

REGISTERED COMPANY NUMBER: 03549029 (England and Wales)

REGISTERED CHARITY NUMBER: 1070331

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014
FOR
NATIONAL GOVERNORS' ASSOCIATION

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

NATIONAL GOVERNORS' ASSOCIATION

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FOR THE YEAR ENDED 31 MARCH 2014**

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NATIONAL GOVERNORS' ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03549029 (England and Wales)

Registered Charity number

1070331

Registered office

Ground Floor
36 Great Charles Street
Birmingham
West Midlands
B3 3JY

Trustees

Stephen Adamson

Patricia Astwood

- Resigned 16 November 2013

Judith Bennett

Margaret Bull

Ian Courtney

Terry Douris

Nigel Brent Fitzpatrick

- Appointed 16 November 2013

Michael David Greenacre

- Appointed 16 November 2013

Peter Duncan Haworth

Siddique Hussain

Andrew Kent

Nicolette Joan Lamont

- Appointed 16 November 2013

Charles Patrick Lowe

- Appointed 16 November 2013

Frederick Manning

Susan Marsh

Doris Neville-Davies

- Resigned 16 November 2013

Frank Ridley

Brenda Steel

- Appointed 16 November 2013

Richard Thompson

Joyce Woodham

- Resigned 16 November 2013

Dr Harry Ziman

Company secretary

Gillian Allcroft

Chief executive

Emma Knights

Senior statutory auditor

Peter Smith ACA

NATIONAL GOVERNORS' ASSOCIATION

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditors

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

Bankers

HSBC Bank
130 New Street
Birmingham
West Midlands
B2 4JU

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The National Governors' Association is a company limited by guarantee (registered number 03549029) which was incorporated on 20 April 1998 and which achieved charitable status on 1 July 1998 (registered number 1070331).

The Association was established under a Memorandum of Association which established the objects and powers of the Association and is governed under its Articles of Association.

In the event of the Association being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

As the Association is incorporated as a company limited by guarantee, the trustees are deemed to be directors of the Association.

The management of the Association is the responsibility of the trustees who are elected and appointed under the terms of the Association's Articles of Association.

The Board of Trustees consists of nine Regional Directors who are appointed by Regional Associations following elections held by the Regional Associations and nine General Directors who are elected by all classes of members by postal ballot.

Each December the Board of Trustees appoints, from within its members, between four and five honorary officers consisting of the Chair, one or two Vice-Chairs, a Treasurer and an Honorary Secretary.

The current Board of Trustees will continue in office until the next Annual General Meeting of the Association which is scheduled to be held on 15 November 2014.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the Association are set out in the notes to the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New board members undergo an induction session led by the Chair of the Association and its Chief Executive to brief them on their legal obligations under charity law and company law, to inform them of the content of the Association's Memorandum and Articles of Association, to make them aware of the structure and meetings schedule of the Association's committees and to inform them of the content of the Association's strategic plan.

During the session, which takes place at the Association's offices, they meet the Association's staff and are briefed on their roles.

New board members are also referred to use the Association's website which contains a trustees' section containing past and forthcoming papers with links to other useful resources.

Organisational structure

The trustees meet four times during each year as a full board to confirm a strategic action plan to guide the Association's work and to monitor its implementation.

In addition, trustees serve on committees covering finance and business development, communications and policy.

Operational implementation of the strategic objectives and development of the Association's action plan is delegated to the Chief Executive, Emma Knights, who is responsible for ensuring that the Association delivers the services specified and that key performance indicators are met. To facilitate effective operations, the Chief Executive also has authority (within terms of delegation as approved by the trustees) for operational matters including finance, employment and service delivery.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Chief Executive reviews the risk assessment facing the Association at regular intervals and reports on any changes in this risk assessment to the relevant committees and then to the Board. Progress against the objectives in the Association's three-year strategic plan now forms the basis of the reporting of the Chief Executive to each meeting of the Board.

The annual budget, set before the start of each financial year, is monitored through quarterly reports to the finance and business development committee.

Internal risks are minimised by sound financial procedures.

NATIONAL GOVERNORS' ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

OBJECTIVES AND ACTIVITIES

Objectives and aims

The National Governors' Association aims to improve the well-being of children and young people by promoting high standards in our schools and by improving the effectiveness of their governing bodies.

Its aims can be summarised as follows.

- o Providing information and advice to school governors.
- o Extending the understanding and practice of good school governance.
- o Ensuring that the voices of school governors are heard.
- o Being recognised as the leading organisation concerning school governance, exercising influence through high quality policy publications and communications and through appropriate partnerships.
- o Being a sustainable, well-managed and successful organisation through effective internal operations, sound financial management and the development of the Association, its business and its people.

The National Governors' Association represents and supports governors from all state-funded schools, including maintained schools and academies.

Membership of the National Governors' Association is open to governing bodies (at a standard and a gold rate), to associations of governing bodies (normally covering a local authority area but independent of the local authority), to individual governors and to public authorities and companies who have an interest in school governance.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us to ensure that our aims, objectives and activities remain focused on our stated purposes.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

The focus of the National Governors' Association continues to be the improvement of the well-being of children and young people through the encouragement and maintenance of good school governance via the provision of support and information to school governors.

NATIONAL GOVERNORS' ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

ACHIEVEMENT AND PERFORMANCE

Charitable activities

How our activities deliver public benefit

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit, including the guidance on public benefit and fee charging.

Our main activities and who we try to help are described below.

All of our charitable activities focus on our ability to encourage and maintain good school governance through the provision of information and support to school governors.

Key achievements and successes during the period include the following.

Membership services

The annual survey of Association members carried out in October 2013 showed a high level of satisfaction with the Association's membership services and with the Association's priced publications, "Welcome to Governance" and "The Chair's Handbook".

The print-run for the fifth edition of "Welcome to Governance" had been extended as the previous edition had sold out early and, with the sixth edition published in January 2014, its price was reduced for members. It continues to be the most widely used induction pack for school governors in England.

Two of the key elements of the Association's membership package, the bi-monthly magazine "Governing Matters" and the e-newsletter sent to members each Friday during term-time, continue to be very well received.

Additional material has been developed for the Association's website, including hundreds of questions governors might want to ask their senior leaders and more guidance specifically for clerks and multi-academy trusts.

Work on a restructure of the Association's website has begun.

The number of calls to the GOLDadvice line are increasing and we continue to offer legal advice to GOLD members in partnership with Browne Jacobson.

Our first research report, "The Road to Federation", was published at the end of 2013.

National conferences and local events

Two national conferences for members were held during the year - London in June 2013 and York in November 2013 - and both were full to capacity.

Regional meetings were also held for members in the Autumn of 2013 and the Spring of 2014.

In addition, we held four free regional conferences - Derby and Liverpool in October 2013 and Birmingham and Guildford in March 2014 - and also held our first ever conference for governors of special schools in May 2013.

We also continue to provide speakers for many national and local events on school governance.

Working with other stakeholders

The Association continues to be represented at many meetings with the Department for Education (DfE), at both round-table meetings and bi-lateral meetings. We meet each term with Lord Nash, the under-secretary of state for schools with responsibility for governance.

Three of the key DfE standing groups on which we are represented are the Education Forum, the Advisory Group on Governance and the School and Academy Funding Group.

NATIONAL GOVERNORS' ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Association responded to all relevant formal consultations and gave oral evidence on a number of occasions, including the House of Commons enquiry into academies and to the School Teachers' Review Board (STRB).

We act as the secretariat of the All-Party Parliamentary Group on Education Governance and Leadership.

We also work with a large number of partners to further the aims of our members and to improve the effectiveness of governing boards.

We were one of the founding members of the Inspiring Governors alliance, co-ordinated by the Education & Employment Taskforce, to encourage volunteering as governors and to provide a web-portal for prospective

We were pleased to work closely once again with the National College of Teaching and Leadership (NCTL) in developing workshops on performance related pay.

We also continued the "Clerking Matters" work with the Society of Local Authority Chief Executives (SOLACE) on raising the profile and quality of the clerking of governing bodies and we were extremely pleased when the Under-Secretary of State with responsibility for school governance, Lord Nash, used our summer conference to announce funding for the NCTL to develop a clerks' development programme.

We were proud to have worked with the Fischer Family Trust to develop and launch the FFT Governor dashboard.

We also worked with the Independent Academies Association to organise a strand of the Spring 2014 conference on governing a group of schools and produced a film on governance for the 2013 conference of the National Association of Headteachers.

Our Leading Governance partnership with the Eastern Leadership Centre thrived in its second year, delivering the National College's Chairs' Development Programme in many areas of the country.

Training and consultancy

The main new development during the year was the piloting of National Governors' Association training and consultancy offer.

This had been planned in the previous year, but we did not have the internal capacity to embark on the service.

As a result, we engaged a lead consultant, Clare Collins, to work with the Association's Chief Executive to recruit a team of self-employed consultants to provide a range of bespoke support for schools including external reviews of governance.

The lead consultant also takes a quality assurance role.

At the end of the pilot year in May 2014 the service was reviewed by the Association's Finance and Business Development Committee.

The Association does not aim to make any surplus from this service, only to cover its costs including staff time.

The work also provides a useful insight for the guidance needed for governing bodies to help them to improve.

Expansion of the staff team

Due to increasing membership during the year we were able to further increase our staff team - an additional information officer, Rani Kaur, was recruited to expand the advice team and a personal assistant to the Chief Executive, Mark Gardner, was recruited who also acts as a press officer.

NATIONAL GOVERNORS' ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Furthermore, the budget set for the year ended 31 March 2015 allows for the recruitment of a further four graduate trainees - two for the advice team and two further information officers to work on projects as well as supporting local associations and training events.

The current staff group are as follows.

Emma Knights	-	Chief Executive.
Gillian Allcroft	-	Deputy Chief Executive and Policy Manager.
Mark Gardner	-	PA to the Chief Executive.
Victoria Stokoe	-	Office Manager.
Philip Wood	-	Advice Manager.
Ellie Howarth	-	Research and Information Officer.
Laura Owen	-	Communications and Marketing Officer.
Lisa Richards	-	Finance Officer (part-time).
Rani Kaur	-	Information Officer.
Ravinder Banger	-	Administrative Officer.
Adele Cotterill	-	Membership Officer (job-share).
Anicka Bashir	-	Membership Officer (job-share).

The board would like to thank the staff group for their continued hard work and support during the year.

FINANCIAL REVIEW

Reserves policy

The National Governors' Association has a reserves policy to help secure the Association's viability beyond the immediate future and to provide reliable services over the longer term.

In the trustees' opinion, as at 31 March 2014, the Association requires reserves totalling £200,000 of which £150,000 would represent the current legal requirements for any potential redundancies and settling of leases.

At the annual review of this policy in November 2014, the Association's Finance and Business Development Committee will reconsider the level of any legal requirements in the event of any potential winding-up of the Association.

Financial review

The Statement of Financial Activities for the year ended 31 March 2014 shows total incoming resources of £760,431 (2013 - £531,819) and total resources expended of £661,627 (2013 - £526,610), generating net incoming resources of £98,804 (2013 - £5,209).

Membership subscriptions, our principle source of income, increased by some 34% during the year ended 31 March 2014 from £407,864 to £547,442 which was largely due to an increase in membership numbers and type recorded during the year ended 31 March 2014 compared to the year ended 31 March 2013.

Furthermore, during the year ended 31 March 2014, training and consultancy income has come to represent a significant source of income for the Association.

Publications income continues to be a significant source of income for the Association.

NATIONAL GOVERNORS' ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

FINANCIAL REVIEW

Principal funding sources

We would like to take this opportunity to thank those partners who promoted membership of the National Governors' Association alongside their own services during the year, in particular those listed as follows.

- o Cheshire East Council.
- o Derby City Council.
- o Derby Teaching School Alliance.
- o Hackney Learning Trust.
- o Halton Borough Council.
- o Knowsley Council.
- o Leicestershire County Council.
- o Oxfordshire County Council.
- o Peterborough City Council.
- o Sandwell Association of Governing Bodies.
- o Stockport Metropolitan Council.
- o Swindon Borough Council.
- o Warrington Borough Council.
- o Wirral Borough Council.

In addition, we would like to thank the following sponsors who provided funding during the year.

- o gel.
- o GL Education Group.
- o Modern Governor.
- o PS Financials.
- o Target Tracker.
- o TES Prime.
- o Towergate Education.
- o Zurich Municipal.

Investment policy and objectives

The trustees have full powers under the Association's Articles of Association to make investments on behalf of the Association.

Having regard to the liquidity requirements of the Association's operations, the trustees have operated a policy of keeping available funds in short-term interest bearing deposit accounts and seek to achieve the best available market return on such deposits commensurate with a requirement for absolute security of capital.

NATIONAL GOVERNORS' ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2014

FUTURE DEVELOPMENTS

Our top priority for the year ended 31 March 2015 continues to be to increase the profile of the Association.

To achieve this, during the year ended 31 March 2015, we need to continue to focus on the following.

- o Improve the extent and scope of our information and on-line support, ensuring the quality of all of our services.
- o Increase the numbers of governing body members.
- o Promote a manifesto for outstanding governance which shapes the current debate about how to transform governance in order to ensure pupils are enabled to achieve their full potential.

The Association's Finance and Business Development Committee will be receiving a report of the pilot year for the Association's training and consultancy team, but serving members of the Association will continue to remain at the heart of our work.

Given the surplus achieved during the year ended 31 March 2014, the Trustees have planned for a budgeted deficit for the year ended 31 March 2015 based upon a review of the Association's activities and its strategic priorities which will invest in the organisation without introducing a structural deficit in future years.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of National Governors' Association for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 incoming resources and application of resources, including 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 then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, J W Hinks LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

NATIONAL GOVERNORS' ASSOCIATION

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2014

ON BEHALF OF THE BOARD:



.....
Peter Duncan Haworth - Trustee

Date: 25/2/14

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NATIONAL GOVERNORS' ASSOCIATION

We have audited the financial statements of National Governors' Association for the year ended 31 March 2014 on pages thirteen to twenty three. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page nine, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees 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 charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NATIONAL GOVERNORS' ASSOCIATION

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

P. Smith

Peter Smith ACA (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

Date: *26 July 2014*

NATIONAL GOVERNORS' ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014

		Unrestricted fund £	Restricted fund £	2014 Total funds £	2013 Total funds £
	Notes				
INCOMING RESOURCES					
Incoming resources from generated funds					
Activities for generating funds	2	40,033	-	40,033	31,357
Investment income	3	552	-	552	473
Incoming resources from charitable activities					
Income from charitable activities	4	<u>719,846</u>	<u>-</u>	<u>719,846</u>	<u>499,989</u>
Total incoming resources		760,431	-	760,431	531,819
RESOURCES EXPENDED					
Charitable activities					
Charitable activities	6	395,801	2,623	398,424	262,103
Support costs	7	259,299	-	259,299	259,351
Governance costs	8	<u>3,904</u>	<u>-</u>	<u>3,904</u>	<u>5,156</u>
Total resources expended		<u>659,004</u>	<u>2,623</u>	<u>661,627</u>	<u>526,610</u>
NET INCOMING/(OUTGOING) RESOURCES		101,427	(2,623)	98,804	5,209
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>163,932</u>	<u>2,623</u>	<u>166,555</u>	<u>161,346</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>265,359</u></u>	<u><u>-</u></u>	<u><u>265,359</u></u>	<u><u>166,555</u></u>

The notes form part of these financial statements

NATIONAL GOVERNORS' ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Unrestricted fund £	Restricted fund £	2014 Total funds £	2013 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Activities for generating funds	2	40,033	-	40,033	31,357
Investment income	3	552	-	552	473
Incoming resources from charitable activities					
Income from charitable activities	4	<u>719,846</u>	-	<u>719,846</u>	<u>499,989</u>
Total incoming resources		760,431	-	760,431	531,819
RESOURCES EXPENDED					
Charitable activities					
Charitable activities	5				
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Support costs	7	259,299	-	259,299	259,351
Governance costs	8	<u>3,904</u>	-	<u>3,904</u>	<u>5,156</u>
Total resources expended		659,004	2,623	661,627	526,610
NET INCOMING/(OUTGOING) RESOURCES		101,427	(2,623)	98,804	5,209
RECONCILIATION OF FUNDS					
Total funds brought forward		163,932	2,623	166,555	161,346
TOTAL FUNDS CARRIED FORWARD		<u>265,359</u>	<u>-</u>	<u>265,359</u>	<u>166,555</u>

The notes form part of these financial statements

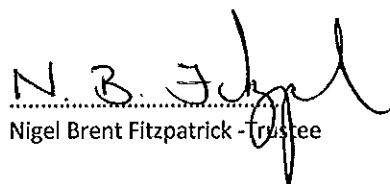
NATIONAL GOVERNORS' ASSOCIATION

BALANCE SHEET
AT 31 MARCH 2014

	Notes	Unrestricted fund £	Restricted fund £	2014 Total funds £	2013 Total funds £
FIXED ASSETS					
Tangible assets	13	8,131	-	8,131	13,060
CURRENT ASSETS					
Stocks		6,612	-	6,612	6,032
Debtors	14	57,744	-	57,744	51,728
Cash at bank		252,722	-	252,722	138,919
		<u>317,078</u>	<u>-</u>	<u>317,078</u>	<u>196,679</u>
CREDITORS					
Amounts falling due within one year	15	(59,850)	-	(59,850)	(43,184)
		<u>257,228</u>	<u>-</u>	<u>257,228</u>	<u>153,495</u>
NET CURRENT ASSETS					
		<u>265,359</u>	<u>-</u>	<u>265,359</u>	<u>166,555</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>265,359</u>	<u>-</u>	<u>265,359</u>	<u>166,555</u>
NET ASSETS					
		<u>265,359</u>	<u>-</u>	<u>265,359</u>	<u>166,555</u>
FUNDS					
	17				
Unrestricted funds				265,359	163,932
Restricted funds				-	2,623
TOTAL FUNDS				<u>265,359</u>	<u>166,555</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 26.7.2014 and were signed on its behalf by:


Nigel Brent Fitzpatrick - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

INCOMING RESOURCES

All incoming resources are included on the Statement of Financial Activities when the Association charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grant income, where entitlement is not conditional on the delivery of a specific performance by the Association, is recognised when the Association becomes unconditionally entitled to the grant. Where related to performance and specific deliverables, grant income is accounted for as the Association earns the right to consideration by performance.

Subscriptions income is accounted for on a received basis.

RESOURCES EXPENDED

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 33.3% on cost

STOCKS

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

Contributions to the personal pension schemes of certain employees are charged to the Statement of Financial Activities in the period in which they relate. The assets of these personal pension schemes are held separately from those of the Association in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES - continued

TAXATION

The Association is exempt from corporation tax on its charitable activities.

OPERATING LEASES

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

COMPANY STATUS

The Association is a company limited by guarantee and the members of the company are the trustees named in the Report of the Trustees.

In the event of the Association being wound up the liability in respect of the guarantee is limited to £1 per member of the Association.

2. ACTIVITIES FOR GENERATING FUNDS

	2014 £	2013 £
Advertising and sponsorships	40,033	31,357

3. INVESTMENT INCOME

	2014 £	2013 £
Bank interest receivable	552	473

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2014 Income from charitable activities £	2013 Total activities £
Training and consultancy income	81,625	-
Project income	13,036	9,607
Membership fees	547,442	407,864
Publications income	73,088	78,263
Grants receivable	-	4,000
Miscellaneous income	4,655	255
	<u>719,846</u>	<u>499,989</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2014

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2014	2013
	£	£
Belmas Project fund	-	4,000
	<u> </u>	<u> </u>

A review of the allocation of incoming resources from charitable activities has been undertaken during the year ended 31 March 2014 and, in order to comply with the Statement of Recommended Practice, grant income receivable for the year ended 31 March 2013 has been restated.

The total net assets of the Association as at 31 March 2013 remain unchanged.

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6)	Support costs (See note 7)	Totals
	£	£	£
Charitable activities	398,424	-	398,424
Support costs	-	259,299	259,299
	<u> </u>	<u> </u>	<u> </u>
	<u>398,424</u>	<u>259,299</u>	<u>657,723</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2014	2013
	£	£
Staff costs	188,291	142,646
Training and consultancy expenses	61,462	-
Project costs	8,462	9,448
Conferences and regional meeting expenses	55,118	38,259
Members' magazine expenses	60,265	50,031
Other publication costs	15,984	13,430
Representation expenses	8,842	8,289
	<u> </u>	<u> </u>
	<u>398,424</u>	<u>262,103</u>

A review of the allocation of direct costs of charitable activities has been undertaken during the year ended 31 March 2014 and, in order to comply with the Statement of Recommended Practice, the allocation of direct costs of charitable activities for the year ended 31 March 2013 have been restated.

The total net assets of the Association as at 31 March 2013 remain unchanged.

7. SUPPORT COSTS

Support costs	<u> </u>	Other £ <u>259,299</u>
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2014

7. SUPPORT COSTS - continued

Support costs are those costs that have been incurred by the Association in order to further the continued development of the Association's charitable activities.

A review of the allocation of support costs has been undertaken during the year ended 31 March 2014 and, in order to comply with the Statement of Recommended Practice the allocation of support costs for the year ended 31 March 2013 has been restated.

The total net assets of the Association as at 31 March 2013 remain unchanged.

Support costs, included in the above, are as follows:

	2014	2013
	Support costs	Total activities
	£	£
Wages	124,240	116,291
Social security	10,798	9,878
Pensions	5,922	5,135
Office rent and services	34,853	37,514
Marketing and publicity	12,537	15,651
Insurance	1,513	2,477
Professional development	2,793	749
Office expenses	35,493	33,823
IT equipment and expenses	17,388	28,247
Trustees' expenses	5,093	5,182
Other support costs	3,741	2,551
Depreciation of tangible fixed assets	4,928	1,853
	<u>259,299</u>	<u>259,351</u>

8. GOVERNANCE COSTS

	2014	2013
	£	£
Legal fees	1,304	1,925
Auditors' remuneration	2,600	3,231
	<u>3,904</u>	<u>5,156</u>

A review of the allocation of governance costs has been undertaken during the year ended 31 March 2014 and in order to comply with the Statement of Recommended Practice, the allocation of governance costs for the year ended 31 March 2013 has been restated.

The total net assets of the Association as at 31 March 2013 remain unchanged.

NATIONAL GOVERNORS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2014

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2014	2013
	£	£
Auditors' remuneration	2,600	3,231
Depreciation - owned assets	4,929	1,853
	<u> </u>	<u> </u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2014 nor for the year ended 31 March 2013.

TRUSTEES' EXPENSES

During the year ended 31 March 2014 18 trustees (2013 - 16) were reimbursed a total of £5,093 (2013 - £5,182) for expenses incurred such as travel, subsistence and telephone whilst performing duties on behalf of the Association.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2014

11. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	287,341	239,995
Social security costs	27,335	22,527
Other pension costs	14,575	11,428
	<u>329,251</u>	<u>273,950</u>

The average monthly number of employees during the year was as follows:

	2014	2013
Management and administration	<u>12</u>	<u>10</u>

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

	2014	2013
£60,001 - £70,000	<u>1</u>	<u>1</u>

	2014	2013
	£	£
High paid staff pension contributions to money purchase schemes	<u>3,661</u>	<u>3,644</u>

The number of high paid staff to whom retirement benefits were accruing was as follows.

	2014	2013
Money purchase schemes	<u>1</u>	<u>1</u>

12. PENSION COMMITMENTS

The Association contributes to the individual pension plans of certain employees. The assets of these schemes are held separately from those of the Association in independently administered funds.

Total contributions for the year ended 31 March 2014 amounted to £14,575 (2013 - £11,428) and outstanding contributions as at 31 March 2014 amounted to £2,304 (2013 - £3,772).

NATIONAL GOVERNORS' ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2014

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2013	3,158	34,442	37,600
Disposals	-	(9,400)	(9,400)
At 31 March 2014	<u>3,158</u>	<u>25,042</u>	<u>28,200</u>
DEPRECIATION			
At 1 April 2013	3,158	21,382	24,540
Charge for year	-	4,929	4,929
Eliminated on disposal	-	(9,400)	(9,400)
At 31 March 2014	<u>3,158</u>	<u>16,911</u>	<u>20,069</u>
NET BOOK VALUE			
At 31 March 2014	<u>-</u>	<u>8,131</u>	<u>8,131</u>
At 31 March 2013	<u>-</u>	<u>13,060</u>	<u>13,060</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	52,881	45,919
VAT	4,863	5,243
Prepayments	-	566
	<u>57,744</u>	<u>51,728</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade creditors	20,329	2,491
Social security and other taxes	8,256	7,926
Other creditors	2,304	5,956
Deferred income	26,361	23,611
Accrued expenses	2,600	3,200
	<u>59,850</u>	<u>43,184</u>

16. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2014 £	2013 £
Expiring:		
Between one and five years	<u>28,700</u>	<u>24,616</u>

17. MOVEMENT IN FUNDS

	At 1.4.13 £	Net movement in funds £	At 31.3.14 £
Unrestricted funds			
General fund	163,932	101,427	265,359
Restricted funds			
Belmas Project fund	2,623	(2,623)	-
TOTAL FUNDS	<u>166,555</u>	<u>98,804</u>	<u>265,359</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	760,431	(659,004)	101,427
Restricted funds			
Belmas Project fund	-	(2,623)	(2,623)
TOTAL FUNDS	<u>760,431</u>	<u>(661,627)</u>	<u>98,804</u>

17. MOVEMENT IN FUNDS - continued

A review of the allocation of fund balances brought forward has been undertaken during the year ended 31 March 2014 and, as a result, the allocation of fund balances carried forward as at 31 March 2013 have been restated.

The total net assets of the Association as at 31 March 2013 remain unchanged.

Purpose of unrestricted funds

General fund.

This fund represents the free funds of the Association that have not been designated for particular purposes.

Purpose of restricted funds

Belmas Project fund

This fund represents funding received by the Association to enable the Association to undertake research and to publish a report concerning school federations.

This fund had been expended in full as at 31 March 2014.

18. ULTIMATE CONTROLLING PARTY

The Association is controlled by the trustees as listed in the Report of the Trustees.