

# **GOVERNORS FOR SCHOOLS**

**31 MARCH 2019**

Company Number: 3879854

Registered Charity Number: 1078330

**AGP**

Chartered Accountants and Statutory Auditors  
Sutton Quays Business Park  
Sutton Weaver  
Runcorn  
Cheshire  
WA7 3EH

**GOVERNORS FOR SCHOOLS**

**YEAR ENDED 31 MARCH 2019**

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**GOVERNORS FOR SCHOOLS  
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees who served the charitable company during the year	Linda Wilding (Chair) Ian Armitage Joanna Page (Resigned 10/07/18) Jane Higgins (Appointed 10/07/18) Martin Lawrence MBE Anne Punter David Rowsell Henry Colthurst (Appointed 18/04/18)
Company Secretary	Margaret Cooke MBE
Chief Executive	Louise Cooper
Registered Office	c/o WeWork 33 Queen Street London EC4R 1AP
Company Registration number	3879854
Charity Registration Number	1078330
Auditors	AGP Chartered Accountants Sutton Quays Business Park Sutton Weaver Runcorn WA7 3EH
Bankers	Lloyds Bank PO Box 1000 Andover BX1 1LT
Solicitors	Allen & Overy LLP One Bishops Square London E1 6AD

**GOVERNORS FOR SCHOOLS  
REPORT OF THE TRUSTEES  
YEAR ENDED 31 MARCH 2019**

The Trustees present their annual report together with the audited financial statements for the year ended 31st March 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

**Structure**

Governors for Schools is a company limited by guarantee and a registered charity. The company's Memorandum and Articles of Association are the primary governing documents.

**Objectives**

We facilitate the recruitment and placement of people with business and management skills who are willing to act as governors with the aim of strengthening the governing boards of schools. We believe this is of benefit to the public through the advancement of education by making available advice and assistance to all schools.

The company reviews its aims, objectives and activities each year ensuring they remain focused on the stated purpose of the charity. The Trustees refer to the guidance given by the Charity Commission on public benefit during this process and assess how successful each activity has been and what benefits have been brought to the groups of people the charity is set up to help.

**Why do we exist?**

Governors for Schools exists to improve educational standards so that children and young people have the chance to realise their full potential. We believe one of the keys to improving school performance is effective governance. By engaging, placing, nurturing and supporting a committed network of governors we help to drive systematic change in how schools operate.

We estimate that the English school system needs to find some 30,000 new governors every year. In addition we can see that the responsibilities of governors and trustees are changing as the school system moves away from local authority control towards independent academies. Accordingly the need for governing boards to bring specific skills in areas such as finance, the law, human capital, property and marketing is increasing if schools are to take advantage of the greater autonomy they have been given.

We are committed to providing those responsible for appointing governors, normally the super-busy chairperson, with the best governor and trustee recruitment service in the sector.

**What is our Theory of Change?**

We believe that the main driver of educational outcomes is the quality of the leadership throughout a school or group of schools. The appointment of the leader is the responsibility of the Board of Governors in a single school or the Board of Trustees in a single or multiple academy chain. Good governance leads to better outcomes for pupils and the communities each school serves.

Effective boards require a combination of skills and experience, which can be found in abundance outside the schools sector, for example in public and private industry, academia and the professions. There are many people willing to dedicate their valuable time to helping schools because:-

**GOVERNORS FOR SCHOOLS  
REPORT OF THE TRUSTEES (CONTINUED)  
YEAR ENDED 31 MARCH 2019**

- we all share an interest in giving children and young people excellent education
- many people can see how they can develop their own skills by working as “non-executives” on governing boards
- some wish to influence the way schools integrate with communities and participate in the markets for further learning and indeed employment.

**What do we do?**

We work with a growing pool of businesses and university partners to encourage their people to become school governors and to provide them with first class induction training so they can start contributing both quickly and effectively. Secondly we understand schools’ needs, paying particular attention to the skills and experience they want to bring to their boards to make them more effective. We match volunteers to schools on the basis of skills and location.

**Our values**

- Excellence
- Integrity
- Collaborative
- Pioneering

**What are our Strategic Priorities?**

- Increase the number of governors placed in schools and supported to be effective
- Raise our profile in education and business sectors
- Understand and report our impact
- Broaden the funding base of the charity

**Achievements in 2018-19**

We recorded 3830 vacancies from 2563 educational establishments. 2737 volunteers registered with us and 1678 were placed as governors in schools. The composition of volunteers was both ethnically diverse with 30% from a BAME background and skewed towards young and mid-career professionals, with 60% aged between 25 and 44. London contributed 39% of all volunteers and 44% of placed governors, which reflects the strong participation of firms in London who encourage staff to volunteer for work with schools. Our efforts outside London are strongest in the North West where we have a long standing and productive relationship with the University of Manchester, and are nurturing links with businesses. We grew our applications from volunteers by 58% and placements by 37% since 2017-18 in this region. Elsewhere we are continuing to build our relationships with individual schools, multi-academy trusts and of course employers who supply the talent governing boards need.

Our Top Business Employers:

KPMG	Barclays
Lloyds Banking Group	Herbert Smith Freehills
Deutsche Bank	HSBC
PWC	Accenture
Bank of England	Clifford Chance
SAGE	

**GOVERNORS FOR SCHOOLS  
REPORT OF THE TRUSTEES (CONTINUED)  
YEAR ENDED 31 MARCH 2019**

**Our Top Universities:**

The University of Manchester
University of Liverpool
Imperial College London
Durham University
University of Leeds
Edge Hill University

A major achievement this year has been the research and publication of our first impact report as Governors for Schools. Supported by Pro Bono Economics, we surveyed several hundred governors and schools to find out what they thought of our service, with very good results. The key findings are that:

- 9 out of 10 volunteers would recommend being a governor to a friend.
- 9 out of 10 schools would recommend GfS.
- 50 per cent of schools stated it took at least two terms to fill their last governor vacancy, with 29 per cent of schools outside of London saying it took more than a year to fill their last governor vacancy, highlighting the need for support with this issue.
- 96 per cent of schools stated that GfS volunteers have the same or better skills than other governors and 65 per cent of schools felt that GfS volunteers were either 'highly motivated' or 'more interested' than other governors.
- The value of the time committed by the GfS governors is estimated to be around £9.9 million.

This year we have experimented with digital marketing, testing advertising and promotion on social media platforms. This is an area we will continue to put major effort into in order to reach as many potential governors as we can. We have also invested significantly in improving the internal efficiency of our operations, by harnessing technology to streamline administrative work.

Our financial condition at the end of the year is sound. We have healthy reserves and a multi-year funding commitment from our donors.

**Our thanks for this year go to**

2737 people who volunteered to become governors  
1678 people who accepted appointments as governors  
2563 educational establishments who registered vacancies with us.  
70 businesses, universities and other organisations who encourage staff to become school governors (see tables above for Top Business and Universities).  
Allen & Overy, the Bank of England, and PWC for supporting our research on the professional development of governors, to be published in June 2019.  
The City of London Corporation and The Key for sponsoring the creation of elearning modules.  
Lloyds Banking Group for donations to ensure we support our governors effectively.

**GOVERNORS FOR SCHOOLS  
REPORT OF THE TRUSTEES (CONTINUED)  
YEAR ENDED 31 MARCH 2019**

**The year ahead**

We believe that prospects for Governors for Schools are very positive, driven by forces affecting schools, businesses, universities, and people across England. We are seeking 32 new business partnerships, and aim to bring another 8 universities on board. We aim to strengthen our recruiting activities outside of London even further to ensure we can meet demand for governors, while deepening our existing corporate relationships. We are placing more trustees on the board of Multi Academy Trusts and forecast that this work will grow. In parallel we are diversifying the funding of Governors for Schools, through growing our pool of Major Donors.

**Reserve Policy**

Reserves at the end of the year consisted of Restricted Funds £18,927; Designated Fixed Asset Fund (to be matched against future depreciation charges) £13,494; Designated Reserve Fund £215,000; and Unrestricted Funds of £759,959.

The Trustees' current policy is to hold sufficient reserves to provide working capital to meet contracted commitments, 3 months operating costs, and an organised winding down of the company should this ever be required. These reserves are reflected in the designated reserve fund shown in the accounts. Donations from supporting organisations are sought early in the financial year to provide working capital for the year ahead.

**Risk Management**

The Company has a comprehensive on-going and up-to-date risk register. The Board takes direct responsibility for management of risk in two business critical areas; these areas are cessation or reduction of funding and the performance of the Chief Executive. The other risks are designated as operational and the Chief Executive is responsible for monitoring changes and alerting the Board.

**Governance and Management**

The Trustees meet quarterly to monitor progress and to take decisions concerning the strategic direction of the charity. The Chief Executive attends all Board meetings. The Board approves the annual Business Plan and detailed budget. The staff of the Governors for Schools are authorised to work within the framework of the Business Plan and budget under the direction of the Chief Executive. The Trustees receive reports from the Chief Executive, comprising financial, statistical and other information to enable them to measure the company's performance against budget, targets and objectives for the year.

New Trustees are recruited to the Board as required in order to ensure that the Board membership has the proper range of skills and competencies. A skills audit is undertaken regularly to identify gaps in expertise.

None of the Trustees receive remuneration or other benefit from their work with the charity. Any connection between a Trustee or senior manager of the charity must be disclosed to the full board of Trustees. In the current year no such related party transactions were reported, other than as disclosed in the notes to the accounts.

**GOVERNORS FOR SCHOOLS  
REPORT OF THE TRUSTEES (CONTINUED)  
YEAR ENDED 31 MARCH 2019**

**Trustees' Responsibilities**

The Trustees (who are also directors of Governors for Schools for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing those financial statements, the trustees are required to: select suitable accounting policies and 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 trustees are responsible for maintaining 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 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.

In so far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Small Company Provision**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Report of the Trustees' was approved on 10/7/2019 and signed on behalf of the board of directors by:

  
.....  
LINDA WILDING



## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF GOVERNORS FOR SCHOOLS THE YEAR ENDED 31ST MARCH 2019**

### **Opinion**

We have audited the financial statements of Governors for Schools for the year ended 31<sup>st</sup> March 2019 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the Charity's state of affairs as at 31<sup>st</sup> March 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF GOVERNORS FOR SCHOOLS THE YEAR ENDED 31ST MARCH 2019 (CONTINUED)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of the trustees**

As explained more fully in the trustee's responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF GOVERNORS FOR SCHOOLS FOR THE YEAR ENDED 31ST MARCH 2019 (CONTINUED)

### Our responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees 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 Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



AGP Chartered Accountants  
and Statutory Auditors

Sutton Quays Business Park  
Sutton Weaver  
Runcorn  
WA7 3EH

Date 10 JULY 2019 .....

AGP Chartered Accountants are eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## GOVERNORS FOR SCHOOLS

### STATEMENT OF FINANCIAL ACTIVITIES For the year ended 31<sup>st</sup> March 2019

	Note	Un- Restricted Funds	Restricted Funds	Total Funds 2018/2019	Total Funds 2017/2018
		£	£	£	£
<b>Income</b>					
<b>Income from Charitable Activities:</b>					
Donations	5	892,775	96,593	989,368	953,404
Investment Income	6	76	0	76	261
<b>Total Income</b>		<b>892,851</b>	<b>96,593</b>	<b>989,444</b>	<b>953,665</b>
<b>Expenditure</b>					
<b>Expenditure on Charitable Activities:</b>					
Raising funds		4,798	0	4,798	0
Recruiting & Placement of School Governors	7	72,723	28,666	101,389	167,914
Other	7	765,869	61,820	827,689	709,325
<b>Total Expenditure</b>		<b>843,390</b>	<b>90,486</b>	<b>933,876</b>	<b>877,239</b>
<b>Net Income / (Expenditure) for the Year Before Transfers</b>		<b>49,461</b>	<b>6,107</b>	<b>55,568</b>	<b>76,426</b>
Transfers between Funds:					
<b>Net Income / (Expenditure) for the Year</b>		<b>49,461</b>	<b>6,107</b>	<b>55,568</b>	<b>76,426</b>
<b>Other Recognised Gains and Losses</b>					
<b>Net Movement in Funds</b>		<b>49,461</b>	<b>6,107</b>	<b>55,568</b>	<b>76,426</b>
<b>Reconciliation of Funds</b>					
Balances brought forward at 1 April 2018		938,992	12,820	951,812	875,386
<b>Balances carried forward at 31 March 2019</b>		<b>988,453</b>	<b>18,927</b>	<b>1,007,380</b>	<b>951,812</b>

The statement of financial activities includes all gains and losses and losses recognised in the year.  
All income and expenditure derives from continuing activities.

## GOVERNORS FOR SCHOOLS

### INCOME & EXPENDITURE

For the year ended 31<sup>st</sup> March 2019

		TOTAL 2018/2019	TOTAL 2017/2018
	Note	£	£
<b>Income</b>			
Other Restricted	5	96,593	94,333
Donations Unrestricted	5	892,775	859,071
Other Unrestricted	6	76	261
<b>Total Income</b>		<b>989,444</b>	<b>953,665</b>
<b>Expenditure</b>			
Salaries	8	664,825	560,919
Other Operational Charges		255,501	306,566
Depreciation	9	13,550	9,754
<b>Total Expenditure</b>		<b>933,876</b>	<b>877,239</b>
<b>Surplus of Income/Expenditure</b>		<b>55,568</b>	<b>76,426</b>
<b>Net Transfer to/from Funds</b>			
Restricted fund		6,107	(18,000)
Designated Fixed Asset Fund		(11,190)	10,204
Designated Reserve Fund		85,908	0
Unrestricted Fund		(25,257)	84,222
		<b>55,568</b>	<b>76,426</b>

## GOVERNORS FOR SCHOOLS

### STATEMENT OF FINANCIAL POSITION As at 31<sup>st</sup> March 2019

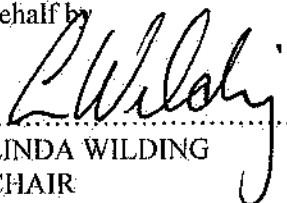
	Note	£	2018/2019 £	2017/2018 £
<b>Fixed Assets</b>				
Tangible fixed assets	9		13,494	24,684
<b>Current Assets</b>				
Debtors & Prepayments	10	517,161		480,213
Cash at bank and in hand		485,711		476,653
		1,002,872		956,866
<b>Liabilities</b>				
Creditors falling due within one year	11	8,986		29,738
<b>Net Current Assets</b>			993,886	927,128
<b>Total Assets less Current Liabilities</b>			1,007,380	951,812
<b>Net Assets</b>			1,007,380	951,812
<b>Funds</b>				
Restricted Fund	12		18,927	12,820
Designated Fixed Asset Fund			13,494	24,684
Designated Reserve Fund			215,000	129,092
Unrestricted Fund			759,959	785,216
			1,007,380	951,812

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act. However, the charity is required to be audited under Charities Act 2011.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the directors on 10 July 2019 and are signed on their behalf by

  
 .....  
 LINDA WILDING  
 CHAIR

10/7/2019  
 .....  
 Date

## GOVERNORS FOR SCHOOLS

### STATEMENT OF CASH FLOWS

As at 31<sup>st</sup> March 2019

	2018/2019	2017/2018
	£	£
<b>Cash flows from operating activities</b>		
Net income	55,568	76,426
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	13,550	9,754
Other interest receivable and similar income	(76)	(261)
Gains on disposal of tangible fixed assets	-	-
Accrued (income)/expenses	679	(2,941)
<i>Changes in:</i>		
Trade and other debtors	(36,948)	(451,384)
Trade and other creditors	(21,431)	(6,741)
Cash generated from operations	<u>11,342</u>	<u>(375,147)</u>
Interest received	76	261
Net cash (used in)/from operating activities	<u>11,418</u>	<u>(374,886)</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(2,360)	(19,958)
Proceeds from sale of tangible assets	-	-
Net cash used in investing activities	<u>(2,360)</u>	<u>(19,958)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	9,058	(394,844)
<b>Cash and cash equivalents at beginning of year</b>	<u>476,653</u>	<u>871,497</u>
<b>Cash and cash equivalents at end of year</b>	<u>485,711</u>	<u>476,653</u>

## **GOVERNORS FOR SCHOOLS NOTES TO THE ACCOUNTS**

### **1 General information**

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is c/o WeWork 33 Queen Street, London, EC4R 1AP.

### **2 Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

### **3 Accounting Policies**

#### **3.1 Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **3.2 Going concern**

There are no material uncertainties about the charity's ability to continue.

#### **3.3 Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **3.4 Fund Accounting**

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor.



## **GOVERNORS FOR SCHOOLS NOTES TO THE ACCOUNTS (Continued)**

### **3.5 Recognition of Income**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Incoming resources received for specific purposes are included in the statement of financial activities. The balance of income received for specific purposes but not matched to relevant expenditure during the period is shown in the Restricted Income Fund and Balance Sheet.

- Income from charitable activities and donations is received by way of grants, sponsorship and donations and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Intangible income represents services and facilities donated by third parties and is included at the value to Governors for Schools where this can be quantified by the Board and where provided at a cost to the third party.

### **3.6 Expenditure**

All payments are recognised in the accounts in the year to which they relate. Expenditure is recognised on an accruals basis as a liability is incurred.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource.
- Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

### **3.7 Fixed Assets and Depreciation**

Purchases are capitalised where the expected useful life of the items exceed one year and where the cost of acquisition exceeds £500 including VAT. Assets are depreciated over their expected useful life by the straight line method. The classes and standard asset lives are reviewed annually. The depreciation rates applied to the main categories of assets are as follows:

<b>Class of Asset</b>	<b>Standard Useful Life</b>
Computer Equipment & Furniture	3 years

### **3.8 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

**GOVERNORS FOR SCHOOLS**  
**NOTES TO THE ACCOUNTS (Continued)**

**3.9 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**3.10 Taxation**

The company is a registered charity and as such is exempt from Income and Corporation taxes under the provision of the Income and Corporation Taxes Act 1988. The cost of Value Added Tax incurred by the company has been included in the Income and Expenditure Account.

**3.11 Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the carrying value at their settlement value with the exception of banks loans which are subsequently measured at amortised cost using the effective interest method.

**3.12 Pensions**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

**3.13 Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**4 Limited by guarantee**

The company is limited by guarantee and does not have a share capital. The liability of the members is limited in the event of the company being wound up to such amount as may be required not exceeding one pound.

**GOVERNORS FOR SCHOOLS  
NOTES TO THE ACCOUNTS (Continued)**

<b>5 Donations</b>	<b>2018/2019</b>	<b>2017/2018</b>
	<b>£</b>	<b>£</b>
Lindsay Dibden	0	10,000
Attwood Education Foundation	0	10,000
City of London	24,340	0
KPMG	0	7,000
Arbor Education	7,500	7,500
Lloyds Bank	10,000	10,000
The Charles Littlewood Hill Trust	1,000	0
Bank Of England	5,000	4,000
80:20 Charitable Trust	778,753	864,833
Allen & Overy	5,000	5,000
The Wixamtree Trust	2,500	0
Ian Armitage	112	61
Tenzing	35,000	35,000
MyDonate	2	10
Amazon Smile	58	0
The Key	25,000	0
Halcyon London International School	500	0
St James Hatcham Primary School	25	0
Frances Jacob	4,000	0
Skagen Conscience Capital Ltd	10,000	0
The Carron Charitable Settlement	250	0
The Estate of Beryl Margaret Jacob	80,078	0
Eversheds Sutherland (International) LLP	250	0
	<b>989,368</b>	<b>953,404</b>
<b>6 Investment Income</b>	<b>2018/2019</b>	<b>2017/2018</b>
	<b>£</b>	<b>£</b>
Bank Interest	76	261
	<b>76</b>	<b>261</b>

**GOVERNORS FOR SCHOOLS  
NOTES TO THE ACCOUNTS (Continued)**

**7 Charitable Activities**

	2018/2019	2017/2018
	£	£
Marketing	61,807	93,656
Business Development	11,910	4,723
Website & Database	20,859	43,296
e-Learning	6,813	26,239
	<u>101,389</u>	<u>167,914</u>
<b>Support Costs</b>		
Salaries & Expenses	691,311	582,048
Administration	17,964	35,053
Occupancy Costs	96,104	75,103
Depreciation	13,550	9,754
Office Equipment	273	841
Legal & Professional	3,747	1,906
	<u>822,949</u>	<u>704,705</u>
<b>Governance Costs</b>		
Auditors' Remuneration - Audit Fee	4,740	4,620
	<u>4,740</u>	<u>4,620</u>

**8 Remuneration**

**The Board Chairman & Directors**

The Chairman & Directors did not receive any remuneration for their services. Expenses amounting to £1,205 were paid during the year to one trustee. These expenses related to travel and subsistence.

**8.1 Employees**

**8.2 Analysis of Employees**

Category of Employment	Average Number Of Employees 2018/2019	Average Number Of Employees 2017/2018
Chief Executive	1	1
Administration	2	2
Business Development	18	18
	<u>21</u>	<u>21</u>

**GOVERNORS FOR SCHOOLS  
NOTES TO THE ACCOUNTS (Continued)**

**8.3 Analysis of Staff Costs**

Total staff costs for the year were

<b>Salaries</b>	<b>Total 2018/2019 £</b>	<b>Total 2017/2018 £</b>
Salaries	593,334	504,149
Employer's Pension	15,761	9,029
Employer's NIC	55,730	47,741
	<u>664,825</u>	<u>560,919</u>

The amount recognised in the Statement of Financial Activities as an expense in relation to defined contribution pension plans was £15,761

The number of employees whose emoluments (salaries, wages and benefits in kind) fell within the following band:

	<b>2018/2019 £'000</b>	<b>2017/2018 £'000</b>
<b>£70,000 - £79,999</b>	<b>1</b>	<b>1</b>

During the year pension contributions of £5,498 were paid for this member of staff.

**9 Fixed Assets  
Analysis of Fixed Assets**

	<b>Computers &amp; Furniture £</b>	<b>Total 2018/2019 £</b>	<b>Total 2017/2018 £</b>
<b>Cost</b>			
as at 1 April 2018	55,574	55,574	94,049
Purchased in year	2,360	2,360	19,958
Disposal of equipment	0	0	(58,433)
Cost as at 31 <sup>st</sup> March 2019	<u>57,934</u>	<u>57,934</u>	<u>55,574</u>
<b>Depreciation</b>			
as at 1 April 2018	30,890	30,890	79,569
Charge for the year	13,550	13,550	9,754
Depreciation on Disposal	0	0	(58,433)
as at 31 <sup>st</sup> March 2019	<u>44,440</u>	<u>44,440</u>	<u>30,890</u>
<b>Net Book Value</b>			
as at 1 April 2018	<u>24,684</u>	<u>24,684</u>	<u>14,480</u>
as at 31 <sup>st</sup> March 2019	<u>13,494</u>	<u>13,494</u>	<u>24,684</u>

**GOVERNORS FOR SCHOOLS**  
**NOTES TO THE ACCOUNTS (Continued)**

**10 Assets**

<b>Debtors &amp; Prepayments</b>	<b>Total 2018/2019 £</b>	<b>Total 2017/2018 £</b>
Rent Bond	24,600	0
Sundry Debtors	479,253	464,833
Prepayments	13,308	15,380
	<u>517,161</u>	<u>480,213</u>

**11 Liabilities**

<b>Creditors falling due within one year</b>	<b>Total 2018/2019 £</b>	<b>Total 2017/2018 £</b>
Creditors	3,387	24,818
Accruals	5,599	4,920
	<u>8,986</u>	<u>29,738</u>

**12 Restricted Funds**

	<b>Balance 1/4/2018 £</b>	<b>Incoming £</b>	<b>Expenditure, Gains, Losses &amp; Transfer £</b>	<b>Total 2018/2019 £</b>
City of London	6,537	24,340	26,044	4,833
Arbor Education	3,573	7,500	11,073	0
Allen & Overy	0	5,000	5,000	0
80:20 Charitable Trust	(7,290)	28,753	21,463	0
Lloyds Bank	10,000	10,000	10,000	10,000
The Charles Littlewood Hill Trust	0	1,000	1,000	0
The Wixamtree Trust	0	2,500	500	2,000
The Key	0	12,500	12,500	0
Bank of England	0	5,000	2,906	2,094
	<u>12,820</u>	<u>96,593</u>	<u>90,486</u>	<u>18,927</u>

**GOVERNORS FOR SCHOOLS  
NOTES TO THE ACCOUNTS (Continued)**

**Restriction**

**City of London**

Restricted donation to be spent on the agreed 'Driving employability outcomes through schools' project.

**Arbor Education**

Restricted donation to be spent on the development and promotion of Performance Data e-learning module.

**Allen & Overy**

Allen & Overy donation to be spent on the professional skills governance project.

**80:20 Charitable Trust**

Restricted donation to be spent on key developments such as technology infrastructure.

**Lloyds Bank**

Restricted donation to be spent on training and support for Governors.

**The Charles Littlewood Hill Trust**

Restricted donation to provide schools in Norfolk and Nottinghamshire with the expertise of 3 skilled governors.

**The Wixamtree Trust**

Restricted donation to provide schools in Bedfordshire with the expertise of 10 skilled governors/trustees.

**The Key**

Restricted donation to be spent on the development and promotion of Multi-academy trusts e-learning module.

**Bank of England**

Restricted donation to be spent on the professional skills governance project.

**13 Analysis of Net Assets Between Funds**

	<b>Unrestricted Funds</b>	<b>Restricted</b>	<b>Total 2018/2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	13,494	0	13,494
Current Assets	983,945	18,927	1,002,872
Liabilities	<u>(8,986)</u>	<u>0</u>	<u>(8,986)</u>
	<u><b>988,453</b></u>	<u><b>18,927</b></u>	<u><b>1,007,380</b></u>

**GOVERNORS FOR SCHOOLS**  
**NOTES TO THE ACCOUNTS (Continued)**

**14 Operating Leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>Total</b> <b>2018/2019</b>	<b>Total</b> <b>2017/2018</b>
	<b>£</b>	<b>£</b>
Not later than 1 year	108,240	0
Later than 1 year and not later than 5 years	0	0
	<u>108,240</u>	<u>0</u>

The leases payments recognised as an expense during the year amounted to £37,482.

**15 Related Party Transactions**

During the year the charity received £778,753 from the 80:20 Charitable Trust which is exclusively funded by the Armitage family. Mr Ian Armitage is a Trustee of Governors for Schools. At the year end, there was an amount of £479,253 due to be received from the 80:20 Charitable Trust.

Ian Armitage is also a Director of The Key Support Services Limited who invoiced the charity for rent amounting to £51,840. During the year, Governors for Schools invoiced The Key Support Services for £25,000 for sponsorship of the Multi-academy trust e-learning module.

The charity also received a donation of £1.12 from Mr Ian Armitage.

The charity also received £10,000 from Skagen Conscience Capital Limited and incurred costs of £56 from Electra Private Equity PLC, companies in which Trustee Linda Wilding is a Director.

Finally, the charity also received a donation of £5,000 during the year from Allen & Overy, a company in which Trustee Jane Higgins is a Director.

No further transactions with related parties were undertaken such as are required to be disclosed.