

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**CONTENTS**

	Page
<b>Reference and administrative details of the academy, its Members, Governors and advisers</b>	1 - 2
<b>Governors' report</b>	3 - 10
<b>Governance statement</b>	11 - 14
<b>Statement on regularity, propriety and compliance</b>	15
<b>Governors' responsibilities statement</b>	16
<b>Independent auditors' report</b>	17 - 18
<b>Independent reporting accountant's assurance report on regularity</b>	19 - 20
<b>Statement of financial activities</b>	21
<b>Balance sheet</b>	22
<b>Cash flow statement</b>	23
<b>Notes to the financial statements</b>	24 - 41

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, GOVERNORS AND ADVISERS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**Members**

J Lucas (appointed 3 March 2014)  
J Berry (appointed 3 March 2014)  
J Walsh (appointed 3 March 2014)  
MV Pagan (appointed 3 March 2014)  
SP Hameed (appointed 3 March 2014)

**Governors**

MV Pagan, Chair (appointed 3 March 2014)<sup>2,3</sup>  
H Ellis, Vice Chair (appointed 24 November 2014)<sup>1,2,3</sup>  
J Lucas, Co-Head Teacher (appointed 3 March 2014)<sup>1,2</sup>  
J Walsh, Co-Head Teacher (appointed 3 March 2014)<sup>1,2</sup>  
C Armitage (appointed 24 November 2014)<sup>1</sup>  
J Berry (appointed 3 March 2014)<sup>2,3</sup>  
K Bowe (appointed 24 November 2014)<sup>1,2</sup>  
L Etherington (appointed 24 November 2014)<sup>1</sup>  
SP Hameed (appointed 3 March 2014)<sup>1</sup>  
P Heywood (appointed 24 November 2014)<sup>1,2</sup>  
HE McLean (appointed 24 November 2014)<sup>1,2,3</sup>  
AJW Pear (appointed 24 November 2014)<sup>2</sup>  
SK Riaz (appointed 24 November 2014)<sup>1</sup>

<sup>1</sup> Raising Achievement and Pupil Welfare

<sup>2</sup> Finance and Resources

<sup>3</sup> Pay Review

**Company registered number**

08919795

**Principal and registered office**

Green Lane  
Middlesbrough  
Cleveland  
TS5 7RU

**Senior leadership team**

J Lucas (Co-Head)  
J Walsh (Co-Head)  
HE McLean (Deputy Head)  
J Thackstone (Assistant Head)  
L Airey (Senior Administrator)  
H Bone (School Business Manager)

**Independent auditors**

Clive Owen LLP  
Chartered Accountants  
Statutory Auditors  
140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT

**GREEN LANE PRIMARY ACADEMY LIMITED**

**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, GOVERNORS AND  
ADVISERS  
FOR THE PERIOD ENDED 31 AUGUST 2015**

**Administrative details (continued)**

**Bankers**

Lloyds Bank  
137 Albert Road  
Middlesbrough  
TS1 2PD

**Solicitors**

Sintons LLP  
The Cube  
Barrack Road  
Newcastle upon Tyne  
NE4 6DB

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 April 2014 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 an academy for pupils aged 3 to 11 serving a catchment area in Middlesbrough. It has a pupil capacity of 630 plus 78 nursery places and had a roll of 702 in the school census on 2 October 2014.

## **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 Governors of Green Lane Primary Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Green Lane Primary Academy Limited.

Details of the Governors 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 charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

### **Method of recruitment and appointment or election of Governors**

The academy trust may appoint up to 18 Governors. The governing body comprises of the Co-Head Teachers, Member Appointed Governors, Staff Governors, Parent Governors and Co-Opted Governors. The number of each type of Governor is subject to limits determined by the Trust's Articles of Association.

The term of office for any Governor shall be four years, with the exception of the Co-Head Teachers who hold ex officio posts and the Chairman and Vice-Chairman whose term is one year. Each school year the governing body shall elect a Chairman and Vice-chairman from among their number. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Members may appoint Governors, however Co-Opted Governors may be appointed by Governors, providing they themselves are not co-opted.

Parent Governors are appointed by election (unless the number of parents standing for election is less than the number of vacancies - in this instance the Governing body will appoint parent governors). They are elected by parents of registered pupils and at the time of election be the parent of a registered pupil of the academy.

The academy trust recognises the need to recruit Governors with the necessary skills and experience. Vacancies are publicised and expressions of interests in joining the Governing Body are invited via the academy website. Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

### **Policies and procedures adopted for the induction and training of Governors**

The training and induction provided for new Governors depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Governors are given a tour of the academy and the chance to meet with staff and students. All Governors are provided with

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only one or two Governors a year, induction tends to be done informally and is tailored specifically to the individual.

**Organisational structure**

During the year, the academy continued to operate a unified management structure. The Structure consists of three levels: the Governors, the Senior Leadership Team and the TLR Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for:

- setting policy
- adopting an annual improvement plan and budget
- monitoring the academy and making decisions about its strategic direction
- making decisions about and monitoring capital expenditure
- adopting an annual staffing structure, including new appointments

The Governing Body consists of 13 Governors and includes the two Co-Head Teachers, two staff Governors, four parent Governors and five member appointed governors. The Senior Leadership Team consists of the Co-Head Teachers, Deputy Head Teacher, Assistant Head Teacher, School Business Manager and Senior Administrator. The TLR Team includes all teaching staff who hold a responsibility for leading a curriculum area within the academy. They work closely with the Senior Leadership Team to develop the strategic direction of their areas of responsibility as well as the day to day management of these areas and year group teams.

**Governors' indemnities**

The academy has purchased insurance to protect Governors from claims arising against negligent acts, errors or omissions occurring whilst on academy business. Further details are provided in note 12.

**OBJECTIVES AND ACTIVITIES**

**Objects and aims**

The principal object and activity of the charitable company is the operation of Green Lane Primary Academy to provide education for students of different abilities between the ages of 3 and 11.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with emphasis on providing high quality teaching and learning in all curriculum areas.

The main objectives of the academy during the year ended 31 August 2015 are summarised below:

- 1) To aim for high quality teaching and learning and assessment in the New National Curriculum for English; implementing new formative and summative assessment systems and procedures ensuring that the majority of children achieve expected progress against the new year group expectations by closing the gap between the previous and new curriculum outcomes.
- 2) To aim for high quality teaching and learning and assessment in the New National Curriculum for Maths and Science; implementing new formative and summative assessment systems and procedures ensuring that as many children as possible achieve expected progress against the new year group expectations by closing the gap between the previous and new curriculum outcomes.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**Objects and aims (continued)**

- 3) To ensure during the first full financial year as an academy that the leadership of the school is focussed on ensuring that all financial, administrative and premises related systems and processes are effective and efficient and meet the requirements of the following:
- Legislation including Health and Safety
  - Education Funding Agency (EFA)
  - Department for Education (DfE)

**Objectives, strategies and activities**

The academy's main objectives are encompassed in its Statement of Curriculum Aims and in a continued drive to improve teaching and learning. To this end the objectives and the strategies used to achieve them include:

The Aims of the Curriculum are to meet the needs of individual children:

- by ensuring equality of opportunity for girls and boys from all cultural backgrounds and opportunities for achievement and success for all children including those with special needs and talents.
- by providing a wide range of experiences that offer challenge appropriate to the age and ability of individual children,
- by promoting purposeful teaching and learning that develops lively and enquiring minds,
- to build on the strengths, needs, expectations, attitudes and interests that individual children bring from home to school and to encourage and build on the home/school partnership
- to develop in each child the ability to relate and co-operate with others in the process of learning; to foster respect for religious and moral values, and tolerance of other races, religions and ways of life,
- to provide a broad-based creative curriculum that provides practice, enrichment and progression and makes full use of first hand experiences,
- to ensure a match between the abilities of individual children and their learning activities,
- to promote continuity of educational experience and progression from stage to stage and within stages, so that children feel secure and confident in themselves as learners,
- to provide the opportunity for children to imagine, question, reason, choose, observe, experience, explain, test, estimate, problem-solve, deduce, hypothesise, evaluate and record,
- to encourage children to become confident, independent learners (able to recognise and value their mistakes and to pursue knowledge, understanding and skills through their own efforts and interests,

Specifically in the 14/15 Academic year our objectives were:

- 1) To ensure that staff are fully familiar with the New National Curriculum for Reading and are able to understand the expectations of the New National Curriculum in Reading and plan, teach and assess accordingly; in order that the majority of children achieve expected progress against the new year group expectations by closing the gap between the previous and new curriculum outcomes.
- 2) To introduce and implement Inference Training throughout the school ensuring that comprehension is improved and, therefore, outcomes in Reading are improved throughout the school and more closely match the outcomes in Maths and Writing.
- 3) To continue to develop a whole school Reading culture designed to improve progress in, and develop a love of, Reading. Ensuring that outcomes in reading more closely match those in writing and maths in all year groups.
- 4) To ensure that staff are fully familiar with the New National Curriculum for Writing and are able to understand the expectations of the New National Curriculum in Reading and plan, teach and assess accordingly; in order that the majority of children achieve expected progress against the new year group expectations by closing the gap between the previous and new curriculum outcomes.
- 5) To ensure teachers are fully aware of the new spelling requirements in each year group and implement these into teaching and learning.
- 6) To ensure that staff are fully familiar with the New National Curriculum for Maths and are able to plan, teach and understand the expectations of the New National Curriculum in Maths ensuring that the majority of children achieve expected progress against the new year group expectations by closing the gap between the previous and new curriculum outcomes.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**GOVERNORS' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

- 7) To revise teaching strategies and procedures in line with the requirements of the New National Curriculum ensuring the strategies and methodologies are used confidently in teaching and learning to maximise progress against the new curriculum objectives.
- 8) To ensure, during our first full financial year, that all systems, processes and procedures are in line with EFA and DfE requirements and that we are legally compliant, effective and efficient in all our activities.

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for students between the ages of 3 and 11.

**Public benefit**

The academy's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Governors have complied with the duty under Section 4 of the Charities act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the trustees have considered this guidance in deciding what activities the academy should undertake.

**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

In all subjects at KS2 attainment is significantly above national benchmarks, apart from Reading which is broadly in line. Progress across KS2 is above national expectations in Writing, Maths and SPaG. At KS1 attainment is broadly in line with national benchmarks with APS in Writing and Maths significantly above. This demonstrates good progress from below national averages at EYFS for this cohort. Outcomes in EYFS are slightly below national averages across most areas.

**Key Stage 2 Attainment and Achievement:**

Reading	School Performance	National Average 2015	Significantly above National Average
Level 4	87%	89%	
2 levels progress	92%	91%	
3+ levels progress	44%	33%	Yes
Level 4b+	77%	80%	
Level 5	54%	48%	
Level 6	0%	0%	
Average Points Score	29.3	29	
Value Added	100.0	100.0	

Writing	School Performance	National Average 2015	Significantly above National Average
Level 4	97%	87%	Yes
2 levels progress	100%	94%	
3+ levels progress	49%	36%	Yes
Level 4b+	84%	-	
Level 5	38%	36%	
Level 6	8%	2%	
Average Points Score	29.5	28.2	Yes
Value Added	101.2	100	Yes

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**GOVERNORS' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

Maths	School Performance	National Average 2015	Significantly above National Average
Level 4	97%	87%	Yes
2 levels progress	100%	90%	
3+ levels progress	45%	34%	Yes
Level 4b+	87%	77%	Yes
Level 5	37%	41%	
Level 6	11%	9%	
Average Points Score	29.7	29	
Value Added	101.0	100	Yes

Spelling, Punctuation and Grammar	School Performance	National Average 2015	Significantly above National Average
Level 4	93%	80%	Yes
Level 4b+	87%	73%	Yes
Level 5	71%	55%	Yes
Level 6	13%	4%	(no test performed)
Average Points Score	31.6	29.1	Yes

**Key Stage 1 Attainment and Achievement:**

Reading	School Performance	National Average 2015	Significantly above National Average
Level 2+	94%	90%	
Level 2b+	83%	82%	
Level 3	24%	32%	
Average Points Score	16.5	16.6	

Writing	School Performance	National Average 2015	Significantly above National Average
Level 2+	93%	88%	
Level 2b+	83%	72%	Yes
Level 3	21%	18%	
Average Points Score	16.1	15.3	Yes

Maths	School Performance	National Average 2015	Significantly above National Average
Level 2+	99%	98%	
Level 2b+	90%	82%	Yes
Level 3	28%	26%	
Average Points Score	17.1	16.4	Yes

Phonics	School Performance	National Average 2015
All Pupils	81%	77%
Boys	72%	73%
Girls	91%	81%
Disadvantaged	80%	66%

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**EYFS Outcomes**

	School	National
Good Level Development - All	67%	66%
Good Level Development - Boys	66%	59%
Good Level Development - Girls	68%	74%
Reading (Expected & Exceeded)	71%	76%
Writing (Expected & Exceeded)	71%	71%
Numbers (Expected & Exceeded)	73%	77%
Shape, Space & Measures (Expected & Exceeded)	77%	81%

The academy has agreed a number of financial key performance indicators that it should adopt and use for benchmarking purposes.

**Going Concern**

After making appropriate enquiries, the Board of Governors 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.

**FINANCIAL REVIEW**

Most of the academies income is obtained from the Department of education (DfE) via the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/EFA during the year ended 31 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/EFA. In accordance with The Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants 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 expected useful life of the assets concerned.

In addition to this the academy has received a grant of £220,000 from the Academies Capital Improvement Fund to extend the school hall.

During the period ended 31 August 2015, total expenditure of £3,963,000 was exceeded by recurrent grant funding from the DfE/EFA together with other incoming resources. The excess of income over expenditure for the year (before transfers and actuarial gains, and excluding restricted fixed asset funds) was £184,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Academy's objectives.

At 31 August 2015 the net book value of fixed assets was £6,733,000 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The provisions of Financial Reporting Standard No.17 'Retirement Benefits' (FRS 17) have been applied in full, resulting in a deficit of £411,000 recognised on the balance sheet.

The academy held fund balances at 31 August 2015 of £6,864,000 comprising of £6,770,000 of restricted funds and £94,000 of unrestricted funds.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**Principal risks and uncertainties**

The principal risks and uncertainties are centred on changes in the level of funding from the DfE/EFA. In addition the academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy balance sheet.

The Governors have assessed the major risks, to which the academy is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The academy has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

The academy is subject to a number of risks and uncertainties in common with other academies. The academy has in place procedures to identify and mitigate financial risks.

**Reserves policy**

The academy holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held to cover ongoing costs in relation to the running of the academy including catering provisions, school trips and uniform costs for example.

The level of reserves is reviewed by the trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of an academy is reviewed by the Governors on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors therefore consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves of £220,000.

This is considered sufficient working capital to cover delays between spending and receipt of grants and provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The academy's current level of free reserves are in surplus by £94,000. In addition there is GAG carry forward available of £232,000 and therefore overall free reserves are considered to be above the level of reserves required for the ongoing needs of the academy. £127,000 of the GAG carry forward is earmarked for capital projects, which includes the school hall extension.

**PLANS FOR FUTURE PERIODS**

**Future developments**

To improve standards in Reading to match those of Writing and Maths. In particular:

- to improve the % of children achieving above age expectation at KS1 (previously L3)
- to improve the % of children achieving age related expectation (previously L4) to more closely match performance in Writing and Maths

To aim for high quality teaching and learning and assessment in the New National Curriculum, embedding new formative and summative assessment systems and procedures and ensuring that the large majority of children (75% +) achieve age related expectations or above in mid key stage year groups and that outcomes at KS1 and KS2 are above that of all children nationally.

To carry out a full strategic and practical review of the methodology, materials and all aspects of current practice in Reading from EYFS to Year 2

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT (continued)**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

To carry out a full strategic and practical review of the methodology, materials and all aspects of current practice in Reading Interventions in EYFS, KS1 & KS2.

**Disclosure of information to auditors**

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

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

This report, incorporating the Strategic report, was approved by order of the Board of Governors, as the company directors, on 30 November 2015 and signed on the board's behalf by:

**MV Pagan**  
**Chair of Governors**

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT**

**Scope of Responsibility**

As Governors, we acknowledge we have overall responsibility for ensuring that Green Lane Primary Academy Limited 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 Co-Head Teachers, 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 Green Lane Primary Academy Limited and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Governors' report and in the Governors' responsibilities statement. The Board of Governors has formally met 4 times during the period. Attendance during the period at meetings of the Board of Governors was as follows:

Governor	Meetings attended	Out of a possible
MV Pagan, Chair	4	4
H Ellis, Vice Chair	2	4
J Lucas, Co-Head Teacher	3	4
J Walsh, Co-Head Teacher	4	4
C Armitage	4	4
J Berry	3	4
K Bowe	4	4
L Etherington	3	4
SP Hameed	4	4
P Heywood	3	4
HE McLean	4	4
AJW Pear	3	4
SK Riaz	3	4

As part of the academy trust's ongoing review of governance, the governors have undertaken a skills audit. The outcome of which highlighted the need for financial training and to appoint a Governor with financial skills.

During the course of the year financial training has been provided by the trust's external auditors. A suitable candidate, who has the necessary financial skills (a qualified accountant with experience of academy finance) has been identified and is expected to be appointed to the Governing Body in autumn 2015.

A governance review is planned for September 2015 and is to be led by the trust's governance support.

The Finance and Resources Committee is a sub-committee of the main Board of Governors. Its purpose is to consider the academy's funding and expenditure and approve expenditure within its delegated limits. The committee will make recommendations to the full governing body where necessary.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

Attendance at meetings in the period was as follows:

Governor	Meetings attended	Out of a possible
J Berry	3	4
K Bowe	4	4
H Ellis	3	4
P Heywood	2	3
J Lucas	4	4
HE McLean	4	4
MV Pagan	4	4
AJW Pear	4	4
J Walsh	4	4

**Review of Value for Money**

As Accounting Officer, the Co-Head Teachers 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 Governors 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:

**Financial Governance and Monitoring**

The budget for the academy is agreed by the Finance, Audit and Resources Committee and the Full Governing Body at the start of each academic year. A report is presented by the School Business Manager on the suggested allocation of funds across the various areas of spending and this has to be approved and submitted to the EFA before the start of the academic year.

Budget and management reports are produced regularly and a summary presented to the Finance and Resources Committee and the Full Governing Body each term.

These reports are reviewed and analysed and provide a clear audit trail of spending over the academic year. Any large expenditure items are presented to the Full Governing Body which decides on the appropriateness of the spending suggested.

**Purchasing**

Green Lane Primary Academy operates a best value strategy for purchasing provision. Contracts and levels of service are reviewed on a regular basis to ensure that competitive pricing structure is in place.

An online management system is used to support the reviewing of contracts in place.

An approved Insurance Broker is used for transparency and best value purposes to ensure the most appropriate insurance cover for the academy.

We have received an EFA grant during the year to extend the main school hall and are constantly investigating other possible areas of income streams.

**Financial Control Measures**

Controls are in place to ensure all orders are authorised at the appropriate level.

Internal Assurance is carried out termly to review the academy's financial procedures and to report findings and recommendations for improvement.

Bank statements and reconciliations are carried out at least monthly and an external accountant attends the academy as required to support and advise on the accountancy system.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

External auditors have been appointed to conduct a year end audit, the first year end being the 31st August 2015.

All appropriate policies, including Risk Management and Emergency Procedures, are in place and reviewed regularly for updates.

All statutory inspections and reviews are carried out during the academic year and reports produced, recording findings and recommendations for improvement or change.

**Curriculum and Academy Improvement Plan**

Academy Improvement Plan 2014-15 priorities include implementation of:

- New National Curriculum
- Assessment processes
- SEND
- Administrative and Financial Review
- Developing Strategic Partnerships e.g. school to school support.

The budget is set out to ensure that TLRs receive the correct level of financial support to deliver the curriculum in the most effective and efficient manner. These levels of financial support are agreed with TLRs at the beginning of the financial year so that realistic and achievable targets are met in line with the Academy Improvement Plan and Annual Work Programmes.

**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Green Lane Primary Academy Limited for the period 3 March 2014 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 Governors has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the period 3 March 2014 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 Governors.

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors;
- regular reviews by the Finance, Audit and 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;

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

- 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 have appointed Clive Owen LLP, the external auditors, to perform additional checks.

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

- Testing of payroll systems;
- Testing of purchase systems;
- Testing of petty cash/expenses procedures;
- Testing of income;
- Testing of the accounting systems and management information produced;
- Review of governor appointments/resignations and declarations of interest;
- Review of gifts and hospitality & honorarium/ex-gratia payments;
- Review of information technology strategy;
- Review of fixed assets;
- Review of VAT and Corporation tax position

On a termly basis, the auditors 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.

The external auditors have delivered their schedule of work as planned and no material control issues have arisen as a result of their work.

**Review of Effectiveness**

As Accounting Officer, the Co-Head Teachers has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Resource 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 30 November 2015 and signed on its behalf, by:

**MV Pagan**  
**Chair of Governors**

**J Lucas**  
**Accounting Officer**

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Green Lane Primary Academy Limited I have considered my responsibility to notify the academy Board of Governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the academy Board of Governors are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2014).

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 Governors and EFA.

**J Lucas**  
**Accounting Officer**

Date: 30 November 2015

## **GREEN LANE PRIMARY ACADEMY LIMITED**

**(A company limited by guarantee)**

### **GOVERNORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 AUGUST 2015**

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

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

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

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

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

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

Approved by order of the members of the Board of Governors on 30 November 2015 and signed on its behalf by:

**MV Pagan**  
**Chair of Governors**

## **GREEN LANE PRIMARY ACADEMY LIMITED**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREEN LANE PRIMARY ACADEMY LIMITED**

We have audited the financial statements of Green Lane Primary Academy Limited 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 Governors and auditors**

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

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

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

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

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 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 Governors' report, incorporating the Strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREEN LANE PRIMARY ACADEMY LIMITED**

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

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

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

Kevin Shotton BA ACA (Senior statutory auditor)

for and on behalf of

**Clive Owen LLP**

Chartered Accountants  
Statutory Auditors

140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT  
30 November 2015

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

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

In accordance with the terms of our engagement letter dated 14 September 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 Green Lane Primary Academy Limited during the period 3 March 2014 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 Green Lane Primary Academy Limited and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Green Lane Primary Academy Limited 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 Green Lane Primary Academy Limited and EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Green Lane Primary Academy Limited's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Green Lane Primary Academy Limited's funding agreement with the Secretary of State for Education dated 20 March 2014, 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 3 March 2014 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.

**GREEN LANE PRIMARY ACADEMY LIMITED**

**(A company limited by guarantee)**

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting out responsibilities;
- Obtained formal letter of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of register of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy.

**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 3 March 2014 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.

Kevin Shotton BA ACA

**Clive Owen LLP**

Chartered Accountants  
Statutory Auditors

140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT

30 November 2015

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(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 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Transfer from Local Authority on conversion	2	93	(254)	6,742	6,581
Other voluntary income	2	1	3	-	4
Activities for generating funds	3	290	-	-	290
Investment income	4	1	9	-	10
Incoming resources from charitable activities	5	-	3,831	236	4,067
<b>TOTAL INCOMING RESOURCES</b>		<b>385</b>	<b>3,589</b>	<b>6,978</b>	<b>10,952</b>
<b>RESOURCES EXPENDED</b>					
Charitable activities	7	291	3,445	173	3,909
Governance costs	6	-	54	-	54
<b>TOTAL RESOURCES EXPENDED</b>	8	<b>291</b>	<b>3,499</b>	<b>173</b>	<b>3,963</b>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>					
		94	90	6,805	6,989
Transfers between Funds	16	-	(136)	136	-
<b>NET INCOME FOR THE PERIOD</b>		<b>94</b>	<b>(46)</b>	<b>6,941</b>	<b>6,989</b>
Actuarial gains and losses on defined benefit pension schemes		-	(125)	-	(125)
<b>NET MOVEMENT IN FUNDS FOR THE PERIOD</b>		<b>94</b>	<b>(171)</b>	<b>6,941</b>	<b>6,864</b>
<i>Total funds at 3 March 2014</i>		-	-	-	-
<b>TOTAL FUNDS AT 31 AUGUST 2015</b>		<b>94</b>	<b>(171)</b>	<b>6,941</b>	<b>6,864</b>

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 24 to 41 form part of these financial statements.

**GREEN LANE PRIMARY ACADEMY LIMITED**

**(A company limited by guarantee)**

**REGISTERED NUMBER: 08919795**

**BALANCE SHEET  
AS AT 31 AUGUST 2015**

	Note	£000	2015 £000
<b>FIXED ASSETS</b>			
Tangible assets	13		6,733
<b>CURRENT ASSETS</b>			
Debtors	14	175	
Cash at bank		613	
		<u>788</u>	
<b>CREDITORS:</b> amounts falling due within one year	15	(246)	
		<u>542</u>	
<b>NET CURRENT ASSETS</b>			542
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>7,275</u>
Defined benefit pension scheme liability	23		(411)
			<u>6,864</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITY</b>			<u>6,864</u>
<b>FUNDS OF THE ACADEMY</b>			
Restricted funds:			
Restricted funds	16	240	
Restricted fixed asset funds	16	6,941	
		<u>7,181</u>	
Restricted funds excluding pension liability		7,181	
Pension reserve		(411)	
		<u>6,770</u>	
Total restricted funds			6,770
Unrestricted funds	16		94
			<u>6,864</u>
<b>TOTAL FUNDS</b>			<u>6,864</u>

The financial statements were approved by the Governors, and authorised for issue, on 30 November 2015 and are signed on their behalf, by:

**MV Pagan**  
**Chair of Governors**

The notes on pages 24 to 41 form part of these financial statements.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

	Note	2015 £000
Net cash flow from operating activities	18	447
Returns on investments and servicing of finance	19	1
Capital expenditure and financial investment	19	72
Cash transferred on conversion to an academy trust	21	93
<b>INCREASE IN CASH IN THE PERIOD</b>		<u>613</u>

All of the cash flows are derived from acquisitions in the current financial period.

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

Increase in cash in the period	<u>613</u>
<b>MOVEMENT IN NET FUNDS IN THE PERIOD</b>	<u>613</u>
<b>NET FUNDS AT 31 AUGUST 2015</b>	<u><u>613</u></u>

The notes on pages 24 to 41 form part of these financial statements.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

**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 Governors.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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.

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

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.4 RESOURCES EXPENDED**

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 GOING CONCERN**

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

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

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

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

The premises are held on a 125 year lease from Middlesbrough Borough Council. As the risks and rewards have transferred to the academy, the asset has been recognised within tangible fixed assets. The initial acquisition was recognised at existing use valuation by Mouchel, on behalf of the Education Funding Agency. The Governors consider that the cost of obtaining an additional valuation would outweigh the benefit.

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

Long-term leasehold land	-	125 years
Long-term leasehold property	-	50 years
Fixtures and fittings	-	7 years
Computer equipment	-	3 years

**1.7 OPERATING LEASES**

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

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.8 TAXATION**

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

**1.9 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**1.10 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 Green Lane Primary 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 Green Lane Primary Academy Limited. 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.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**2. VOLUNTARY INCOME**

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000
Transfer from Local Authority on conversion	93	6,488	6,581
	<hr/>	<hr/>	<hr/>
Donations	1	3	4
	<hr/>	<hr/>	<hr/>
Voluntary income	<u>94</u>	<u>6,491</u>	<u>6,585</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000
Sundry income	99	-	99
Lettings	10	-	10
Uniforms	15	-	15
School trips	57	-	57
Staff absence insurance	6	-	6
Catering	103	-	103
	<hr/>	<hr/>	<hr/>
	<u>290</u>	<u>-</u>	<u>290</u>

**4. INVESTMENT INCOME**

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000
Bank interest	1	-	1
Net finance income on pension scheme	-	9	9
	<hr/>	<hr/>	<hr/>
	<u>1</u>	<u>9</u>	<u>10</u>

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

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

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000
<b>DfE/EFA revenue grants</b>			
General annual grant (GAG)	-	3,183	3,183
Start-up grants	-	25	25
Devolved Formula Capital	-	16	16
Condition Improvement Fund	-	220	220
Other DfE/EFA grants	-	351	351
	<hr/>	<hr/>	<hr/>
	-	3,795	3,795
	<hr/>	<hr/>	<hr/>
<b>Other government grants</b>			
SEN	-	41	41
Early Years Funding	-	231	231
	<hr/>	<hr/>	<hr/>
	-	272	272
	<hr/>	<hr/>	<hr/>
	-	4,067	4,067
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**6. GOVERNANCE COSTS**

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000
Auditors' remuneration	-	5	5
Auditors' remuneration non-audit	-	3	3
Professional services	-	7	7
Legal fees	-	13	13
Wages and salaries	-	26	26
	<hr/>	<hr/>	<hr/>
	-	54	54
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**7. CHARITABLE ACTIVITIES**

	Total funds 2015 £000
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>	
Wages and salaries	2,129
National insurance	138
Pension cost	333
Educational Supplies	121
Staff development	19
Other direct costs	50
	<hr/> 2,790 <hr/>
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>	
Wages and salaries	165
National insurance	8
Pension cost	23
Depreciation	173
Technology costs	131
Maintenance of premises and equipment	28
Cleaning	69
Rates	28
Energy	43
Insurance	29
Transport	9
Catering	271
Occupancy Costs	19
Bank interest and charges	1
Other Support costs	122
	<hr/> 1,119 <hr/>
	<hr/> <hr/> 3,909 <hr/> <hr/>

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**8. RESOURCES EXPENDED**

	Staff costs	Non Pay Premises	Expenditure Other costs	Total
	2015	2015	2015	2015
	£000	£000	£000	£000
Direct costs	2,600	-	190	2,790
Allocated support costs	196	368	555	1,119
	<hr/>	<hr/>	<hr/>	<hr/>
<b>CHARITABLE ACTIVITIES</b>	2,796	368	745	3,909
	<hr/>	<hr/>	<hr/>	<hr/>
<b>GOVERNANCE</b>	26	-	28	54
	<hr/>	<hr/>	<hr/>	<hr/>
	2,822	368	773	3,963
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

There were no individual transactions exceeding £5,000 for:

- Ex-gratia/compensation payments
- Gifts made by the academy
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

**9. NET INCOMING RESOURCES**

This is stated after charging:

	2015
	£000
Depreciation of tangible fixed assets:	
- owned by the charity	173
Auditors' remuneration	3
Auditors' remuneration non-audit	5
Operating lease rentals:	
- other operating leases	61
	<hr/> <hr/>

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**10. STAFF**

**a. Staff costs**

Staff costs were as follows:

	2015 £000
Wages and salaries	2,298
Social security costs	146
Other pension costs (Note 23)	356
	<hr/>
	2,800
Supply teacher costs	22
	<hr/>
	<u>2,822</u>

Included in other pension costs is an increase of £41,000 for the pension deficit actuarial adjustment.

**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.
Teachers	27
Administration and support	28
Management	3
	<hr/>
	58
	<hr/>

**c. Higher paid staff**

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

	2015 No.
In the band £60,001 - £70,000	1
	<hr/>

The above employee participated in the Teachers' Pension Scheme.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**11. GOVERNORS' REMUNERATION AND EXPENSES**

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Governors. The annual value of Governors' remuneration and other benefits was as follows:

J Walsh, Co-Headteacher:

Remuneration £60,000 - £65,000

Employer's pension contributions £5,000 - £10,000

J Lucas, Co-Headteacher:

Remuneration £35,000 - £40,000

Employer's pension contributions £5,000 - £10,000

HE McClean, Deputy Headteacher:

Remuneration £50,000 - £55,000

Employer's pension contributions £5,000 - £10,000

L Etherington, Teaching Assistant:

Remuneration £10,000 - £15,000

Employer's pension contributions £0 - £5,000

During the period, no Governors received any benefits in kind.

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

**12. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2015 was £798. The cost of this insurance is included in the total insurance cost.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**13. TANGIBLE FIXED ASSETS**

	Capital work in progress £000	Long-term leasehold property £000	Fixtures and fittings £000	Computer equipment £000	Total £000
<b>COST</b>					
Additions	53	-	67	44	164
Inherited on conversion	-	6,720	7	15	6,742
At 31 August 2015	<u>53</u>	<u>6,720</u>	<u>74</u>	<u>59</u>	<u>6,906</u>
<b>DEPRECIATION</b>					
Charge for the period	-	138	11	24	173
At 31 August 2015	<u>-</u>	<u>138</u>	<u>11</u>	<u>24</u>	<u>173</u>
<b>NET BOOK VALUE</b>					
At 31 August 2015	<u>53</u>	<u>6,582</u>	<u>63</u>	<u>35</u>	<u>6,733</u>

**14. DEBTORS**

	2015 £000
Trade debtors	12
VAT recoverable	29
Prepayments and accrued income	134
	<u>175</u>

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

	2015 £000
Trade creditors	34
Other taxation and social security	32
Other creditors	31
Accruals and deferred income	149
	<u>246</u>
	£000
<b>DEFERRED INCOME</b>	
Resources deferred during the year	<u>73</u>

At the balance sheet date the academy was holding deferred income relating to Devolved Formula Capital, Rates Relief, Universal Infant Free School Meals and SEN.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**16. STATEMENT OF FUNDS**

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
<b>UNRESTRICTED FUNDS</b>						
Unrestricted funds	-	385	(291)	-	-	94
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	-	3,185	(2,817)	(136)	-	232
Start Up Grant	-	25	(17)	-	-	8
Other DfE/EFA grants	-	256	(256)	-	-	-
Other government grants	-	365	(365)	-	-	-
Restricted donations	-	3	(3)	-	-	-
Pension reserve	-	(245)	(41)	-	(125)	(411)
	-	3,589	(3,499)	(136)	(125)	(171)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
DfE/EFA capital grants	-	236	-	-	-	236
Capital expenditure from GAG	-	-	(23)	136	-	113
Inherited on conversion	-	6,742	(150)	-	-	6,592
	-	6,978	(173)	136	-	6,941
Total restricted funds	-	10,567	(3,672)	-	(125)	6,770
Total of funds	-	10,952	(3,963)	-	(125)	6,864

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

General Annual Grant (GAG) must be used for the normal running costs of the academy including salaries and related costs, overheads, repairs and maintenance and insurance.

The Start Up Grant funding is to be used for expenditure associated with converting to an academy, such as legal and professional fees.

Other DfE/EFA revenue grants relate to Pupil Premium, PE and Sports Grant and Rates Relief.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2015**

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

Pupil Premium is additional funding to be spent as the academy sees fit to support deprived students. PE and Sports Grant funding must be spent on PE and Sports curriculum costs. Rates Relief must be used to pay local authority rates costs.

Other government grants relate to SEN, Early Years Funding and Universal Infant Free School Meals.

SEN is additional funding for pupils with special educational needs. Early Years Funding must be spent on costs relating to the provision of education to pupils. Universal Infant Free School Meals funding must be spent on costs relating to the provision of meals to pupils.

The pensions reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 24.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

A transfer of £136,000 was made from General Annual Grant restricted funds to the restricted fixed asset funds. This money was spent on the purchase of tangible fixed assets in the form of fixtures and fittings, computer equipment and capital work in progress. The DfE/EFA capital grants of £236,000 will be used in the following accounting period for capital improvements to the academy.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

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

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000
Tangible fixed assets	-	-	6,733	6,733
Current assets	100	480	208	788
Creditors due within one year	(6)	(240)	-	(246)
Provisions for liabilities and charges	-	(411)	-	(411)
	<u>94</u>	<u>(171)</u>	<u>6,941</u>	<u>6,864</u>

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

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

	2015
	£000
Net incoming resources before revaluations	6,989
Returns on investments and servicing of finance	(1)
Cash received on conversion	(93)
Assets inherited on conversion	(6,741)
Depreciation of tangible fixed assets	173
Capital grants from DfE	(236)
Increase in debtors	(175)
Increase in creditors	246
Pension inherited on conversion	254
FRS 17 adjustments	31
	447
<b>NET CASH INFLOW FROM OPERATIONS</b>	<b>447</b>

**19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2015
	£000
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	
Interest received	1
	1
	2015
	£000
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>	
Purchase of tangible fixed assets	(164)
Capital grants from DfE	236
	72
<b>NET CASH INFLOW FROM CAPITAL EXPENDITURE</b>	<b>72</b>

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

	3 March 2014 £000	Cash flow £000	Other non-cash changes £000	31 August 2015 £000
Cash at bank and in hand:	-	613	-	613
<b>NET FUNDS</b>	-	613	-	613

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**21. CONVERSION TO AN ACADEMY TRUST**

On 1 April 2014 Green Lane Primary converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Green Lane Primary Academy Limited from Middlesbrough Borough 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 £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
- Leasehold land and buildings	-	-	6,720	6,720
- Other tangible fixed assets	-	-	22	22
Budget surplus on LA funds	93	-	-	93
LGPS pension (deficit)	-	(254)	-	(254)
Net assets/(liabilities)	<u>93</u>	<u>(254)</u>	<u>6,742</u>	<u>6,581</u>

The above net assets include £93,000 that were transferred as cash.

**22. CAPITAL COMMITMENTS**

At 31 August 2015 the academy had capital commitments as follows:

	2015
	£000
Contracted for but not provided in these financial statements	<u>243</u>

**23. 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 Middlesbrough Borough Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £30,000 were payable to the scheme at 31 August 2015 and are included within creditors.

**GREEN LANE PRIMARY ACADEMY LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**23. PENSION COMMITMENTS (continued)**

**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%

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 total contribution made to the TPS in the period amounted to £355,000 of which employer's contributions totalled £214,000 and employees' contributions totalled £141,000.

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2015 was £140,000, of which employer's

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**23. PENSION COMMITMENTS (continued)**

contributions totalled £101,000 and employees' contributions totalled £39,000. The agreed contribution rates for future years are 14.6% for employers and 5.5% and 12.5% for employees.

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

As described in note 21 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 amounts recognised in the Balance sheet are as follows:

	2015 £000
Present value of funded obligations	(1,247)
Fair value of scheme assets	836
	(411)
Net liability	(411)

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

	2015 £000
Current service cost	(141)
Interest on obligation	(63)
Expected return on scheme assets	72
	(132)
Total	(132)
Actual return on scheme assets	27

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

	2015 £000
Current service cost	141
Interest cost	63
Contributions by scheme participants	39
Actuarial Losses	80
Transfer from Local Authority on conversion	926
Benefits paid	(2)
	1,247
Closing defined benefit obligation	1,247

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**23. PENSION COMMITMENTS (continued)**

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

	2015 £000
Expected return on assets	72
Actuarial gains and (losses)	(45)
Contributions by employer	100
Contributions by employees	39
Transfer from Local Authority on conversion	672
Benefits paid	(2)
	836
	836

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £125,000.

The academy expects to contribute £73,000 to its Defined benefit pension scheme in 2016.

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

	2015
Equities	82.30 %
Property	6.20 %
Government bonds	1.70 %
Corporate bonds	1.60 %
Cash	6.40 %
Other	1.80 %

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

	2015
Discount rate for scheme liabilities	3.80 %
Pension accounts revaluation rate	2.00 %
Rate of increase in salaries	3.50 %
Rate of increase for pensions in payment / inflation	2.00 %
Commutation of pensions to lump sums	80.00 %

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

	2015
No related party transactions took place in the period of account. Retiring today	
Males	23.0
Females	25.5
Retiring in 20 years	
Males	25.2
Females	27.8

**GREEN LANE PRIMARY ACADEMY LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2015**

**23. PENSION COMMITMENTS (continued)**

Amounts for the current period are as follows:

Defined benefit pension schemes

	2015 £000
Defined benefit obligation	(1,247)
Scheme assets	836
	<hr/>
Deficit	(411)
	<hr/> <hr/>
Experience adjustments on scheme liabilities	(80)
Experience adjustments on scheme assets	(45)
	<hr/> <hr/>

**24. OPERATING LEASE COMMITMENTS**

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

	Land and buildings 2015 £000	Other 2015 £000
<b>EXPIRY DATE:</b>		
Within 1 year	-	7
Between 1 and 2 years	-	4
Between 2 and 5 years	-	37
	<hr/>	<hr/>

**25. OTHER FINANCE INCOME**

	2015 £000
Expected return on pension scheme assets	72
Interest on pension scheme liabilities	(63)
	<hr/>
	9
	<hr/> <hr/>

**26. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account.