

Company Number 07887259

**GOLDSWORTH PRIMARY SCHOOL**  
**ANNUAL REPORT**  
**31 AUGUST 2012**

Baker Tilly Tax and Accounting Limited  
3<sup>rd</sup> Floor, One London Square  
Cross Lanes, Guildford  
Surrey GU1 1UN

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**GOLDSWORTH PRIMARY SCHOOL****ANNUAL REPORT  
for the period ended 31 August 2012**

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**GOLDSWORTH PRIMARY SCHOOL****GOVERNORS' ANNUAL REPORT**  
for the period ended 31 August 2012

The governors present their first report and the first financial statements of Goldsworth Primary School (also referred to as the "school" and the "charitable company") for the period ended 31 August 2012

**REFERENCE AND ADMINISTRATIVE DETAILS**

The governors, who are also trustees of the charity and directors of the company, have held office since 20 December 2011, as follows

Mrs J Deans	<b>Chair</b> (appointed 20 December 2011)
Mr H S Nicholls	<b>Vice Chair</b> (appointed 20 December 2011)
Mrs P Alexander	<b>Headteacher of Goldsworth Primary School &amp; Accounting Officer</b> (appointed 20 December 2011)
Mr R J Field	<b>Responsible Officer</b> (from 26 September 2012) (appointed 20 December 2011)
Mrs E L Stanger	<b>Responsible Officer</b> (appointed 20 December 2011 and resigned 31 August 2012)
Mrs H J Addison	(appointed 20 December 2011)
Mrs J Barber	(appointed 20 December 2011 and resigned 1 November 2012)
Mrs C P Davey	(appointed 20 December 2011)
Mr A R Hall	(appointed 20 December 2011)
Mrs K J Hitchings	(appointed 20 December 2011 and resigned 31 March 2012)
Mr N Hornzee	(appointed 20 December 2011)
Mrs G M Osborne	(appointed 20 December 2011)
Miss A Simpson	(appointed 20 December 2011)
Mr K R Thomas	(appointed 20 December 2011)
Mr R Yassin	(appointed 20 December 2011)

The principal address of the charity and the registered office of the company are the premises of Goldsworth Primary School at Bridge Barn Lane, Woking, Surrey GU21 6NL

Goldsworth Primary School is an exempt charity that is not therefore required to register with the Charity Commission, and the company is incorporated with the company registration number 07887259

The governors have made the following professional appointments

Accountant	Baker Tilly Tax and Accounting Limited, 3 <sup>rd</sup> Floor, One London Square, Cross Lanes, Guildford, Surrey GU1 1UN
Auditor	Baker Tilly UK Audit LLP, 3 <sup>rd</sup> Floor, One London Square, Cross Lanes, Guildford, Surrey GU1 1UN
Banker	Lloyds TSB plc, Commercial Way, Woking, Surrey

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In addition to the Headteacher, the following other key senior members of staff that comprise the Senior Leadership Team are responsible for the day-to-day management of the charitable company

Miss A Simpson	Assistant Headteacher & Special Educational Needs Co-ordinator
Mrs E Rinttila	Assistant Headteacher & Upper Key Stage 2 Co-ordinator
Miss J Taylor	Early Years Co-ordinator
Miss J East	Key Stage 1 Co-ordinator
Mrs C Thomas	Lower Key Stage 2 Co-ordinator
Mrs L Mills	Business Manager, Clerk to the Governors and Company Secretary

**STRUCTURE, GOVERNANCE AND MANAGEMENT****Status & History**

Goldsworth Primary School is an exempt charity and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £10 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter.

The current members of the charitable company are Mrs J Deans, Mr A R Hall and Mr H S Nicholls.

The principal activity of Goldsworth Primary School is to run a primary school for boys and girls located in Woking, Surrey.

Goldsworth Primary School runs a school that was originally a local authority operated school in Woking, Surrey. It moved to its current location in 1995 and converted to academy status on 1 February 2012. The charitable company was incorporated on 20 December 2011.

Goldsworth Primary School is governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 20 December 2011.

**Organisational Structure**

The governors have responsibility for setting and monitoring the overall strategic direction of the charitable company and approving decisions reserved to governors.

The full governing body meets once a term. The full governing body has agreed that certain of their duties (without compromising their legal duty) may be delegated to committees. The terms of reference for these committees are reviewed and approved annually by the full governing body.

The main committees are as follows:

*Resources Committee* (which has delegated responsibility for finance, personnel, health and safety, premises and public relations) - The committee meets once a term and comprises 50% of the full board. The Business Manager attends the meeting to present the financial report to the Governors.

*Children & Learning Committee* (which has delegated responsibility for all elements of the education of pupils) - The committee meets once a term. Each meeting usually includes a subject presentation given by the subject co-ordinator. All staff governors sit on this committee.

The Chair and Vice-Chair of governors hold their posts for 12 months and election is by way of self-nomination.

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Mrs E L Stanger was appointed as Responsible Officer but resigned before undertaking a school visit. The position was filled by Mr R J Field following the year end.

The Headteacher is the Accounting Officer and works closely with both the other governors and the senior staff of Goldsworth Primary School.

Decisions made by the board, whether acting as a full board or through a committee, are taken in full consideration of recommendations, investigations and experience of the governors, the Headteacher and key staff. Where it is relevant, independent professional advice is also sought.

Additionally, ad hoc working parties of governors are established to consider specific issues and make recommendations to the board.

The day-to-day management of Goldsworth Primary School rests with the Headteacher who has overall responsibility for the school. The Headteacher is responsible for establishing a Senior Leadership Team.

**Method of Recruitment, Appointment, Election, Induction & Training of Governors***Recruitment & Election*

When a vacancy on the governing body becomes available, the governors consider the mix of skills that should be available to the board. New governors, where possible, will then be sought with new skills that may be required.

Parent governors are, in the first instance, sought from the parents/guardians of pupils at the school and are nominated and elected by the parents.

Staff governors are elected from the employees of the school.

Other governors are drawn from members of the local community who have expressed an interest in the future well-being of the school and its pupils. Recruitment is therefore likely to be through a combination of approaches to individuals with known skills and by wider communications to those within the Woking area of Surrey.

New governors are appointed to the board by the existing governors for a period of 4 years. Retiring governors are eligible for re-election.

*Induction & Training*

Individual governors attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date.

New governors receive information packs and have an induction meeting with the Chair and Headteacher. They are invited to attend all committee meetings (as an observer if not a member of the committee) to aid understanding. Governors with educational subject responsibility are encouraged to meet with the school's counter-part subject co-ordinator to gain further understanding in the subject and report back to the other governors.

All governors are encouraged to be involved in the school life and the school is fortunate to have a number of active governors.

Finally, a Governors Day is held annually where governors are given the opportunity to observe lessons, meet with teachers and receive training on specific matters.

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**Risk & Corporate Governance Matters**

The governors have a robust attitude towards risk. All governors are offered safeguarding training and the Chair (who often sits on staff selection interviews) also undertakes safer recruitment training. The Chair is also the Governor for Child Protection and Looked-After Children. The nominated health & safety governor undertakes a termly school walkabout to identify and monitor premises issues with the emphasis being on health and safety. The school has a fully implemented health and safety policy.

In addition to the above, we also have risk assessments undertaken for all school trips, for use of the playground, a health and safety policy and a fire risk assessment. The walkabouts by the Health & Safety governor monitor any health and safety issues in the school and the premises manager is responsible for their day-to-day resolution in conjunction with the maintenance contractor.

With regards to internal financial risk management, the school follows robust procedures to ensure a level of separation of responsibilities and levels of authorization. These will all be documented in the finance manual. In addition, the Responsible Officer will undertake termly reviews.

**Governors' Responsibilities in the Preparation of Financial Statements**

The governors (who are also the trustees and directors of Goldsworth Primary School for the purposes of charity and company law) are responsible for preparing the governors' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of the incoming resources and application of resources, including income and expenditure, for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements 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 governors are responsible for keeping proper accounting records, which 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 Companies Acts 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the Department for Education (DfE) via the Education Funding Agency (EFA) have been applied for the purposes intended.

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

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**Auditor**

Baker Tilly UK Audit LLP has been appointed as the first auditor to the charitable company and has indicated its willingness to continue in office

**Statement as to Disclosure of Information to the Auditor**

The governors at the date of approval of this governors' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the governors 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

**Professional Indemnity Insurance**

In accordance with normal commercial practice the charitable company has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. The insurance arranged through Marsh provides cover of up to £5,000,000 on any one claim and the cost to the charitable company for the period from 1 February 2012 to 31 January 2013 was £1,150

**OBJECTIVES AND ACTIVITIES****Charitable Objectives**

The charitable objectives for which the charitable company was established are set down in its governing document as follows

- 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 schools ("the Academies") offering a broad and balanced curriculum, and
- To promote for the benefit of the inhabitants of Woking and the surrounding area the provision of facilities, for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare, and with the object of improving the condition of life of the said inhabitants

**Charitable Activities**

The principal activity of Goldsworth Primary School is currently to run a primary school for boys and girls located in Woking, Surrey

**Indicators, Milestones & Benchmarks**

The governors use the following key measures to assess the success of the activities of the charitable company

- School Development Plan (3 Year Plan)
- Self-Evaluation Form (SEF)
- Benchmarking
- SATs results
- Findings and observations of the School Improvement Advisor

**GOLDSWORTH PRIMARY SCHOOL****GOVERNORS' ANNUAL REPORT  
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The governors have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this governors' annual report

*Benefits & Beneficiaries*

In accordance with its charitable objectives, the charitable company strives to advance the education of the pupils attending the school. The charitable company's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the school.

*Governors' Assessment of Public Benefit*

In order to determine whether or not the charitable company has fulfilled its charitable objectives for public benefit, the governors gather evidence of the success of Goldsworth Primary School's activities using the measures set out above.

**Relationships with Related Parties & Representation on Other Bodies**

The school maintains a relationship with Surrey County Council and continues to use some of its educational support services either directly or via Babcock 4S, its education partner.

The school also remains an active member of the Woking Schools Confederation and has provided Local Leader of Education (LLE) support to two local schools.

St John's School was placed into special measures in May 2012 and its headteacher left her position shortly after. As a local academy, Mrs Alexander agreed that Goldsworth Primary School should support St John's School, and as a result, on 1 September 2012, she was appointed as the executive head of St John's School, with a temporary headteacher, Ms S May, managing the school on a day-to-day basis. In addition, Goldsworth Primary School will provide senior management team support to St John's School.

In addition, the Headteacher supports local educational bodies through being a member of the Woking Schools Learning Partnership steering committee, a member of the Primary Academy Group and as Chair of the Woking Area Sport in Primary Schools committee.

**ACHIEVEMENTS AND PERFORMANCE****2012 KS1 & KS2 SATs Results**

We continue to compare favourably with high performing schools in Surrey, which is a high performing authority in itself.

*2012 Key Stage 1 SATs Results  
( ) represents Surrey Averages*

% Level 2+	2009	2010	2011	2012
Reading	88(89)	95(88)	93(89)	92(90)
Writing	91(86)	90(85)	89(86)	92(87)
Mathematics	98(93)	94(93)	98(93)	96(94)



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% Level 3	2009	2010	2011	2012
Reading	50(38)	52(38)	48(39)	48(39)
Writing	32(18)	28(17)	27(18)	17(18)
Mathematics	50(32)	50(32)	45(32)	43(33)

*2012 Key Stage 2 SATs Results*

% Level 4+	2009	2010	2011	2012
Reading	97(90)	97(87)	87(87)	97(89)
Writing	79(73)	88(74)	75(78)	93(83)
English	88(85)	95(85)	82(85)	95(88)
Mathematics	95(81)	97(81)	82(83)	95(86)

% Level 5+	2009	2010	2011	2012
Reading	48(56)	72(57)	57(56)	70(56)
Writing	31(23)	52(24)	15(22)	27(30)
English	40(36)	64(52)	38(34)	53(44)
Mathematics	71(40)	60(39)	48(40)	72(45)

**Progress**

92% of pupils made expected progress in English and 95% of pupils made expected progress in Mathematics

**Sporting Achievements****Winners of Woking Schools**

- Swimming Gala
- Rugby festival
- Football Tournament and Football league

**Runners-up**

- Cross Country

Represented Woking in County championships at netball, football and swimming

**Professional development**

International and national qualified teachers have observed outstanding teaching at the school as part of their professional development

We have successfully trained participants in the Graduate Teacher Programme and the Registered Teacher Programme

**Environmental**

The school was presented with the bronze award for Eco-schools

We were Winners of Schools Award at the Royal Horticultural Gardens at Wisley

Forest schools is part of the curriculum

**GOLDSWORTH PRIMARY SCHOOL**

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**Citizenship**

We celebrated the Queen's Jubilee and the Olympics with a garden party and torch relay, respectively

A Young Entrepreneur project took place with Year 6 pupils

**Music**

The school collaborated with the church to present 'One Christmas'

Participating in the Tune-Up programme has given all children in Year 4 instrumental tuition in either the clarinet or trumpet. Many of those children have been inspired to continue their lessons privately

In addition, the school supports Surrey Arts in relation to piano and guitar lessons, and a local music teacher provides private violin lessons

**Curriculum**

The school prides itself on the wide range of extra-curricular activities and school trips (both day and residential) from which the children gain a wealth of experience. This year, this has been extended to include a Year 4 residential trip and a Year 3 'sleep over'

**Impact of Activities & Events and Assessment of Public Benefit**

Goldsworth has had a very successful year with excellent academic achievements both in attainment and progress made. It is very popular in the local community and as such is oversubscribed every year with over 2 applicants per school place. Our school population is ethnically diverse which gives a richness to the school and provides our pupils with a unique opportunity to learn and understand about other cultures.

We pride ourselves on the wealth of educational experiences we give the pupils throughout their time at Goldsworth Primary School. The benefits of these lead, every year, to very confident and independent pupils leaving in Year 6 – we are always very proud of them.

**FINANCIAL REVIEW**

**Financial Outcome of Activities & Events**

This has been the first year as an academy and has been a steep learning curve for the Business Manager. The school has invested in a new finance programme to assist in meeting the more demanding accounting requirements of the EFA and of Company and Charity Law.

The school ended the year with a surplus which will be reinvested in the academic year 2012-13, mainly in relation to the premises improvements.

The after school club (Wise Owl Club) continues to attract a high number of users and, as in previous years, has made a small surplus. During the year, the club has employed a manager to relieve some of the pressure on the senior supervisors. The club maintains a reserve of approximately £10,000 as it cannot rely on the school's General Annual Grant funding for support.

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The swimming pool was enclosed in summer 2011. This is a new initiative and has brought its own challenges. We are awaiting the final contribution from Woking Borough Council in relation to their use of the pool, but it is hoped that there will be a small in-year surplus (without recourse to Woking Borough Council's start-up funding). This is a very pleasing and unexpected outcome as it was anticipated that the swimming pool would make an in-year loss with the start-up fund having to be utilised.

**Reserves Policy**

The governors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the school and to fund future projects. The governors intend to review the reserves policy annually to ensure that this aim can be achieved.

At the balance sheet date, the charitable company had free reserves of £156,813.

The governors intend to utilise these reserves in the near future to improve the infrastructure of the school's premises that were inherited from the local authority.

**Investments Policy**

The governors' investment powers are set down in the charitable company's Memorandum and Articles of Association, which permit the investment of monies of the charitable company that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The charitable company's current policy is to invest surplus funds in short-term cash deposits.

**PLANS FOR FUTURE PERIODS****Pupils**

Goldsworth Primary School will continue to work to maintain the performance of its pupils at all levels.

Additionally, it will continue its efforts to improve the achievements of its students, not only in academic subjects but also in extra-curricular activities and in essential life skills, so as to increase the number of opportunities open to its students throughout their life from their continuing education to, ultimately, employment.

Goldsworth Primary School will continue to strive for the best education of not only its current and future pupils, but for all primary aged children in the wider community. It recognises its moral purpose and will support, where possible, other schools.

In recognition of the above commitment, Goldsworth Primary School has considered the current crisis in relation to the lack of school places across the county. In a response to a request from Surrey County Council, the governing body has agreed to increase its annual Reception intake from 60 to 90 pupils so that the school will fully extend to a permanent three form entry by September 2019. This is subject to sufficient additional funding being agreed by Surrey County Council (see below).

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**GOVERNORS' ANNUAL REPORT**  
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**Buildings and Premises**

In view of the expected increase in pupil numbers, the governing body is aware that the facilities within the school are insufficient to meet the increased needs and therefore a large building project is required. This will provide seven classrooms and additional communal areas, as well as alterations to the existing school buildings. Building works will commence in July 2013.

The school does not have any funds to support this project and Surrey County Council have agreed, in principle, to provide the funding. However, this has yet to be finalised and the project will only continue if full funding is available.

**Staffing**

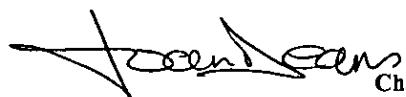
Goldsworth Primary School prides itself on the high calibre staff (both teaching and non-teaching) that the school currently attracts and it is committed to ensuring that this continues.

In addition, the proposed expansion in pupil numbers will increase the number of middle and senior management positions within the school. This will enable the school to retain good staff by being able to offer more promotional opportunities and attract outside staff who want to enhance their career.

**FUNDS HELD AS CUSTODIAN**

Although the charitable company maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors and other funders, Goldsworth Primary School does not hold, and the governors do not anticipate that it will in the future hold, any funds as custodian for any third party.

This report was approved by the board of governors on 19 December 2012, and was signed for and on behalf of the board by

  
Chair  
Mrs J Deans

19 December 2012

**GOLDSWORTH PRIMARY SCHOOL****GOVERNANCE STATEMENT**  
**for the period ended 31 August 2012****Scope of Responsibility**

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

The board of governors 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 Goldsworth Primary School and the Secretary of State for Education. She is also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

**Governance**

The governing body has met formally two times during the charitable company's first financial period. Attendance at meetings was as follows:

Governor	Meetings attended	Out of possible
Mrs J Deans	2	2
Mr H S Nicholls	1	2
Mrs P Alexander	2	2
Mr R J Field	0	2
Mrs E L Stanger	1	2
Mrs H J Addison	1	2
Mrs J Barber	2	2
Mrs C P Davey	2	2
Mr A R Hall	2	2
Mrs K J Hitchings	2	2
Mr N Hornzee	2	2
Mrs G M Osborne	1	2
Miss A Simpson	2	2
Mr K R Thomas	2	2
Mr R Yassin	2	2

The Resources Committee is a sub-committee of the governing body, and its purposes and terms of reference cover those of a typical audit committee. The Resources Committee met three times during the charitable company's first financial period. Attendance at meetings was as follows:

Governor	Meetings attended	Out of possible
Mrs J Deans	2	3
Mr H S Nicholls	3	3
Mrs P Alexander	3	3
Mr R J Field	3	3
Mrs E L Stanger	0	3
Mr A R Hall	2	3
Mr N Hornzee	2	3
Mr K R Thomas	2	3

**GOLDSWORTH PRIMARY SCHOOL****GOVERNANCE STATEMENT  
for the period ended 31 August 2012**

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**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 Goldsworth Primary School's 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 Goldsworth Primary School for the period ended 31 August 2012 and up to the date of approval of the governors' annual report and financial statements.

**Capacity to Handle Risk**

The board of governors has reviewed the key risks to which Goldsworth Primary School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal on-going process for identifying, evaluating and managing Goldsworth Primary School's significant risks that has been in place for the period ended 31 August 2012 and up to the date of approval of the governors' annual report and financial statements. This process is regularly reviewed by the board of governors.

**The Risk and Control Framework**

Goldsworth Primary School'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 governors,
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines, delegation of authority and segregation of duties, and
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors did appoint Mrs E Stanger, a governor, as the charitable company's first Responsible Officer ("RO"). Before Mrs Stanger undertook any reviews, she resigned from the Governing Body and as at 31 August 2012, the post of RO was vacant. However, since that time Mr R Field has been appointed and has undertaken his first review.

The RO's role includes giving advice on financial matters and performing a range of checks on Goldsworth Primary School's financial systems. On a quarterly basis, the RO will report to the board of governors on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

**GOLDSWORTH PRIMARY SCHOOL**

**GOVERNANCE STATEMENT  
for the period ended 31 August 2012**

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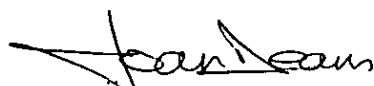
**Review of Effectiveness**

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period ended 31 August 2012, this review has been informed by

- the work of the external auditor,
- the financial management and governance self-assessment process, and
- the work of the executive managers within Goldsworth Primary School who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of governors on 19 December 2012 and signed on its behalf by

  
Mrs J Deans

**Chairman**

19 December 2012

  
Mrs P Alexander

**Accounting Officer**

19 December 2012

**GOLDSWORTH PRIMARY SCHOOL**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
for the period ended 31 August 2012**

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As accounting officer of Goldsworth Primary School, I have considered my responsibility to notify the charitable company's governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the charitable company 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 charitable company's governing body are able to identify any irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company'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.

*P.R. Alexander* Accounting Officer  
Mrs P. Alexander

19 December 2012



**GOLDSWORTH PRIMARY SCHOOL****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDSWORTH PRIMARY SCHOOL  
for the period ended 31 August 2012**

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We have audited the financial statements of Goldsworth Primary School for the period ended 31 August 2012 on pages 18 to 38. 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 2011/12 issued by the Education Funding Agency.

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of governors and the auditor**

As explained more fully in the Statement of Governors' Responsibilities set out on page 5, the governors (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company 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 (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2012 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,
- have been prepared in accordance with the Companies Act 2006, and
- have been prepared in accordance with the Academies Accounts Direction 2011/12 issued by the Education Funding Agency.

**Opinion on other requirement of the Companies Act 2006**

In our opinion the information given in the governors' annual report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**GOLDSWORTH PROIMARY SCHOOL**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDSWORTH PRIMARY SCHOOL**  
**for the period ended 31 August 2012**

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**Matters on which we are required to report by exception**

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

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

*Baker Tilly UK Audit LLP*

Perry Linton FCA (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
3<sup>rd</sup> Floor, One London Square  
Cross Lanes  
Guildford  
Surrey GU1 1UN

*21 December* 2012

## GOLDSWORTH PRIMARY SCHOOL

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including Income & Expenditure Account)**  
**for the period ended 31 August 2012**

		Eight Month Period Ended 31 August 2012			
	Notes	Unrestricted Funds £	Restricted Funds General    Fixed Assets £                    £		Total 2012 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income – arising upon conversion	2	5,347	(102,181)	5,400,985	5,304,151
Voluntary income – other	2	394	382,381	-	382,775
Activities for generating funds	3	49,462	-	-	49,462
Investment income	4	110	-	-	110
<b>Incoming resources from charitable activities</b>					
School operating income	5	264,327	876,608	-	1,140,935
<b>TOTAL INCOMING RESOURCES</b>		319,640	1,156,808	5,400,985	6,877,433
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
School operating costs	6	124,792	1,026,369	75,540	1,226,701
Governance costs	7	-	36,691	-	36,691
<b>TOTAL RESOURCES EXPENDED</b>		124,792	1,063,060	75,540	1,263,392
<b>NET INCOMING RESOURCES &amp; NET INCOME FOR THE PERIOD</b>		194,848	93,748	5,325,445	5,614,041
<b>TRANSFERS</b>					
Gross transfers between funds		(38,035)	(281,961)	319,996	-
<b>OTHER RECOGNISED GAINS</b>					
Actuarial gains on defined benefit pension schemes	14	-	11,000	-	11,000
<b>NET MOVEMENT IN FUNDS</b>		156,813	(177,213)	5,645,441	5,625,041
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward at 20 December 2011		-	-	-	-
<b>TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2012</b>		156,813	(177,213)	5,645,441	5,625,041

The net movement in funds for the period arises from the charitable company's acquired operations

No separate statement of total recognised gains and losses has been presented as all such gains and losses are dealt with in the statement of financial activities

## GOLDSWORTH PRIMARY SCHOOL

CASH FLOW STATEMENT  
for the period ended 31 August 2012

	Notes	Eight Month Period Ended 31 August 2012 £
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net incoming resources and net income for the period		5,614,041
Depreciation		75,540
Investment income receivable		(110)
Non-cash movement – Inherited fixed assets		(5,400,985)
Actuarial gain on defined benefit pension scheme		11,000
Increase in debtors		(186,993)
Increase in creditors		168,983
Increase in defined benefit pension scheme liability		261,000
		<u>542,476</u>
<b>RETURNS ON INVESTMENT</b>		
Investment income received		110
<b>CAPITAL EXPENDITURE</b>		
Payments to acquire tangible fixed assets		(319,996)
<b>INCREASE IN CASH</b>	9 & 10	<u><u>222,590</u></u>

All of the charitable company's cash flows for the period arise from the charitable company's acquired operations

Cash balances of £173,865 were acquired upon conversion to academy status


## GOLDSWORTH PRIMARY SCHOOL

BALANCE SHEET  
as at 31 August 2012

Company number 07887259

	Notes	2012 £
<b>FIXED ASSETS</b>		
Tangible assets	11	5,645,441
<b>CURRENT ASSETS</b>		
Debtors	12	186,993
Cash at bank and in hand		222,590
		<u>409,583</u>
<b>LIABILITIES</b>		
Creditors Amounts falling due within one year	13	(168,983)
<b>NET CURRENT ASSETS</b>		<u>240,600</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES &amp; NET ASSETS EXCLUDING PENSION LIABILITY</b>		<u>5,886,041</u>
Defined benefit pension scheme liability	14	(261,000)
<b>NET ASSETS INCLUDING PENSION LIABILITY</b>		<u><u>5,625,041</u></u>
<b>THE FUNDS OF THE ACADEMY</b>		
Restricted fixed assets funds	15	5,645,441
Restricted general funds – LGPS deficit fund	15	(261,000)
Restricted general funds – other	15	83,787
Unrestricted income funds	15	156,813
<b>TOTAL ACADEMY FUNDS</b>	16	<u><u>5,625,041</u></u>

The financial statements on pages 18 to 38 were approved by the governors and authorised for issue on 19 December 2012, and are signed on their behalf by

 Chair  
Mrs. J. Deans

19 December 2012

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**GOLDSWORTH PRIMARY SCHOOL****Financial statements for the period ended 31 August 2012****ACCOUNTING POLICIES**

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**BASIS OF ACCOUNTING**

The financial statements have been prepared to comply with current statutory requirements (principally being the Companies Act 2006 and the Charities Act 2011), under the historical cost convention and in accordance with United Kingdom Generally Accepted Accounting Practice. The recommendations and guidance in Academies Accounts Direction 2011/12 issued by the Education Funding Agency in August 2012 and in Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) issued by the Charity Commission in March 2005 have been followed.

These financial statements are the first financial statements prepared for this charitable company and cover the eight month period from incorporation to 31 August 2012.

**INCOMING RESOURCES**

Grants receivable for tuition and other wider educational activities, other operating income, rental income, and investment income are accounted for on an accruals basis. Income is recognised as receivable and excluding any relevant Value Added Tax when earned by the charitable company.

General donations and other similar types of voluntary income are brought into account when received, except that donated income is included gross of any attributable tax recoverable, where relevant. Donated assets, donated services and gifts in kind are recognised in the statement of financial activities at their fair value to the charitable company in the period in which they are receivable, and where the benefit to the charitable company is both quantifiable and material.

All sources of income given for specific purposes are treated as restricted income.

**RESOURCES EXPENDED**

Expenditure is recognised in the period in which the rights and obligations that relate to goods received by or services performed for the charitable company are materially fulfilled, with the relevant liability to pay the suppliers concerned being recognised as a liability. Resources expended are therefore generally recognised in the period in which they are incurred and include any elements of irrecoverable Value Added Tax.

Resources expended are allocated to the charitable company's principal activity, to the costs of generating funds or to governance costs, where the costs involved can be identified as being directly related to those categories. All other costs are categorised as support costs and are allocated in proportions based upon a suitable ratio applicable to the nature of the cost involved.

Governance costs are the costs associated with running the charitable company as a charitable company, and in particular include audit fees and a proportion of other professional fees.

**TAXATION**

The charitable company is considered to pass the tests set out in paragraph 1 schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for United Kingdom corporation tax purposes. Accordingly, the charitable company 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.

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**GOLDSWORTH PRIMARY SCHOOL**

Financial statements for the period ended 31 August 2012

**ACCOUNTING POLICIES**

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**TANGIBLE FIXED ASSETS**

All tangible assets purchased that have a cost that exceeds £5,000 and an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets, other than assets in the course of construction, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Long leasehold land	over 125 years
Long leasehold buildings	over 26 to 50 years
Plant and machinery	over 4 to 10 years

**PENSION CONTRIBUTIONS**

The charitable company participates in two multi-employer defined benefit pension schemes known as the Teachers' Pension Scheme and the Surrey Local Government Pension Scheme. These are centralised schemes for certain qualifying employees with the assets held in a separate fund independently administered by the trustees of the respective pension schemes.

The Teachers' Pensions Scheme is administered by the Teachers' Pensions Agency. The charitable company is unable to identify its share of the underlying assets and liabilities of the scheme. The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the period.

The charitable company is, however, able to identify its share of the underlying assets and liabilities of the Surrey Local Government Pension Scheme, and therefore, the accounting principles relevant to defined benefit pension schemes are applicable. The amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the period, adjusted to reflect variations from that cost. The interest cost and expected return on the underlying assets and liabilities of the pension scheme are treated as finance income or cost for the period.

Full actuarial valuations, carried out by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The underlying assets of the pension scheme are measured at fair value, and the underlying liabilities are measured using the projected unit method and discounted at the current rate of return on high quality corporate bond of equivalent term and currency.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by a reduction in future contributions or to the extent that the trustees of the pension scheme have agreed a refund from the pension scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle that liability. The effect of actuarial gains and losses on the charitable company's pension scheme asset or liability is therefore reflected annually in the balance sheet and through the statement of financial activities.

**LEASED ASSETS AND OBLIGATIONS**

All of the charitable company's leases are "operating leases" and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

**GOLDSWORTH PRIMARY SCHOOL****Financial statements for the period ended 31 August 2012****ACCOUNTING POLICIES**

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**FUND ACCOUNTING**

The general fund comprises the accumulated surpluses of unrestricted incoming resources over resources expended, which are available for use in furtherance of the general objectives of the charitable company

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the governors. The use of designated funds remains at the discretion of the governors

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year end are carried forward in the balance sheet

**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 upon conversion from the maintained school, Goldsworth Primary School, to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the governors 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 Coketown Academy Trust Limited. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as a gift in the statement of financial activities and analysed under unrestricted, restricted general and restricted fixed asset funds



## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

		Eight Month Period Ended 31 August 2012 £
<b>1</b>	<b>GENERAL ANNUAL GRANT (GAG)</b>	
<b>a</b>	<b>Results and carry forward for the period</b>	
	GAG brought forward from previous period	-
	GAG allocation for the current period	815,452
	Total GAG available to spend	815,452
	Recurrent expenditure from GAG	(815,452)
	Fixed assets purchased from GAG	-
	GAG carried forward to the next year	-
	Maximum permitted GAG carry forward at the end of current period (12% of allocation for current period)	97,854
	GAG surrender to DfE (12% rule breached if result is positive)	(97,854)
		=====
		(no breach)
<b>b</b>	<b>Use of GAG brought forward from previous period for recurrent purposes</b>	
	(Of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes Any balance, up to a maximum of 12%, can only be used for capital purposes)	
	Recurrent expenditure from GAG in current period	815,452
	GAG allocation for current period	(815,452)
	GAG allocation for previous period x2%	-
	GAG brought forward from previous period in excess of 2% used on recurrent expenditure in current period (2% rule breached if result is positive)	-
		=====
		(no breach)

## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

<b>Eight Month Period Ended 31 August 2012</b>				
	<b>Unrestricted</b>	<b>Restricted Funds</b>		<b>Total</b>
	<b>Funds</b>	<b>General</b>	<b>Fixed Assets</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>2 VOLUNTARY INCOME</b>				
Assets and liabilities inherited upon conversion				
Agreed cash settlements	5,347	167,819	-	173,166
Fixed assets inherited	-	-	5,400,985	5,400,985
Local government pension scheme deficit	-	(270,000)	-	(270,000)
	5,347	(102,181)	5,400,985	5,304,151
Other donation income	394	-	-	394
Capital grant income	-	382,381	-	382,381
	5,741	280,200	5,400,985	5,686,926
<b>3 ACTIVITIES FOR GENERATING FUNDS</b>				
Sundry lettings and hire of facilities	49,462	-	-	49,462
<b>4 INVESTMENT INCOME</b>				
Bank interest receivable on short term cash deposits	110	-	-	110
<b>5 SCHOOL OPERATING INCOME</b>				
Core academy funding – see note 1				
General Annual Grant (GAG)	-	791,831	-	791,831
Rates and insurance income	-	23,621	-	23,621
	-	815,452	-	815,452
Other government funding				
Academy set up grant	-	25,000	-	25,000
Special Educational Needs income	-	36,156	-	36,156
Other school income				
Other educational income	264,327	-	-	264,327
	264,327	876,608	-	1,140,935

## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

<b>Eight Month Period Ended 31 August 2012</b>				
	<b>Unrestricted</b>	<b>Restricted Funds</b>		<b>Total</b>
	<b>Funds</b>	<b>General</b>	<b>Fixed Assets</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>6 SCHOOL OPERATING COSTS</b>				
Direct costs				
Teaching – staff costs	27,921	639,085	-	667,006
Teaching – other costs	76,475	76,067	-	152,542
Welfare – staff costs	-	6,635	-	6,635
Welfare – other costs	-	2,531	-	2,531
Premises – staff costs	-	2,245	-	2,245
Premises – other costs	20,396	223,436	-	243,832
	<u>124,792</u>	<u>949,999</u>	<u>-</u>	<u>1,074,791</u>
Support costs – see note 7	-	76,370	75,540	151,910
	<u>124,792</u>	<u>1,026,369</u>	<u>75,540</u>	<u>1,226,701</u>

<b>Eight Month Period Ended 31 August 2012</b>			
	<b>Support</b>	<b>Governance</b>	<b>Total</b>
	<b>costs</b>	<b>costs</b>	<b>2012</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>7 SUPPORT AND GOVERNANCE COSTS</b>			
Staff costs	48,852	-	48,852
Depreciation			
Leased assets	73,410	-	73,410
Owned assets	2,130	-	2,130
Auditor's remuneration			
Audit fees	-	9,100	9,100
Accountancy and advisory services	2,225	2,225	4,450
Operating lease rentals			
Plant and machinery	1,272	-	1,272
Legal and professional fees	6,008	25,366	31,374
Net finance expense on pension scheme assets and liabilities – see note 14	6,000	-	6,000
Other costs	12,013	-	12,013
	<u>151,910</u>	<u>36,691</u>	<u>188,601</u>

The charitable company strives to analyse expenditure as direct costs when transactions are being processed, but thereafter, allocates support costs on the basis of estimated staff time involved and/or the nature of the cost

Included within auditor's remuneration are amounts payable to Baker Tilly UK Audit LLP in respect of audit services of £9,100 and amounts payable to Baker Tilly Tax and Accounting Limited in respect of accountancy and advisory services of £4,450

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## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

		Eight Month Period Ended 31 August 2012
8	<b>STAFF COSTS</b>	No
	The average monthly number of persons employed by the charitable company (excluding governors) during the period, expressed as full time equivalents, was as follows	
	Teaching	42
	Welfare	-
	Premises	-
	Support	2
		<u>44</u>
		£
	Staff costs for the above persons	
	Wages and salaries	598,115
	Social security costs	38,959
	Pension costs - defined benefit schemes	
	Teachers' Pension Scheme	56,785
	Local Government Pension Scheme	30,879
		<u>724,738</u>

No member of staff received total emoluments in excess of £60,000 during the current period

**GOVERNORS' REMUNERATION AND EXPENSES**

In addition to being the accounting officer (and also a governor), Mrs P Alexander was the headteacher. In respect of her role as headteacher, Mrs Alexander received emoluments for qualifying services amounting to £47,415, and the charitable company incurred pension costs of £3,900 in respect of the pension benefits accruing to her.

In addition to being governors, Ms J Barber, Ms G Osborne and Ms A Simpson were also members of staff. In respect of their role as members of staff, these governors received aggregate emoluments for qualifying services amounting to £37,446, and the charitable company incurred aggregate pension costs of £4,645 in respect of the pension benefits accruing to them.

Other than as disclosed above, none of the governors received any remuneration for services as a trustee of the charity or as a director of the company during the current period. None of the governors received reimbursement for travel expenses incurred in relation to the charitable company during the period.

**GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the charitable company has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on school business. The insurance arranged through Marsh provides cover of up to £5,000,000 on any one claim and the cost to the charitable company for the period from 1 February 2012 to 31 January 2013 was £1,150.

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## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

Eight Month  
Period Ended  
31 August 2012  
£

9 RECONCILIATION OF NET CASH FLOW TO  
MOVEMENT IN NET FUNDS

Increase in cash in the period	222,590
Other non-cash changes	-
<b>CHANGE IN NET FUNDS</b>	<u>222,590</u>
Net funds at 20 December 2011	-
<b>NET FUNDS AT 31 AUGUST 2012</b>	<u><u>222,590</u></u>

## 10 ANALYSIS OF CHANGES IN NET FUNDS

	20 December 2011 £	Cash flows £	Other non-cash changes £	31 August 2012 £
Cash in hand, at bank	-	222,590	-	222,590
<b>NET FUNDS</b>	<u>-</u>	<u>222,590</u>	<u>-</u>	<u>222,590</u>

## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

## 11 TANGIBLE ASSETS

	Long leasehold land and buildings £	Plant and machinery £	TOTAL £
Cost			
20 December 2011	-	-	-
Assets inherited upon conversion	5,400,985	-	5,400,985
Additions	309,600	10,396	319,996
31 August 2012	5,710,585	10,396	5,720,981
Depreciation			
20 December 2011	-	-	-
Charge in the year	73,410	2,130	75,540
31 August 2012	73,410	2,130	75,540
Net book value			
31 August 2012	5,637,175	8,266	5,645,441

The long leasehold buildings inherited by the charitable company upon conversion were valued at £5,400,985 on an existing use value basis and a depreciated replacement costs basis by DVS Property Specialists

The cost of the above tangible assets was funded by £

Fixed assets inherited upon conversion	5,400,985
Capital grants	319,996
	<u>5,720,981</u>

31 August  
2012  
£

## 12 DEBTORS

Amounts falling due within one year	
Trade debtors	46,471
Other debtors	84,549
Prepayments and accrued income	55,973
	<u>186,993</u>

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## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

	31 August 2012 £
<b>13 CREDITORS</b>	
Amounts falling due within one year	
Trade creditors	56,771
Other tax and social security costs	20,586
Pension contributions creditor	19,857
Accruals	47,615
Deferred income	
School activity income in advance for 2012/2013	24,154
	<u>168,983</u>

**14 PENSION COMMITMENTS**

The charitable company participates in two multi-employer defined benefit pension schemes known as the Teachers' Pension Scheme and the Surrey Local Government Pension Scheme. These are centralised schemes for certain qualifying employees with the assets held in a separate fund independently administered by the trustees of the respective pension schemes. The pension costs are assessed in accordance with the advice of independent qualified actuaries.

**Teachers' Pension Scheme**

The Teachers' Pensions Scheme is administered by the Teachers' Pensions Agency. The charitable company is unable to identify its share of the underlying assets and liabilities of the scheme. The amount charged to the statement of financial activities in respect of pension costs is the total contributions payable for the period, as shown in note 8.

The Teachers' Pensions Scheme is usually valued formally not less than every four years by the Government Actuary in the United Kingdom, however at the moment the last available valuation was carried out at 31 March 2004 using normal actuarial principles. The following key actuarial assumptions were used:

Gross rate of return	6.5%
Real rate of return in excess of	
Prices	3.5%
Earnings	2.0%
Real rate of earnings growth	1.5%

The actuarial valuation applies to the scheme as a whole and does not identify surpluses or deficits applicable to individual participating employers. The 2004 valuation was reported by the Government Actuary in October 2006, and the fair value of the scheme's assets was £163,240 million and the estimated present value of the scheme's liabilities was £166,500 million. The employer and employee contributions to the scheme are calculated at 14.1% and 6.4% of pensionable pay, respectively, with the employee contribution rate amended to tiered contributions with effect from 1 April 2012.

## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

## 14 PENSION COMMITMENTS (Continued)

## Local Government Pension Scheme

The charitable company is, however, able to identify its share of the underlying assets and liabilities of the Surrey Local Government Pension Scheme, and therefore, the accounting principles relevant to defined benefit pension schemes are applicable. The amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the accounting period, adjusted to reflect variations from that cost. The interest cost and expected return on the underlying assets and liabilities of the pension scheme are treated as a net finance income or expense for the period.

Full actuarial valuations, carried out by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The underlying assets of the pension scheme are measured at fair value, and the underlying liabilities are measured using the projected unit method and discounted at the current rate of return on high quality corporate bond of equivalent term and currency.

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by a reduction in future contributions or to the extent that the trustees of the pension scheme have agreed a refund from the pension scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the charitable company has a legal or constructive obligation to settle that liability. The effect of actuarial gains and losses on the charitable company's pension scheme asset or liability is therefore reflected annually in the balance sheet and through the statement of financial activities.

The latest actuarial valuation dated 31 March 2010 has been updated to take account of the requirements of Financial Reporting Standard 17 Retirement Benefits in order to assess the liabilities of the scheme as at 31 August 2012. Scheme assets are stated at their fair value.

The employer contribution rate has been set at 27% of pensionable salary with an equivalent employee contribution rate which is variable by salary and by employee. On that basis, the anticipated employer payments required to be made to the scheme in the coming year amount to £60,000.

The major assumptions used by the actuary were

	At 31 August 2012
Rate of increase in salaries	4.5%
Rate of increase in pensions in payment	2.2%
Discount rate	4.1%
Inflation assumption - rpi	2.9%
- cpi	2.1%



## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

## 14 PENSION COMMITMENTS (Continued)

In the June 2010 Emergency Budget, the government announced that public sector pension increases would in the future be linked to the consumer prices index (cpi) rather than the retail prices index (rpi). The government has since formally implemented this proposal and a legal challenge was rejected. The assumption regarding future pension increases is therefore linked to cpi. It is currently estimated that cpi will on average be approximately 0.8% below rpi, but recent developments suggest this gap may close over time due to planned changes in the way in which cpi and rpi are calculated.

As a new employer within the scheme, the charitable company has been unaffected by the change from rpi to cpi.

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

	At 31 August 2012
Retiring today –	
Males	21.9 years
Females	24.0 years
Retiring in 20 years –	
Males	23.9 years
Females	25.9 years

The assets in the scheme and the expected rate of return were:

	Expected return on total assets at 31 August 2012	Value at 31 August 2012	
		£'000	%
Equities	5.5%	86	(72%)
Bonds	3.4%	23	(19%)
Property	3.7%	6	(5%)
Cash	2.8%	5	(4%)
Total market value of assets		120	
Present value of scheme liabilities		(381)	
Deficit in the scheme		(261)	

## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

## 14 PENSION COMMITMENTS (Continued)

**Eight Month  
Period Ended  
31 August 2012  
£'000**

Analysis of the amount charged to the statement of financial activities -

As staff costs	
Current service cost	31
Past service cost	-
Total operating charge	<u>31</u>
As finance expense	
Expected return on assets	(3)
Interest on liabilities	9
Net finance expense	<u>6</u>
Total pension costs	<u><u>37</u></u>

The net actuarial gains for the current period end to date are recognised in the statement of financial activities

**Eight Month  
Period Ended  
31 August 2012  
£'000**

Analysis of changes in the present value of defined benefit obligations	
Opening defined benefit obligations	-
Upon conversion to academy status	344
Employee contributions	9
Current service cost	31
Past service cost	-
Interest on liabilities	9
Actuarial experience gains	(12)
Benefits paid	-
Closing defined benefit obligations	<u><u>381</u></u>

## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

## 14 PENSION COMMITMENTS (Continued)

Eight Month  
Period Ended  
31 August 2012  
£'000

Analysis of changes in the fair value of plan assets	
Opening fair value of assets	-
Upon conversion to academy status	74
Employer contributions	35
Employee contributions	9
Expected return on assets	3
Actuarial experience losses	(1)
Benefits paid	-
Closing fair value of assets	<u>120</u>
The actual return on plan assets was £2,000	
Experience adjustments are as follows	
Amounts for the period	
Plan assets at fair value	120
Defined benefit obligation	(381)
Deficit	<u>(261)</u>
Experience adjustments on plan assets	<u>(1)</u>
Experience adjustments on plan liabilities	<u>(12)</u>
Reconciliation of the movement in scheme deficit over the period	
Deficit in scheme at the beginning of the period	-
Upon conversion to academy status	(270)
Movement in year	
Current service cost	(31)
Past service cost	-
Employer contributions	35
Net finance expense	(6)
Actuarial gains	11
Deficit in scheme at the end of the period	<u>(261)</u>

## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

## 15 THE FUNDS OF THE ACADEMY

	20 December 2011 £	Incoming resources £	Outgoing resources £	Actuarial gains £	Transfers between funds £	31 August 2012 £
<b>Restricted fixed assets funds:</b>						
Inherited fixed assets fund	-	5,400,985	(73,410)	-	-	5,327,575
Capital grants fixed assets fund	-	-	(2,130)	-	319,996	317,866
	-	<u>5,400,985</u>	<u>(75,540)</u>	-	<u>319,996</u>	<u>5,645,441</u>
<b>Restricted general funds:</b>						
General Annual Grant fund	-	791,831	(825,972)	-	34,141	-
LGPS deficit fund	-	(270,000)	(2,000)	11,000	-	(261,000)
Capital grants fund	-	550,200	(146,417)	-	(319,996)	83,787
Rates and insurance fund	-	23,621	(23,621)	-	-	-
Academy set up grant fund	-	25,000	(25,050)	-	50	-
Special Educational Needs fund	-	36,156	(40,000)	-	3,844	-
	-	<u>1,156,808</u>	<u>(1,063,060)</u>	<u>11,000</u>	<u>(281,961)</u>	<u>(177,213)</u>
<b>Unrestricted income funds</b>						
General fund	-	319,640	(124,792)	-	(38,035)	156,813
	-	<u>6,877,433</u>	<u>(1,263,392)</u>	<u>11,000</u>	<u>-</u>	<u>5,625,041</u>

The Inherited fixed assets fund has been set up to recognise the tangible assets gifted to the academy upon conversion which represent the school site including the leasehold land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund.

The Capital grants fixed assets fund has been set up to recognise the tangible assets purchased by the academy following conversion that have been funded by capital grants received by the academy. This fund has been created by a transfer from the Capital grants fund of an amount equivalent to the cost of the tangible assets involved. Depreciation charged on those tangible assets is allocated to the fund.

## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

## 15 THE FUNDS OF THE CHARITY (Continued)

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education Funding Agency (formerly the Young People's Learning Agency) by the Department for Education. The General Annual Grant fund has been set up because the GAG must be used for the normal running costs of the academy. The academy is allowed to carry forward up to 12% of the current GAG, and of the carried forward amount, up to 2% of GAG can be used for general purposes at the discretion of the academy, but any balance over 2% must be used for capital purposes.

The LGPS deficit fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The Capital grants fund has been created to recognise the restricted grant funding received from all sources towards capital expenditure projects undertaken throughout the school. Transfers are made to the Capital grants fixed asset fund for expenditure incurred that is in respect of tangible fixed assets.

The Rates and insurance fund has been created to recognise the restricted funding received from the Department for Education to cover the cost to the academy of rates and insurance.

The Academy set up grant fund has been created to recognise the restricted grant funding received from the Department for Education to assist with the costs incurred by the school during the process of conversion to academy status.

The Special Educational Needs fund has been created to recognise all restricted income from various sources that is intended to be used to partially fund the additional costs incurred by the school in meeting the additional educational needs of some of its pupils. The relevant restricted expenditure is then also recorded through this fund with any overspend being covered by a transfer from the General Annual Grant fund.

## 16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible assets £	Net current assets £	Pension scheme liability £	Total £
<b>Restricted fixed assets funds:</b>				
Inherited fixed assets fund	5,327,575	-	-	5,327,575
Capital grants fixed assets fund	317,866	-	-	317,866
<b>Restricted general funds:</b>				
LGPS deficit fund	-	-	(261,000)	(261,000)
Capital grants fund	-	83,787	-	83,787
<b>Unrestricted income funds</b>				
General fund	-	156,813	-	156,813
<b>NET ASSETS</b>	<u>5,645,441</u>	<u>240,600</u>	<u>(261,000)</u>	<u>5,625,041</u>

**GOLDSWORTH PRIMARY SCHOOL****NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012****17 MEMBERS' LIABILITY**

Goldsworth Primary School is an exempt charity and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £10 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter.

**18 CAPITAL COMMITMENTS**

At the balance sheet date, the charitable company had no material capital commitments.

**19 COMMITMENTS UNDER OPERATING LEASES**

**31 August  
2012  
£**

At 31 August 2012, the charitable company was committed to make the following payments during the next year under non-cancellable operating leases as follows:

In respect of plant and machinery leases -  
expiring within two to five years

**2,180**

**20 RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is considered inevitable that transactions will take place with organisations in which a governor may have an interest. All transactions involving such organisations would, of course, be conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

No such transactions have been identified for the period ended 31 August 2012.

## GOLDSWORTH PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS  
for the period ended 31 August 2012

## 21 CONVERSION TO ACADEMY TRUST

On 1 February 2012, Goldsworth Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the charitable company from Surrey 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

<u>Eight Month Period Ended 31 August 2012</u>				
	Unrestricted	Restricted Funds		Total
	Funds	General	Fixed Assets	2012
	£	£	£	£
<b>INCOMING RESOURCES</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income				
Tangible fixed assets				
Leasehold land and buildings	-	-	5,400,985	5,400,985
Cash at bank and in hand	5,347	167,819	-	173,166
LGPS pension deficit	-	(270,000)	-	(270,000)
<b>NET ASSETS</b>	<b>5,347</b>	<b>(102,181)</b>	<b>5,400,985</b>	<b>5,304,151</b>