and learning. This was achieved by regularly reviewing health and safety needs within the school and promoting a friendly caring approach to learning which is embedded in the schools ethos.
- To deliver a broad and balanced curriculum that reflects the needs of the pupils and helps them to learn. This was achieved by accurate teacher assessment of pupils needs, taking account of varied abilities, to ensure the curriculum was interesting and provided maximum potential on pupil learning. This was supported by extracurricular clubs and school trips.
- To address issues highlighted in the School Improvement Plan (SIP) with the main focus on maintaining current achievement levels in writing across the school, ensuring that pupil progress in

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Foundation Stage and Year 1 are in line with national expectations, implementing the new SEN code of Practice and implementing a new assessment procedure. This was achieved, or is in the final stages of completion, by staff developing the necessary strategies for success and subject to monitoring by Trustees.

- Support for families and the wider community. This was achieved through support provided by our Family Liaison Officer and activities such as the weekly coffee shop providing a social activity for parents.
- Provide extracurricular activities to help meet family needs and pupil enjoyment. This was achieved through the on-going provision of a Breakfast Club and After School Club along with numerous after school clubs covering a wide range of activities.
- Live within budget and maintain financial propriety and value for money. This was achieved through accurate accounting in line with set procedures which were regularly evaluated by the Accounting Officer and Finance Monitoring Pair.

The Trustees used the following key measures to assess the success of the activities undertaken :

- The School Improvement Plan SIP
- Data Benchmarking
- SATs results
- Findings and Observations from school visits
- Termly Headteacher reports
- Financial Monitoring Process and Financial Benchmarking

Public Benefit

We have referred to the guidance on public benefit published by the Charity Commission and all our charitable activities are undertaken to further our charitable purpose for the public benefit.

The school provides specific links with the school and wider community through the following activities:

- Weekly toddlers Group run by the schools Family Liaison Officer.
- Provision of facilities for a local youth football club who use the school field at weekends.
- Weekly coffee morning for parents of children in the school.
- Links with the local playgroup who attends events such as the Christmas performance.
- Links with the neighbouring Retirement Complex who attends school events such as the Christmas performance and receive visits by the children from the school to distribute harvest produce and to sing carols at Christmas.

STRATEGIC REPORT

ACHIVEMENTS AND PERFORMANCE

The performance tables, Ofsted report and SATs results are all found on the schools website, <http://www.godinton.kent.sch.uk>, alongside the schools ethos and prospectus.

Key Financial Performance Indicators

The School achieved a final year end surplus of £109,668 for the period and has submitted a balanced plan for the first full year, 2015/16.

The Academy complies with all terms and conditions of the Funding Agreement.

The latest Ofsted report from May 2014 can be accessed via a link on the school website which shows the school to be a good school. All of the key areas (Achievement of Pupils, Quality of Teaching, Behaviours &

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Safety of Pupils and Leadership & Management) were graded 2 (Good).

School Performance at Key Stage 1 and 2 can be found in the Ofsted Data Dashboard which can be accessed via the link on the School website.

Attendance is in line with neighbouring schools with details, including the number of unauthorised absences, available on request from the school office.

The school intake of 60 per year under two-form entry was met in September 2015 with requests for places being oversubscribed.

The School Improvement Plan has been used throughout the year to support the achievement of the schools key performance indicators. A copy of the plan can be supplied on request to the school office. It is used by Trustees to monitor progress in the areas identified and forms the focus for their visits to the school. The key areas of the 2014/15 School Improvement Plan covered maintaining current achievement levels in writing across the school, ensuring that pupil progress in Foundation Stage and Year 1 are in line with national expectations, implementing the new SEN code of Practice and implementing a new assessment procedure.

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.

As a charitable company the school is dependent on the funding arrangements with the EFA to remain as a going concern. The staff and Trustees have produced a detailed school development plan including financial plans for the future. This together with the 3 year budget plan provides the framework for the school future success. Therefore these financial statements have been prepared on an on-going basis.

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 for the period 1st March 2015 through 31st August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the period ended 31 August 2015, total expenditure of £931,870 was covered by recurrent grant funding from the DfE £838,958, together with other incoming resources of £395,053. The excess of income over expenditure for the year (excluding restricted fixed asset and pension funds) was £109,668

At 31 August 2015 the net book value of fixed assets was £3,358,720 and movements in tangible fixed assets are shown in note 18 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were valued by the EFA on 21.7.15 at £3,071,521. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

During the year, the Trustees received a report from the Internal audit service which contained no matters of significance

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Reserves Policy

The Trustees review the reserve levels of the Academy annually. The Trustees feel it is important that funding received during a financial year is spent for the benefit of the pupils on roll at that time, whilst recognising the need for prudent accounting.

The school Trustees have determined that the appropriate level of free cash reserves in any one year should be enough to manage reasonable unforeseen issues, whilst not increasing substantially the carry forward of any unspent General Annual Grant from the previous year.

The School has a capital reserve in relation to the extension at the front of the school to meet requirements for medical room and DDA compliance, this reserve will be fully spent in 2015/16 as the building is completed.

Investment Policy

Godinton Academy Trust has no significant investments. In the event that surplus funds were available the Trust would look in to no risk high investment savings accounts in which to hold the funds.

Headteacher Risks and Uncertainties

The Headteacher 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 95% 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. In fact the increase in National Insurance and employer pension contribution, with no real terms income growth to match these costs has required the school to review the discretionary spend across all areas and currently the third year of the three year plan is in deficit.

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 through assurances by independent agents and regular scrutiny of month reports and forecasting.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards whilst maintaining the core pupil centric ethos of the school that children must receive a fully rounded education which provides them with the opportunity to succeed wherever their strengths and skills may lie, and which ultimately develops happy and confident children, who possess the attributes they will require to succeed in adult life. We are not simply preparing children for SATs assessments - we are preparing them for their life ahead. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed in line with the school improvement plan.

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.

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.

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

PLANS FOR FUTURE PERIODS

Teaching and Learning: We will continue to strive to improve the performance of our pupils at all levels, ensuring they get the best start in their education. The details of how we will achieve this will be covered in the School Improvement Plan 2015/16 which is nearing completion and will be made available upon request.

Environmental: As an academy the school is able to bid for buildings capital from the DfE. We have drawn up plans to extend our existing hall and kitchen, which are currently under sized, and to construct a new second hall, and a large open classroom which will host the Breakfast and After School clubs, as well as allowing us to reinstate intervention programmes such as Fizzy, which we have had to stop because of an absence of suitable space. We have appointed an architect and submitted plans for planning approval. The target decision date is 21st September. The date for consultation has passed and there have been no objections. If we receive planning permission we will then tender for builders whilst we complete the relevant proposal document for the DfE. This has to be submitted in November and decisions are made and funds allocated in March. There is only this one window for submission each year. However, if we are unsuccessful, we can re-submit the following year. The estimated cost of the new build is in excess of £800,000.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust does not hold funds on behalf of others

AUDITOR

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on **12/12/15** and signed on the Board's behalf by:



Steve King
Chair of Trustees

12th December 2015



Ivor Duffy
Trustee

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Governance Statement

Governance Statement

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Godinton 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 Godinton 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 Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Steve King (Chair) : Co-opted Governor	5	5
Mr Ivor Duffy* (Vice Chair) : Parent Governor	5	5
Mr Mark Terry : Parent Governor (Resigned 29/4/15)	2	2
Mr Jim Holditch : Headteacher	5	5
Mr Stuart Lund* : Parent Governor	5	5
Mrs Simone Williams-King : Co-opted Governor	5	5
Mrs Anne McGoldrick : Co-opted Governor	3	5
Mrs Elaine Paggett : Staff Governor	2	5
Mr Daniel O'Brien : Co-opted Governor	4	5

The Board of Trustees currently has 2 member appointed Governor vacancies which will be filled during to coming school year. The resignation of Mr Mark Terry created a parent Governor vacancy which is expected to be filled by the end of October 2015.

Governance reviews:

On conversion to academy the Board of Trustees reviewed the structure and process of the Governing Body and its subcommittees, roles and responsibility of the senior team within the school and their new responsibilities as responsible officers in an academy. The Strategy Committee are undertaking a review of all policies following a risk assessment of the most urgent policies of the previous organisation.

The Trustees have completed a skills self-assessment and embarked on a program of training and development based on Governor Mark principles.

The Finance Monitoring Pair act as the Finance Committee incorporating the Audit Committee, which is a sub-committee of the main Board of Trustees. Their main purpose is to

- carry out an initial review and authorisation of the annual budget;
- regularly monitor the actual and forecast expenditure and income against budget;
- Ensure the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the academies financial handbook issued to academies;

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- Authorise the award of contracts over £8,000
- Carry out regular audits of the accounting system and monitoring reports

Trustees : Mr Ivor Duffy and Mr Stuart Lund

The Finance monitoring pair meet regularly to discuss the finance position with and without the Finance Manager. Following meetings with the Finance Manager, reports are submitted to the Board of Trustees outlining the financial position and raising any issues requiring action by the Board.. Mr S Lund is new to the role, having been appointed when the Trust was first set up, and is being mentored by Mr I Duffy who is a qualified accountant. Both of the pair have attended training courses with regards to the role in the period.

Review of Value for Money

As accounting officer the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- completing the tendering and re-procurement of catering services. This resulted in a profit sharing arrangement being made with the new provider which will allow funds to be made available for improvements to the catering facilities.
- working with the strategy committee and finance monitoring pair to review school benchmarking information to understand where expenditure is at odds with normal practice. The exercise undertaken confirmed that the school are currently on a par with neighbouring schools and did not reveal areas requiring improvement.
- reviewing staffing structures and grades to both ensure succession planning and staff development, whilst getting a strong mix of new and experienced teachers. The loss of 2 experienced teachers on upper pay scales at the end of Term 6 allowed replacements to be found using experienced staff but on lower pay scales thus providing a saving while not detracting from the quality and experience of the teaching staff.
- Completing tendering and re-procurement of photocopiers resulted in a saving of £4,400 per annum despite an improvement in the quality of the copiers being achieved.

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 on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Godinton Academy Trust for the period 1 March 2015 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st March 2015 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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Governance Statement

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Williams Giles Ltd as internal auditor

The Internal Auditors role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- Financial Management & Governance Self Assessment
- testing of control account/ bank reconciliations
- testing of Fixed assets inventory

On a periodic basis, the internal auditor reports to the Board of Trustees, through the Finance Monitoring Pair on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

As a result of substantive sample testing, the key findings from the internal Auditor found no serious shortcomings were found in your systems and controls.

Review of Effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance monitoring pair and audit committee to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on **12/12/15** and signed on its behalf by:


Steve King
Chair of Trustees


Jim Holditch
Accounting officer

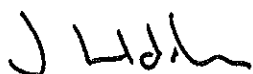
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Statement on Regularity, Propriety and Compliance

As accounting officer of Godinton Academy Trust I have considered my responsibility to notify the academy trust 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 trust 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 trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

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



Jim Holditch
Accounting officer

Date: 12.12.15 .

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Trustees' Responsibilities Statement

For the period ended 31 August 2015

The Governors (who act as Trustees of Godinton 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 in the Charities SORP 2005;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 on **12/12/15** and signed on its behalf by:



Steve King
Chair of Trustees

12th December 2015

GODINTON ACADEMY TRUST
(A company limited by guarantee)

Independent Auditors' Report to the Members of Godinton Academy Trust

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

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

Respective responsibilities of Trustees and auditors

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

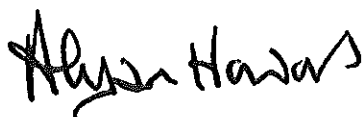
GODINTON ACADEMY TRUST
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Independent Auditors' Report to the Members of Godinton Academy Trust

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.



Alyson Howard FCCA CF (Senior statutory auditor)

for and on behalf of

Williams Giles Limited

Chartered Accountants

12 Conqueror Court
Sittingbourne
Kent

ME10 5BH

Date: 16 Dec 2015

GODINTON ACADEMY TRUST
(A company limited by guarantee)

Independent Reporting Accountants' Assurance Report on Regularity to Godinton Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 19 February 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Godinton Academy Trust during the period 26 January 2015 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Godinton Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Godinton Academy Trust's funding agreement with the Secretary of State for Education dated 26 February 2015, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 26 January 2015 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

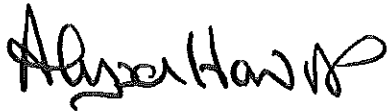
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

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 period 26 January 2015 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

GODINTON ACADEMY TRUST
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Independent Reporting Accountants' Assurance Report on Regularity to Godinton Academy Trust and the Education Funding Agency



Alyson Howard FCCA CF

Williams Giles Limited

Chartered Accountants

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date: 16 December 2015

GODINTON ACADEMY TRUST
(A company limited by guarantee)

Statement of Financial Activities
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
For the period ended 31 August 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted Fixed asset fund 2015 £	Total funds 2015 £
Income and endowments from:					
Donations and capital grants	2	3,046	-	8,714	11,760
Transfers from local authority on conversion	2	345,801	(622,000)	3,179,962	2,903,763
Charitable activities:					
Funding for the academy trust's educational operations	4			838,958	8,714
Other trading activities	3	15,056	838,958	-	838,958
			22,486	-	37,542
Total		363,903	239,444	3,188,676	3,792,023
Expenditure on:					
Raising funds	5	-	19,926	-	19,926
Charitable activities:					
Academy trust educational operations	5	-	911,944	47,765	959,709
Total		-	931,870	47,765	979,635
Net income / (expenditure)		363,903	(692,426)	3,140,911	2,812,388
Transfers between Funds	13	(254,235)	36,426	217,809	-
Other recognised gains / (losses):					
Actuarial gains / (losses) on defined benefit pension schemes		-	55,000	-	55,000
Net movement in funds for the period		109,668	(601,000)	3,358,720	2,867,388
Total funds carried forward		109,668	(601,000)	3,358,720	2,867,388

All of the academy's activities derive from acquisitions in the current financial period.

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

The notes on pages 17 to 34 form part of these financial statements.

GODINTON ACADEMY TRUST
(A company limited by guarantee)
Registered number: 09404783

Balance Sheet
As at 31 August 2015

	Note	£	2015 £
Fixed assets			
Tangible assets	10		3,358,720
Current assets			
Debtors	11	82,383	
Cash at bank and in hand		<u>229,441</u>	
			311,824
Liabilities			
Creditors: amounts falling due within one year	12	<u>(202,156)</u>	
Net current assets			<u>109,668</u>
Total assets less current liabilities			3,468,388
Defined benefit pension scheme liability	19		<u>(601,000)</u>
Total net assets			<u><u>2,867,388</u></u>
Funds of the academy			
Restricted funds:			
Fixed Asset Fund	13	3,358,720	
General Fund			-
Pension Reserve	13	(601,000)	
Total restricted funds	13		2,757,720
Unrestricted funds	13		<u>109,668</u>
Total funds	13		<u><u>2,867,388</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 12/12/15 and are signed on their behalf, by:


Steve King
Chair of Trustees

The notes on pages 17 to 34 form part of these financial statements.

GODINTON ACADEMY TRUST
(A company limited by guarantee)

Cash Flow Statement
For the period ended 31 August 2015

	Note	2015 £
Cash flow from operating activities		
Net cash provided by (used in) operating activities	15	92,387
Cash flows from investing activities	16	(217,809)
Cash transferred on conversion to an academy trust	18	354,863
		<hr/>
Change in cash and cash equivalents in the reporting period		<u>229,441</u>
Cash and cash equivalents at the end of the period		<u>229,441</u>

GODINTON ACADEMY TRUST
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

1. Statement of accounting policies

1.1 Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Academies Accounts Direction 2014 to 2015 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

These financial statements have been prepared for the period 26 January 2015 to 31 August 2015 which is a period of less than twelve months. This is because academy trusts are required by EFA to report annually to 31 August and because of the date of incorporation the Academy Trust is not permitted under the Companies Act 2006 to extend its accounting reference date to more than eighteen months but it may shorten it.

1.2 Fund accounting

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

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

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

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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

Donated facilities and services provided to the academy trust are recognised at their value to the

GODINTON ACADEMY TRUST
(A company limited by guarantee)

Notes to the Financial Statements
For the period ended 31 August 2015

academy trust in the period when it is probable that the economic benefits associated with the donated items will flow to the academy trust, provided they can be measured reliably. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities.

Donated goods are recognised at fair value unless it is impractical to measure this reliably in which case a derived value, being the cost of the item to the donor (for example sponsor services), is used. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities except where the donated good is a fixed asset in which case the gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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

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

1.4 Expenditure

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

- **Expenditure on Raising Funds**

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable Activities**

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

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.

GODINTON ACADEMY TRUST
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Notes to the Financial Statements
For the period ended 31 August 2015

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use. School buildings are valued on the basis of the desk top valuation provided by Mouchel to the EFA.

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

Long-term leasehold property	-	2% straight line
Motor vehicles	-	3 years straight line
Fixtures and fittings	-	25% straight line
Computer equipment	-	3 years straight line

1.7 Taxation

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

1.8 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 28, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are

GODINTON ACADEMY TRUST
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Notes to the Financial Statements
For the period ended 31 August 2015

updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

1.9 Conversion to an Academy Trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Godinton Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Godinton Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

2. Donations and capital grants

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Capital grants	-	8,714	8,714
Assets inherited on conversion	345,801	2,557,962	2,903,763
Donations	3,046	-	3,046
	<u>348,847</u>	<u>2,566,676</u>	<u>2,915,523</u>

3. Other trading activities

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Hire of facilities	198	-	198
Catering income	-	3,188	3,188
School trip income	-	8,319	8,319
Other income	14,858	10,979	25,837
	<u>15,056</u>	<u>22,486</u>	<u>37,542</u>

GODINTON ACADEMY TRUST
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Notes to the Financial Statements
For the period ended 31 August 2015

4. Funding for Academy's educational operations

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
DfE/EFA revenue grants			
General Annual Grant (GAG)	-	717,276	717,276
Start up grants	-	25,000	25,000
Pupil premium	-	45,784	45,784
Other DfE/EFA grants	-	32,151	32,151
	<u>-</u>	<u>820,211</u>	<u>820,211</u>
Other government grants			
Other government grants	-	18,747	18,747
	<u>-</u>	<u>18,747</u>	<u>18,747</u>
	<u>-</u>	<u>838,958</u>	<u>838,958</u>

5. Expenditure

	Staff costs 2015 £	Non Pay Depreciation 2015 £	Expenditure Other costs 2015 £	Total 2015 £
Expenditure on raising funds	-	-	19,926	19,926
Academy's educational operations:				
- Direct costs	577,051	-	64,766	641,817
- Support costs	135,240	47,469	135,183	317,892
	<u>712,291</u>	<u>47,469</u>	<u>219,875</u>	<u>979,635</u>

Net income/(expenditure) for the period includes

2015
£

Depreciation of tangible fixed assets:

- owned by the charity	47,470
Fees payable to auditor for:	7,000
- audit	7,000
- other services	4,125
	<u>4,125</u>

GODINTON ACADEMY TRUST
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Notes to the Financial Statements
For the period ended 31 August 2015

6. Charitable activities

	Educational operations £	Total 2015 £
Direct costs – educational activities		
Educational supplies	42,736	42,736
Staff development	12,822	12,822
Educational consultancy	9,208	9,208
Other direct costs	27,785	27,785
Wages and salaries	451,006	451,006
National insurance	7,403	7,403
Pension cost	90,857	90,857
	<u>641,817</u>	<u>641,817</u>

Support costs – educational operations

	Educational operations £	Total 2015 £
LGPS costs	11,000	11,000
Maintenance of premises and equipment	22,180	22,180
Cleaning	1,227	1,227
Rent & rates	4,640	4,640
Light & heat	9,370	9,370
Security & transport	361	361
Catering	36,245	36,245
Computer costs	7,763	7,763
Other support costs	15,718	15,718
Loss on disposal of fixed assets	295	295
Wages and salaries	91,877	91,877
National insurance	20,363	20,363
Pension cost	23,000	23,000
Depreciation	47,470	47,470
Governance costs	26,383	26,383
	<u>317,892</u>	<u>317,892</u>
Total direct and support costs	<u>959,709</u>	<u>959,709</u>

GODINTON ACADEMY TRUST
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Notes to the Financial Statements
For the period ended 31 August 2015

7. Staff

a. Staff costs

Staff costs during the period were:

	2015 £
Wages and salaries	542,883
Social security costs	27,766
Operating costs of defined benefit pension schemes	113,857
	<hr/>
	684,506
Supply staff costs	<hr/> 27,785
	<hr/> 712,291 <hr/>

b. Staff numbers

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

	2015 No.
Teaching	16
Administration and support	40
Management	6
	<hr/>
	<hr/> 62 <hr/>

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in the period.

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £141,886.

GODINTON ACADEMY TRUST
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Notes to the Financial Statements
For the period ended 31 August 2015

8. Related Party Transactions – Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. If this is not the case payments must be disclosed separately. The value of trustees' remuneration and other benefits was as follows:

	2015 £
J Holditch - Remuneration	35,000-40,000
- Employer's pension contributions	0-5,000
A McGoldrick – Remuneration	5,000-10,000
- Employer's pension contributions	0-5,000
E Paggett – Remuneration	5,000-10,000
- Employer's pension contributions	0-5,000

During the period, no Trustees received any reimbursement of expenses.

Other related party transactions involving the trustees are set out in note 27.

9. Trustees' and officers' insurance

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

10. Tangible fixed assets

	Long-term leasehold property £	Asset under construction £	Motor vehicles £	Fixtures and fittings £	Computer equipment £
Cost or valuation					
Additions	211,957	11,800	-	1,676	1,090
Disposals	-	-	-	-	(295)
Assets on conversion	<u>3,071,521</u>	<u>-</u>	<u>3,998</u>	<u>42,056</u>	<u>62,387</u>
At 31 August 2015	<u>3,283,478</u>	<u>11,800</u>	<u>3,998</u>	<u>43,732</u>	<u>63,182</u>
Depreciation					
Charge for the period	<u>30,817</u>	<u>-</u>	<u>666</u>	<u>5,467</u>	<u>10,520</u>
At 31 August 2015	<u>30,817</u>	<u>-</u>	<u>666</u>	<u>5,467</u>	<u>10,520</u>
Net book value					
At 31 August 2015	<u>3,252,661</u>	<u>11,800</u>	<u>3,332</u>	<u>38,265</u>	<u>52,662</u>

GODINTON ACADEMY TRUST
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Notes to the Financial Statements
For the period ended 31 August 2015

10. Tangible Fixed Assets cont'd

	Total £
Cost or valuation	
Additions	226,523
Disposals	(295)
Assets on conversion	<u>3,179,962</u>
At 31 August 2015	<u>3,406,190</u>
Depreciation	
Charge for the period	<u>47,470</u>
At 31 August 2015	<u>47,470</u>
Net book value	
At 31 August 2015	<u><u>3,358,720</u></u>

11. Debtors

	2015 £
VAT	8,406
Other debtors	42,151
Prepayments and accrued income	31,826
	<u>82,383</u>

12. Creditors:
Amounts falling due within one year

	2015 £
Trade creditors	51,189
Taxation and social security	20,486
Other creditors	21,665
Accruals and deferred income	108,816
	<u>202,156</u>

GODINTON ACADEMY TRUST
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Notes to the Financial Statements
For the period ended 31 August 2015

13. Funds cont'd

Deferred income	£
Resources deferred during the year	<u><u>35,318</u></u>

At the balance sheet date deferred income included funding received in advance for Universal Infant Free School Meals and school trip funding relating to the following financial year.

13. Funds

	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £	
Unrestricted funds						
Unrestricted fund	-	363,903	-	(254,235)	-	109,668
Restricted funds						
General Annual Grant (GAG)	-	717,276	(753,702)	36,426	-	-
Start up grants	-	25,000	(25,000)	-	-	-
Pupil premium	-	45,784	(45,784)	-	-	-
Other DfE/EFA grants	-	32,151	(32,151)	-	-	-
Other government grants	-	18,747	(18,747)	-	-	-
Other generated fund	-	22,486	(22,486)	-	-	-
Pension reserve	-	(622,000)	(34,000)	-	55,000	(601,000)
	<u>-</u>	<u>239,444</u>	<u>(931,870)</u>	<u>36,426</u>	<u>55,000</u>	<u>(601,000)</u>
Restricted Fixed asset fund						
Assets held for depreciation	-	3,179,962	(47,765)	226,523	-	3,358,720
Devolved formula capital	-	8,714	-	(8,714)	-	-
	<u>-</u>	<u>3,188,676</u>	<u>(47,765)</u>	<u>217,809</u>	<u>-</u>	<u>3,358,720</u>
Total restricted funds	<u>-</u>	<u>3,428,120</u>	<u>(979,635)</u>	<u>254,235</u>	<u>55,000</u>	<u>2,757,720</u>
Total of funds	<u>-</u>	<u>3,792,023</u>	<u>(979,635)</u>	<u>-</u>	<u>55,000</u>	<u>2,867,388</u>

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

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13. Funds cont'd

Unrestricted funds are applied to the general work of the academy to support activities inside and outside the curriculum.

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets.

14. Analysis of net assets between funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted Fixed asset fund 2015 £	Total funds 2015 £
Tangible fixed assets	-	-	3,358,720	3,358,720
Current assets	109,668	202,156	-	311,824
Creditors due within one year	-	(202,156)	-	(202,156)
Provisions for liabilities and charges	-	(601,000)	-	(601,000)
	<u>109,668</u>	<u>(601,000)</u>	<u>3,358,720</u>	<u>2,867,388</u>

15. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2015 £
Net income for the reporting period (as per the statement of financial activities)	2,812,388
Adjusted for:	
Assets on conversion (note 18)	(3,534,825)
Pension liability on conversion (note 18)	622,000
Depreciation of tangible fixed assets (note 10)	47,470
Deficit on disposal of tangible fixed assets	295
Capital grants from DfE	(8,714)
Increase in debtors	(82,383)
Increase in creditors	202,156
Pension adjustments (note 19)	34,000
Net cash provided by Operating Activities	<u><u>92,387</u></u>

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16. Analysis of cash flows for headings netted in cash flow statement

	2015 £
Cash flows from investing activities	
Purchase of tangible fixed assets	(226,523)
Capital grants from DfE	8,714
	<hr/>
Net cash outflow capital expenditure	<hr/> (217,809) <hr/>

17. Analysis of cash and cash equivalents

	29 January 2015 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	-	229,441	229,441
	<hr/>	<hr/>	<hr/>
Total cash and cash equivalents	<hr/> -	<hr/> 229,441	<hr/> 229,441 <hr/>

18. Conversion to an Academy Trust

On 1 March 2015 Godinton Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Godinton Academy Trust from Kent County Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as voluntary income.

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

	Unrestricted funds £	Restricted funds £	Restricted Fixed asset fund £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	3,071,521	3,071,521
- Other tangible fixed assets	-	-	108,440	108,440
Budget surplus/(deficit) on LA funds	345,801	-	-	345,801
LGPS pension surplus/(deficit)	-	(622,000)	-	(622,000)
Net assets/(liabilities)	<hr/> 345,801	<hr/> (622,000)	<hr/> 3,179,961	<hr/> 2,903,762 <hr/>

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Notes to the Financial Statements
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18. Conversion to an Academy Trust continued

The above net assets/liabilities include £354,863 that were transferred as cash.

19. 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 Kent County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2015.

Contributions amounting to £21,665 were payable to the scheme at 31 August 2015 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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19. Pension commitments (continued)

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

The pension costs paid to TPS in the period amounted to £48,658

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

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 period ended 31 August 2015 was £46,000, of which employer's contributions totalled £36,000 and employees' contributions totalled £10,000. The agreed contribution rates for future years are % for employers and variable% for employees.

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

As described in note 24 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £
Equities	-	193,000
Gilts	-	3,000
Other Bonds	-	31,000
Property	-	38,000
Cash	-	7,000
Target Return Portfolio	-	12,000
Total market value of assets		284,000
Present value of scheme liabilities		(885,000)
(Deficit)/surplus in the scheme		(601,000)

The amounts recognised in the Balance sheet are as follows:

	2015 £
Present value of funded obligations	(885,000)

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Notes to the Financial Statements
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19. Pension commitments (continued)

Fair value of scheme assets	<u>284,000</u>
Net liability	<u>(601,000)</u>

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

	2015 £
Current service cost	(59,000)
Interest on obligation	(16,000)
Expected return on scheme assets	<u>5,000</u>
Total	<u>(70,000)</u>
Actual return on scheme assets	<u>(10,000)</u>

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

	2015 £
Current service cost	59,000
Interest cost	16,000
Contributions by scheme participants	10,000
Actuarial Gains	(70,000)
Liabilities acquired on conversion	<u>870,000</u>
Closing defined benefit obligation	<u>885,000</u>

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

	2015 £
Expected return on assets	5,000
Actuarial gains and (losses)	(15,000)
Contributions by employer	36,000
Contributions by employees	10,000
Assets acquired on conversion	<u>248,000</u>
	<u>284,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £55,000.

The academy expects to contribute £72,000 to its Defined benefit pension scheme in 2016.

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Notes to the Financial Statements
For the period ended 31 August 2015

19. Pension commitments (continued)

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

	2015
Property	11.00%
Equities	68.00%
Gilts	1.00%
Other Bonds	11.00%
Cash	3.00%
Target Return Portfolio	4.00%

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

	2015
Discount rate for scheme liabilities	4.00%
Rate of increase in salaries	4.50%
Rate of increase for pensions in payment / inflation	2.70%
Inflation assumption (CPI)	2.70%
RPI increase	3.60%

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

	2015
Retiring today	
Males	22.8
Females	25.2
Retiring in 20 years	
Males	25.1
Females	27.6

Amounts for the current period are as follows:

Defined benefit pension schemes

	2015
	£
Defined benefit obligation	(885,000)
Scheme assets	284,000
	<hr/>
Deficit	(601,000)
	<hr/>
Experience adjustments on scheme liabilities	70,000
Experience adjustments on scheme assets	(15,000)
	<hr/>

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Notes to the Financial Statements
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20. Operating lease commitments

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

	2015
	£
Expiry date:	
Between 2 and 5 years	<u><u>2,620</u></u>

21. Related party transactions

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