

Company Registration Number: 07627110 (England & Wales)

**OVERTON GRANGE SCHOOL**  
(A Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**CONTENTS**

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	Page
<b>Reference and Administrative Details of the Academy, its Governors and Advisers</b>	1
<b>Governors' Report</b>	2 - 10
<b>Governance Statement</b>	14
<b>Statement on Regularity, Propriety and Compliance</b>	
<b>Independent Auditor's Report on the Financial Statements</b>	18
<b>Independent Auditor's Assurance Report on Regularity</b>	
<b>Statement of Financial Activities</b>	21 - 22
<b>Balance Sheet</b>	23
<b>Academy Trust Statement of Cash Flows</b>	24
<b>Notes to the Financial Statements</b>	25 - 45
<b>Statement of accounting policies</b>	25 - 45
<b>Other notes to the financial statements</b>	25 - 45

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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**Members and Governors** Paul Lincoln OBE, Member  
Richard Hall, Member  
Christopher Dean (appointed 24 September 2018)  
Brenda Morley MBE, Chair, Member and Governor  
Keith Stride, Joint Headteacher and Accounting Officer  
Gerald Bennett, Joint Headteacher (resigned 31 August 2019)  
Stephen Adams (resigned 15 December 2018)  
Charlotte Auger, Staff Governor (resigned 31 August 2019)  
Aaron Banham  
Geoffrey Beresford Hartwell (resigned 31 December 2018)  
Helen Binnie (resigned 11 December 2018)  
Shelene Brown, Staff Governor (resigned 31 August 2019)  
Angela Christmas (appointed 21 June 2019)  
Simon Doubell  
Peter Duus  
James Eales  
Stephen Gilmore, Staff Governor (resigned 31 August 2019)  
David Nicholls  
Karthik Sankaran (appointed 1 January 2019)  
Mohan Shekar  
Marion Williams, Member and Governor

**Company registered number**

07627110

**Company name**

Overton Grange School

**Principal and registered office**

36 Stanley Road  
Sutton  
Surrey  
SM2 6TQ

**Company secretary**

Karen Brown

**Independent auditor**

MHA MacIntyre Hudson  
Chartered Accountants  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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The Governors present their annual report together with the audited financial statements of the academy for the year 1 September 2018 to 31 August 2019. The Annual Report serves the purposes of both a Governors' report and a directors' report under company law. The Governors confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

The Academy Trust operates an academy for pupils aged 11 to 19 serving a catchment area in Sutton. It has a pupil capacity of 1,480 and had a roll of 1220 in the school census on 5th October 2018.

**Structure, governance and management**

**a. Constitution**

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the academy.

The Governors of Overton Grange School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Overton Grange School.

Details of the Governors who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

**b. 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.

**c. Method of recruitment and appointment or election of Governors**

The management of the School is the responsibility of the Governors who are elected and co-opted under the terms of the Academy deed. The Governors are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of legislation.

The Governing Body may appoint up to 16 Governors, whose term of office shall be for four years, save that this time limit shall not apply to the Headteacher who shall be treated for all purposes as ex officio Governor. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected. The Governors who were in office at 31st August 2019 and who served during the year are listed on page 1.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Structure, governance and management (continued)**

**d. Policies adopted for the induction and training of Governors**

The training and induction procedures for new Governors will depend on their existing experience. Where necessary, induction will include training on educational, legal and financial and safeguarding matters. All new Governors will be given the opportunity of a tour of the school, have the chance to meet with staff and students and are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to fulfil their role as Governors. As there is expected to be only a small number of new Governors each year, induction will be carried out informally and will be tailored specifically to the individual. All Governors are required to have an enhanced DBS disclosure.

**e. Organisational structure**

The School's organisational structure consists of three levels: the Members, the Governors and the Senior Leadership Team (SLT).

The Members meet on an annual basis to receive the annual accounts, note any Governor appointments or re-appointments and review the overall operation of the School.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the Academy, approving major items of expenditure and making senior staff appointments. There is an extensive committee structure reporting into the main Governing Body. This includes Curriculum and Student, Resources and Personnel Committees which meet in a cycle, normally three times a year. All have approved terms of reference set out in the Governing Body Standing Orders.

During the year in question, the full Governing Body met on three occasions.

The Headteacher is the School's Accounting Officer. The SLT controls the School at an executive level, implements the policies laid down by the Governors and reports back to them. Members of the SLT are responsible for developing and implementing School's plans which seek to deliver the best possible education for its students within the agreed budget and scheme of delegation approved by the Governing Body. They are responsible for managing the day to day operation of the School, specifically staff, facilities and students.

**f. Arrangements for setting pay and remuneration of key management personnel**

All arrangements for setting pay and remuneration of key management personnel are overseen by the School's Pay and Performance Panel. The Panel reviews all recommendations for pay and remuneration for teaching staff submitted by the Headteacher following the outcome of the Performance Management Cycle. The pay and remuneration of the Headteacher is determined by the Panel based on the recommendations of Governors who carry out the Headteacher's performance management. The School's Personnel Committee reviews the staffing structure, staffing changes and approves teacher scale points annually. The Pay and Performance Panel considers recommendations for staff job evaluations.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Structure, governance and management (continued)**

**g. Related parties and other connected charities and organisations**

The School is a member of the Partnership of Sutton Secondary Schools, which includes autonomous converter academies and maintained schools within the London Borough of Sutton. The school and the Partnership work together for the benefit of all their students and other young people of Sutton and surrounding areas. They work collectively on matters of shared interest and co-operate with the Local Authority and local primary schools, secondary schools and special schools.

**Objectives and activities**

**a. Objects and aims**

The Overton Grange School Vision: We want Overton Grange School to be a safe, challenging and happy community which prepares learners of today for the demands and opportunities of tomorrow.

**b. Objectives, strategies and activities**

**Aims and Objectives:** In partnership with parents and the community, Overton Grange School aims to provide opportunities for its students that enable them to play an active role in the twenty-first century. As members of a co-educational comprehensive school, students have full access to and experience of the curriculum regardless of race, class, gender, physical ability and religious belief. The school promotes a sense of self-esteem, responsibility and tolerance in young people. It values and challenges the individual so that they achieve the highest levels of attainment whatever their starting point.

Overton Grange School places great emphasis on high academic and vocational standards and has at its heart the development of the whole person. Expectations are high and the achievement of the individual is celebrated. Overton Grange School provides a supportive atmosphere based on self-discipline, mutual respect, co-operation and understanding. Students are encouraged to take responsibility both for their own learning and for the environment in which they live.

For the year ended 31 August 2019, our key priorities were:

To improve attainment and attendance for all groups and ensure all students make good progress in each key stage with a focus on vulnerable groups, (SEND, LAC, EAL, PP) Year 7 catch up and More Able Students.

To improve further the quality of teaching and learning in all key stages through a continued focus on the recruitment and retention of good quality staff, developing teacher-student dialogue through effective assessment, marking and feedback, and developing differentiation.

To implement curriculum developments in Key Stages 3, 4 and 5 in a coherent way that is consistent with the school's ethos and curriculum aims by monitoring, clear communication, effective planning and the provision of CPD and other resources as required.

Strategically plan and manage resources to ensure a sustainable budget and optimise the use of school facilities, teaching and support staff. To maintain the school building to as high a standard as possible, and to review the progress of the partnership with the University of Brighton Academies Trust.

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**VERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Objectives and activities (continued)**

**c. Public benefit**

In setting objectives and planning for activities, the Governors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Overton Grange School aims to be an outstanding and inclusive school for the local community, specifically the 11-19 year olds who attend the School but also the wider community including local primary school and the public through the letting of its premises. The priority is a high quality education for its students in a safe and caring community. Details of the activities of the School that achieves this are given in this report.

**Strategic report**

**Achievements and performance**

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**a. Key performance indicators**

This school continues to be 'Good'. In April 2019 the school was again rated 'Good' on inspection from Ofsted, which reported further progress from the previous full inspection rating of 'Good' along with a wide range of strengths including parental satisfaction, teaching, student behaviour and safety, safeguarding, governance and school leadership, the sixth form, the quality of relationships in the school, pastoral care and guidance and extra-curricular provision.

In addition, the Ofsted report stated that 'safeguarding arrangements are robust and fit for purpose' and 'Governors are committed to providing support and challenge'.

In 2019 at GCSE more than 70% of students gained a Grade 4 standard pass or above across all subjects including English and Maths.

At 'A' level 66% were grades A\* to C, with 14% A\* or A. 97% gained an E or above, and our average grade across vocational BTEC courses is a Distinction. 2019 was another year for Overton Grange with no NEET students at key stage 4 or 5.

Alongside examination performance, Overton Grange students have also had an eventful year, getting involved in many enrichment opportunities. Within the premises, our year 12 and 13 students benefited from dedicated facilities when the school opened a new café area within its sixth form space. All students can gain from our refurbished changing room facilities. The school students and staff supported various charities throughout the year; including Christmas hamper boxes, Readathon and the Breck Foundation. The school has committed resources to support awareness of positive mental health and well-being amongst students and staff, including support to manage exam stress. At external events, a year 8 student won an author visit to our school through the Literacy Trust competition, our students have exhibited at the local Youth Art exhibition, and a year 10 student took part in the regional final of the Speak Out Challenge. The school's application to work on the Artsmark award has been accepted. Our students continue to participate in a variety of sports competitions. Internally our House teams competed in events such as Easter biscuits, Dance, Lip Sync Battle, Photography and Decorate your door.

**Number of students on roll (31 August)**

2019	1,199
2018	1,246
2017	1,261
2016	1,294
2015	1,252
2014	1,236
2013	1,265

Staff turnover	New staff	% of total staff
2019	5	3.8
2018	25	18.6
2017	15	11.0



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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Strategic report (continued)**

**Achievements and performance (continued)**

2016	16	10.0
2015	11	13.7
2014	20	13.1
2013	12	6.81

**b. Going concern**

After making appropriate enquiries, the board of Governors has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

**Financial review**

**a. Reserves policy**

As at 31st August 2019, the total funds comprised restricted funds of £25,147,646 analysed into restricted fixed asset funds of £24,920,344, GAG of £227,302 and the pension reserve deficit of £3,450,000. Unrestricted reserves total £301,993. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are the 'free reserves' for use on the general purposes of the School at the discretion of the Governors. The aim of the Governors is to increase this reserve to meet future working capital.

The deficit on the pension reserve relates to the support staff, where, unlike the teachers' pension scheme, separate assets are held to fund future liabilities as discussed in note 23.

**b. Investment policy**

During the year the School held all of its funds in an interest bearing account at a major UK clearing bank and with A1, P1 short-term credit rating. There are no plans to generate a higher return on any future cash balances, unless this can be achieved without increasing counterparty credit risk.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Strategic report (continued)**

**Financial review (continued)**

**c. Principal risks and uncertainties**

The School practices, through its Governing Body and the constituted sub-committees, risk management principles. Any major risks highlighted at any sub-committee are brought to the full Governing Body with proposed mitigating actions and they continue to be actively reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risk to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by the SLT.

The principal risks facing the School are:

Reputational risk – mitigated by maintaining good relations with local stakeholders, improving standards in learning and behaviour and providing a broad-based and relevant curriculum.

Performance risk – mitigated by monitoring each student's progress at each Key Stage and providing additional resources as necessary.

Financial risk – the principal risks here are a reduction in student numbers, reductions in central government funding, unbudgeted increases in teaching or support staff costs or unbudgeted major capital repairs. The risks here are mitigated by careful budget planning and monitoring and by holding sufficient reserves to cover challenging financial circumstances.

Personnel risks – mitigated by ensuring that the school has correct recruitment and performance management procedures and that all staff are supported, motivated and valued.

Unfunded additional duties placed on schools.

**Fundraising**

The School is funded by public money to support the basic needs of providing education facilities. In order to add to the enrichment of our students' educational experience, the school will attempt to raise additional monies to ensure this additional work is sustainable.

Each opportunity to raise money for the school will be considered on an individual basis, taking account of such factors as: the possible benefit, the risks either financially or to the school's reputation, the costs likely to be incurred in raising the funds.

Fundraising activities are organised directly through the school's personnel. Fundraising for the benefit of our students will be undertaken through:

- The letting of school facilities to both local community and commercial groups. Costs for such activities will be met by ensuring that fees charged are sufficient to make the event commercially viable for the school.
- The collection of a voluntary school fund donation from parents, costs of collection being minimal as the school's existing on line payment system can be used.

The school has a complaints policy to enable it to deal with a complaint regarding fundraising activities, however no such complaints have been received during the year.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Plans for future periods**

Over the next academic year Overton Grange will continue to focus on improvement in four key areas; Attendance & Attainment, Quality of Teaching and Learning, Curriculum development and Strategic management of resources. Our School Development Plan identifies operation targets and actions to achieve these aims. The School will continue to explore the opportunities arising from it's partnership with the University of Brighton Academies Trust for the benefit of our students.

**Governors' responsibilities statement**

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills 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 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 ESFA/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.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Disclosure of information to auditor**

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 charity's auditor is 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 charity's auditor is aware of that information.

The Governors' Report, incorporating a strategic report, was approved by order of the board of Governors, as the company directors, on and signed on its behalf by:

Brenda Morley MBE  
Chair

*B. P. Morley*

Keith Stride, Joint Headteacher  
Accounting Officer

*K. Stride*

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

The board of Governors has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Overton Grange School 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.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance**

The information on governance included here supplements that described in the Governors' Report. The board of Governors has formally met 3 times during the year.

Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Brenda Morley MBE, Chair, Member and Governor	3	3
Keith Stride, Joint Headteacher and Accounting Officer	3	3
Gerald Bennett, Joint Headteacher (resigned 31 August 2019)	3	3
Stephen Adams (resigned 15 December 2018)	1	1
Charlotte Auger, Staff Governor (resigned 31 August 2019)	3	3
Aaron Banham	2	3
Geoffrey Beresford Hartwell (resigned 31 December 2018)	1	1
Helen Binnie (resigned 11 December 2018)	0	0
Shelene Brown, Staff Governor (resigned 31 August 2019)	1	3
Angela Christmas (appointed 21 June 2019)	1	1
Simon Doubell	3	3
Peter Duus	3	3
James Eales	2	3
Stephen Gilmore, Staff Governor (resigned 31 August 2019)	3	3
David Nicholls	3	3
Karthik Sankaran (appointed 1 January 2019)	2	2
Mohan Shekar	1	3
Marion Williams, Member and Governor	2	3

There were no significant changes in the composition of the Governors during the year. They had a broad coverage of work during the year which focused in particular on quality and curriculum issues. There were no major challenges that arose in the course of their work. The Governors are considering the most relevant skills audit to undertake and are keeping this matter under review. Data used by the Governors is derived from internal systems and to date experience of outcomes suggest that this is reliable to an acceptable standard.

The Governors are considering the most effective measure of its impact and effectiveness and intend to bring this to a conclusion in the forthcoming financial year.

The Resources Committee is a sub-committee of the main board of Governors. Its purpose is to provide financial oversight for the School. This will include consideration of the audit process, the annual financial statements and ongoing reviews.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Brenda Morley MBE, Chair	3	3
Keith Stride, Joint Acting Headteacher and Accounting Officer	3	3
Shelene Brown, Staff Governor (to 31.8.19)	1	3
Simon Doubell	2	3
James Eales	3	3
Mohan Shekar	1	3
Marion Williams	1	3

**Review of value for money**

As accounting officer, the Headteacher has responsibility for ensuring that the academy 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 Academy Trust use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- In September 2017 the School became a partner school of the University of Brighton Academies Trust. This partnership continued through 18/19 to assist the school with improvement and further economies of scale.
- Ensuring staffing structures are reviewed at any natural opportunities, prior to replacements being recruited to vacant posts.
- Embarking on a programme to review longer term contracts as they require renewal

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy 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 Overton Grange School for the year 1 September 2018 to 31 August 2019 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 year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**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 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
- 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 MHA MacIntyre Hudson, the external auditor, to perform additional checks.

The external auditor's 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 key financial controls.

On an annual basis, the external auditor reports to the board of Governors through the audit committee on the operation of the systems of control and on the discharge of the Governors' financial responsibilities.

The external auditor has delivered their schedule of work as planned and there were no significant control issues arising.

**Review of effectiveness**

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

- the work of the external auditor;
- 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 Resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Governors on 4 December 2019 and signed on their behalf by:

Brenda Morley MBE  
Chair of Trustees

*B. P. Morley*

Keith Stride, Joint Headteacher  
Accounting Officer

*K. Stride*



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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Overton Grange School I have considered my responsibility to notify the academy board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy board of Governors are able to identify any material irregular or improper use of all 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 2018.

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 ESFA.



Keith Stride, Joint Headteacher  
Accounting Officer

Date: 5/12/19

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
OVERTON GRANGE SCHOOL**

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**Opinion**

We have audited the financial statements of Overton Grange School (the 'academy') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 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, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

**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 academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy'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.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
OVERTON GRANGE SCHOOL (CONTINUED)**

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**Other information**

The Governors 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. Other information includes the Reference and Administrative Details, the Governors' Report including the Strategic Report, and the Governance Statement. 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.

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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which 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.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
OVERTON GRANGE SCHOOL (CONTINUED)**

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**Responsibilities of trustees**

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, and for such internal control as the Governors 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 Governors are responsible for assessing the academy'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 Governors either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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 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 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 academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Rakesh Shaunak FCA (Senior Statutory Auditor)  
for and on behalf of  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Date: 10/12/19

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OVERTON GRANGE SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 17 September 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction , we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Overton Grange School during the year 1 September 2018 to 31 August 2019 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 Overton Grange School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Overton Grange School and ESFA 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 Overton Grange School and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Overton Grange School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Overton Grange School's funding agreement with the Secretary of State for Education dated 26 March 2018 and the Academies Financial Handbook, extant from 1 September 2018, 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 . 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 year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OVERTON GRANGE SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction issued by ESFA. 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.

The work undertaken to draw to our conclusion includes:

- Reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.
- Review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy.
- Testing of a sample of payroll payments to staff.
- Testing of a sample of payments to suppliers and other third parties.
- Testing of a sample of grants received and other income streams.

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*MHA MacIntyre Hudson*

**MHA MacIntyre Hudson**  
New Bridge Street House  
30-34 New Bridge Street  
London  
EC4V 6BJ

Date: 10/12/18

**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>						
Donations and capital grants	3	14,727	-	126,920	141,647	98,654
Charitable activities		-	7,194,721	-	7,194,721	7,169,237
Other trading activities		75,179	-	-	75,179	84,636
Investments	6	925	-	-	925	557
<b>Total income</b>		<b>90,831</b>	<b>7,194,721</b>	<b>126,920</b>	<b>7,412,472</b>	<b>7,353,084</b>
<b>Expenditure on:</b>						
Raising funds		4,094	-	-	4,094	750
Charitable activities	8	7,678	7,295,399	479,895	7,782,972	7,911,432
<b>Total expenditure</b>		<b>11,772</b>	<b>7,295,399</b>	<b>479,895</b>	<b>7,787,066</b>	<b>7,912,182</b>
<b>Net income/(expenditure)</b>		<b>79,059</b>	<b>(100,678)</b>	<b>(352,975)</b>	<b>(374,594)</b>	<b>(559,098)</b>
Transfers between funds	18	-	203	(203)	-	-
<b>Total transfers</b>		<b>-</b>	<b>203</b>	<b>(203)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>79,059</b>	<b>(100,475)</b>	<b>(353,178)</b>	<b>(374,594)</b>	<b>(559,098)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	23	-	(444,000)	-	(444,000)	711,000
<b>Net movement in funds</b>		<b>79,059</b>	<b>(544,475)</b>	<b>(353,178)</b>	<b>(818,594)</b>	<b>151,902</b>

**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Reconciliation of funds:</b>					
Total funds brought forward	222,934	(2,678,223)	25,273,522	22,818,233	22,666,331
Net movement in funds	79,059	(544,475)	(353,178)	(818,594)	151,902
<b>Total funds carried forward</b>	<b>301,993</b>	<b>(3,222,698)</b>	<b>24,920,344</b>	<b>21,999,639</b>	<b>22,818,233</b>

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



**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07627110**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	14	<u>24,877,625</u>	<u>25,195,460</u>
		<b>24,877,625</b>	<b>25,195,460</b>
<b>Current assets</b>			
Stocks	15	11,181	9,667
Debtors	16	157,166	97,998
Cash at bank and in hand		<u>1,053,266</u>	<u>819,861</u>
		<b>1,221,613</b>	<b>927,526</b>
Creditors: amounts falling due within one year	17	<u>(649,599)</u>	<u>(531,753)</u>
<b>Net current assets</b>		<u><b>572,014</b></u>	<u><b>395,773</b></u>
<b>Total assets less current liabilities</b>		<u><b>25,449,639</b></u>	<u><b>25,591,233</b></u>
<b>Net assets excluding pension liability</b>		<u><b>25,449,639</b></u>	<u><b>25,591,233</b></u>
Defined benefit pension scheme liability	23	<u>(3,450,000)</u>	<u>(2,773,000)</u>
<b>Total net assets</b>		<u><u><b>21,999,639</b></u></u>	<u><u><b>22,818,233</b></u></u>
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	24,920,344	25,273,522
Restricted income funds	18	<u>227,302</u>	<u>94,777</u>
Restricted funds excluding pension liability	18	<u><b>25,147,646</b></u>	<u>25,368,299</u>
Pension reserve	18	<u>(3,450,000)</u>	<u>(2,773,000)</u>
<b>Total restricted funds</b>	18	<u><b>21,697,646</b></u>	<u>22,595,299</u>
<b>Unrestricted income funds</b>	18	<u><b>301,993</b></u>	<u>222,934</u>
<b>Total funds</b>		<u><u><b>21,999,639</b></u></u>	<u><u><b>22,818,233</b></u></u>

The financial statements on pages 21 to 45 were approved by the Governors, and authorised for issue on and are signed on their behalf, by:

Brenda Morley MBE  
Chair

Keith Stride, Joint Headteacher  
Accounting Officer

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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	<b>Note</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>266,223</b>	159,243
<b>Cash flows from investing activities</b>	21	<b>(32,818)</b>	(11,837)
<b>Change in cash and cash equivalents in the year</b>		<b>233,405</b>	147,406
Cash and cash equivalents at the beginning of the year		<b>819,861</b>	672,455
<b>Cash and cash equivalents at the end of the year</b>	22	<b>1,053,266</b>	819,861

The notes on pages 25 to 45 form part of these financial statements

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

**1.1 Basis of preparation of financial statements**

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Overton Grange School meets the definition of a public benefit entity under FRS 102.

**1.2 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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income**

All incoming resources are recognised when the academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.4 Expenditure**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**1.6 Tangible fixed assets**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Investment property rented to other group entities and accounted for under the cost model is stated at historic cost less accumulated depreciation and any accumulated impairment losses.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years straight line
Furniture and equipment	- 10 years straight line
Computer equipment	- 3 years straight line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

**1.7 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.8 Debtors**

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

**1.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.10 Liabilities**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**1.11 Financial instruments**

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement bases are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.12 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.

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 quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer 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 credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The academy is a member of a multi-employer plan. Where it is not possible for the academy to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

**1.13 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 the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**2. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**3. Income from donations and capital grants**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Donations	14,727	-	14,727	21,901
Grants	-	126,920	126,920	76,753
	<u>14,727</u>	<u>126,920</u>	<u>141,647</u>	<u>98,654</u>
Total 2018	<u>21,901</u>	<u>76,753</u>	<u>98,654</u>	

**VERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**4. Funding for the academy's direct costs - Educational Operations**

	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	6,437,326	6,437,326	6,441,419
Other EFSA/DfE grants	196,917	196,917	132,180
Pupil premium	236,231	236,231	265,641
	<u>6,870,474</u>	<u>6,870,474</u>	<u>6,839,240</u>
<b>Other government grants</b>			
SEN allocation	76,438	76,438	51,908
	<u>76,438</u>	<u>76,438</u>	<u>51,908</u>
<b>Other income from charitable activities</b>			
Trip income	201,088	201,088	219,347
Other income	46,721	46,721	58,742
	<u>7,194,721</u>	<u>7,194,721</u>	<u>7,169,237</u>

**5. Income from other trading activities**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Lettings income	75,179	75,179	84,636
	<u>75,179</u>	<u>75,179</u>	<u>84,636</u>

**6. Investment income**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Bank interest receivable	925	925	557
	<u>925</u>	<u>925</u>	<u>557</u>



**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**7. Expenditure**

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on fundraising trading activities:					
Allocated support costs	-	-	4,094	<b>4,094</b>	750
Direct costs - Educational Operations:					
Direct costs	5,284,108	-	504,495	<b>5,788,603</b>	5,861,969
Allocated support costs	767,874	386,949	839,546	<b>1,994,369</b>	2,049,463
	<u>6,051,982</u>	<u>386,949</u>	<u>1,348,135</u>	<u><b>7,787,066</b></u>	<u>7,912,182</u>
Total 2018	<u><u>6,131,997</u></u>	<u><u>433,179</u></u>	<u><u>1,347,006</u></u>	<u><u>7,912,182</u></u>	

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs - Educational Operations	7,678	7,704,294	<b>7,711,972</b>	7,828,432
Pension cost	-	71,000	<b>71,000</b>	83,000
	<u>-</u>	<u>7,911,432</u>	<u><b>7,911,432</b></u>	
Total 2018	<u><u>-</u></u>	<u><u>7,911,432</u></u>	<u><u>7,911,432</u></u>	

**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs - Educational Operations	5,788,603	1,994,369	7,782,972	7,911,432
Total 2018	5,861,969	2,049,463	7,911,432	

**Analysis of support costs**

	Activities 2019 £	Total funds 2019 £	Total funds 2018 £
Pension finance cost	71,000	71,000	83,000
Staff costs	767,874	767,874	734,748
Depreciation	479,895	479,895	469,794
Technology costs	45,754	45,754	98,755
Premises costs	385,988	385,988	433,179
Other support costs	232,395	232,395	219,337
Governance costs	11,463	11,463	10,650
	1,994,369	1,994,369	2,049,463

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Depreciation of tangible fixed assets	469,794	479,985
Fees paid to auditor for:		
- audit	9,500	9,200
- other services	2,000	2,000

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**11. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	4,437,914	4,512,684
Social security costs	435,871	426,958
Pension costs	954,607	909,355
	<u>5,828,392</u>	<u>5,848,997</u>
Agency staff costs	152,590	200,000
Other costs	71,000	83,000
	<u>6,051,982</u>	<u>6,131,997</u>

**b. Staff numbers**

The average number of persons employed by the academy during the year was as follows:

	2019 No.	2018 No.
Teaching	75	69
Management	7	7
Administration and support	48	52
	<u>130</u>	<u>128</u>

**c. Higher paid staff**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	3	2
	<u>4</u>	<u>4</u>

**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**12. Governors' remuneration and expenses**

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Governors' remuneration and other benefits was as follows:

		2019	2018
		£	£
Keith Stride, Joint Headteacher and Accounting Officer	Remuneration	75,000 -	70,000 -
		80,000	75,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Gerald Bennett, Joint Headteacher	Remuneration	75,000 -	75,000 -
		80,000	80,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Charlotte Auger, Staff Governor	Remuneration	55,000 -	55,000 -
		60,000	60,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000
Stephen Gilmore, Staff Governor	Remuneration	35,000 -	30,000 -
		40,000	35,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Shelene Brown, Staff Governor	Remuneration	30,000 -	25,000 -
		35,000	30,000
	Pension contributions paid	5,000 -	0 - 5,000
		10,000	

During the year ended 31 August 2019, no Governor expenses have been incurred (2018 - £NIL).

**13. 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 £1,000,000 on any one claim and the cost for the year ended 31 August 2019 was £156 (2018 - £156). The cost of this insurance is included in the total insurance cost.

**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**14. Tangible fixed assets**

	Freehold property £	Motor vehicles £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2018	27,553,066	19,449	440,646	28,013,161
Additions	41,103	-	119,560	160,663
Transfers between classes	1,211	-	-	1,211
At 31 August 2019	<u>27,595,380</u>	<u>19,449</u>	<u>560,206</u>	<u>28,175,035</u>
<b>Depreciation</b>				
At 1 September 2018	2,599,453	19,449	198,799	2,817,701
Charge for the year	415,663	-	64,232	479,895
Transfers between classes	-	-	(186)	(186)
At 31 August 2019	<u>3,015,116</u>	<u>19,449</u>	<u>262,845</u>	<u>3,297,410</u>
<b>Net book value</b>				
At 31 August 2019	<u>24,580,264</u>	<u>-</u>	<u>297,361</u>	<u>24,877,625</u>
At 31 August 2018	<u>24,953,613</u>	<u>-</u>	<u>241,847</u>	<u>25,195,460</u>

**15. Stocks**

	2019 £	2018 £
Finished goods and goods for resale	<u>11,181</u>	<u>9,667</u>

**16. Debtors**

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	16,896	1,366
Other debtors	21,853	48,163
Prepayments and accrued income	118,417	48,469
	<u>157,166</u>	<u>97,998</u>

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**17. Creditors: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>201,561</b>	88,290
Other taxation and social security	<b>117,617</b>	113,955
Accruals and deferred income	<b>330,421</b>	329,508
	<b>649,599</b>	531,753

**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**18. Statement of funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds - all funds	222,934	90,831	(11,772)	-	-	301,993
<b>Restricted general funds</b>						
Restricted Fund -ESFA funding	94,777	7,194,721	(7,062,399)	203	-	227,302
Pension reserve	(2,773,000)	-	(233,000)	-	(444,000)	(3,450,000)
	<u>(2,678,223)</u>	<u>7,194,721</u>	<u>(7,295,399)</u>	<u>203</u>	<u>(444,000)</u>	<u>(3,222,698)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset fund	25,195,460	126,920	(479,895)	35,141	-	24,877,626
Capital grants	78,062	-	-	(35,344)	-	42,718
	<u>25,273,522</u>	<u>126,920</u>	<u>(479,895)</u>	<u>(203)</u>	<u>-</u>	<u>24,920,344</u>
<b>Total Restricted funds</b>	<u>22,595,299</u>	<u>7,321,641</u>	<u>(7,775,294)</u>	<u>-</u>	<u>(444,000)</u>	<u>21,697,646</u>
<b>Total funds</b>	<u>22,818,233</u>	<u>7,412,472</u>	<u>(7,787,066)</u>	<u>-</u>	<u>(444,000)</u>	<u>21,999,639</u>

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

The General Fund has been created to recognise the incoming and outgoing resources in respect of activities undertaken by the Academy Trust which fall outside the scope of its core activities.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided via the Education and Skills Funding Agency by the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the School.

The LGPS deficit (pension reserve) fund has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy Trust status, and through which all the pension scheme movements are recognised.

The NBV of Fixed Assets fund has been set up to recognise the tangible assets held by the school and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**18. Statement of funds (continued)**

to this fund.

The DfE/ESFA Capital grants fund has been created to recognise capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the NBV of Fixed Assets fund.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.



**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**18. Statement of funds (continued)**

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
General Funds - all funds	134,040	107,094	(18,200)	-	-	222,934
<b>Restricted general funds</b>						
Restricted Funds - all funds	142,050	7,169,237	(7,216,510)	-	-	94,777
Pension reserve	(3,244,000)	-	(240,000)	-	711,000	(2,773,000)
	<u>(3,101,950)</u>	<u>7,169,237</u>	<u>(7,456,510)</u>	<u>-</u>	<u>711,000</u>	<u>(2,678,223)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset fund	25,577,563	-	(469,794)	89,000	-	25,196,769
Capital grants	58,000	76,753	-	(58,000)	-	76,753
	<u>25,635,563</u>	<u>76,753</u>	<u>(469,794)</u>	<u>31,000</u>	<u>-</u>	<u>25,273,522</u>
<b>Total Restricted funds</b>	<u>22,533,613</u>	<u>7,245,990</u>	<u>(7,926,304)</u>	<u>31,000</u>	<u>711,000</u>	<u>22,595,299</u>
<b>Total funds</b>	<u><u>22,667,653</u></u>	<u><u>7,353,084</u></u>	<u><u>(7,944,504)</u></u>	<u><u>31,000</u></u>	<u><u>711,000</u></u>	<u><u>22,818,233</u></u>

**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	24,877,625	24,877,625
Current assets	301,993	876,901	42,719	1,221,613
Creditors due within one year	-	(649,599)	-	(649,599)
Provisions for liabilities and charges	-	(3,450,000)	-	(3,450,000)
<b>Total</b>	<b>301,993</b>	<b>(3,222,698)</b>	<b>24,920,344</b>	<b>21,999,639</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	25,195,460	25,195,460
Current assets	222,934	626,530	78,062	927,526
Creditors due within one year	-	(531,753)	-	(531,753)
Provisions for liabilities and charges	-	(2,773,000)	-	(2,773,000)
<b>Total</b>	<b>222,934</b>	<b>(2,678,223)</b>	<b>25,273,522</b>	<b>22,818,233</b>

**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**20. Reconciliation of net expenditure to net cash flow from operating activities**

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	<b>(374,594)</b>	(559,098)
<b>Adjustments for:</b>		
Depreciation	479,895	469,794
Capital grants from DfE and other capital income	(126,920)	(76,753)
Interest receivable	(925)	(557)
Defined benefit pension scheme cost less contributions payable	162,000	157,000
Defined benefit pension scheme finance cost	71,000	83,000
(Increase)/decrease in stocks	(1,514)	378
(Increase)/decrease in debtors	(59,168)	29,451
Increase in creditors	116,449	56,028
<b>Net cash provided by operating activities</b>	<b>266,223</b>	159,243

**21. Cash flows from investing activities**

	2019 £	2018 £
Dividends, interest and rents from investments	925	557
Purchase of tangible fixed assets	(160,663)	(89,147)
Capital grants from DfE Group	126,920	76,753
<b>Net cash used in investing activities</b>	<b>(32,818)</b>	(11,837)

**22. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	1,053,266	819,861
<b>Total cash and cash equivalents</b>	<b>1,053,266</b>	819,861

**23. Pension commitments**

The academy's employees belong to two principal pension schemes: the Teachers' 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 London Pension Fund Authority. Both are multi-employer defined benefit schemes.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**23. Pension commitments (continued)**

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed 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**

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)
- 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%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the year amounted to £591,000 (2018 - £678,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is an unfunded 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.

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**23. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £299,000 (2018 - £286,000), of which employer's contributions totalled £242,000 (2018 - £231,000) and employees' contributions totalled £ 57,000 (2018 - £55,000). The agreed contribution rates for future years are 27.5 per cent for employers and 5.5 to 12.5% per cent 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.

**Principal actuarial assumptions**

	<b>2019</b>	<b>2018</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.7</b>	<b>3.8</b>
Rate of increase for pensions in payment/inflation	<b>2.2</b>	<b>2.3</b>
Discount rate for scheme liabilities	<b>1.85</b>	<b>2.65</b>

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

	<b>2019</b>	<b>2018</b>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	<b>23.4</b>	<b>24.5</b>
Females	<b>24.8</b>	<b>26.1</b>
<i>Retiring in 20 years</i>		
Males	<b>25.1</b>	<b>26.8</b>
Females	<b>26.7</b>	<b>28.5</b>

**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**23. Pension commitments (continued)**

**Sensitivity analysis - effect on projected service cost**

	2019 £000	2018 £000
Discount rate +0.1%	(389)	(223)
Discount rate -0.1%	405	56
Mortality assumption - 1 year increase	412	146
Mortality assumption - 1 year decrease	(383)	(308)
CPI rate +0.1%	397	74
CPI rate -0.1%	(397)	(96)

The academy's share of the assets in the scheme was:

	At 31 August 2019 £	At 31 August 2018 £
Equities	2,569,000	2,653,000
Gilts	829,000	521,000
Corporate bonds	344,000	357,000
Property	504,000	322,000
Cash and other liquid assets	1,000	62,000
Absolute return portfolio	33,000	-
<b>Total market value of assets</b>	<b>4,280,000</b>	<b>3,915,000</b>

The actual return on scheme assets was £257,000 (2018 - £125,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2019 £	2018 £
Current service cost	401,000	388,000
Interest income	105,000	90,000
Interest cost	(176,000)	(173,000)
Administrative expenses	3,000	2,000
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>333,000</b>	<b>307,000</b>

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**OVERTON GRANGE SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**23. Pension commitments (continued)**

Changes in the present value of the defined benefit obligations were as follows:

	2019 £	2018 £
<b>At 1 September</b>	<b>6,688,000</b>	6,670,000
Current service cost	356,000	388,000
Interest cost	176,000	173,000
Employee contributions	57,000	55,000
Actuarial losses/(gains)	596,000	(546,000)
Benefits paid	(188,000)	(52,000)
Past service costs	45,000	-
<b>At 31 August</b>	<b>7,730,000</b>	<b>6,688,000</b>

Changes in the fair value of the academy's share of scheme assets were as follows:

	2019 £	2018 £
<b>At 1 September</b>	<b>3,915,000</b>	3,426,000
Interest income	105,000	92,000
Actuarial gains	152,000	165,000
Employer contributions	242,000	231,000
Employee contributions	57,000	55,000
Benefits paid	(188,000)	(52,000)
Administration expenses	(3,000)	(2,000)
<b>At 31 August</b>	<b>4,280,000</b>	<b>3,915,000</b>

**24. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

**25. Related party transactions**

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