

Registered number: 07627110

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Academy, Its Governors and Advisers	1
Trustees' report	2 - 8
Governance Statement	9 - 12
Statement on Regularity, Propriety and Compliance	13
Governors' Responsibilities Statement	14
Independent Auditor's Report	15 - 16
Independent Reporting Accountant's Assurance Report on Regularity	17 - 18
Statement of Financial Activities	19
Balance Sheet	20
Cash Flow Statement	21
Notes to the Financial Statements	22 - 38

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015

Trustees

Brenda Morley MBE, Chair
Peter Buttenworth, Head Teacher and Accounting Officer
Aaron Banham (appointed 22 September 2014)
Helen Binnie
Carole Cook
Simon Doubell (appointed 19 January 2015)
Julia Gault (resigned 2 September 2015)
Stephen Gillmore, Staff Governor
Andrew Green
Richard Hall (resigned 31 August 2015)
Helena Jordan (resigned 3 December 2014)
Charlotte Kenyon (appointed 7 July 2015)
Kirsty MacLean, Staff Governor
Karl Nicholas (appointed 11 February 2015)
David Nicholls
Jane Weller, Staff Governor (ended 10 February 2015)
Susannah Wheeler (resigned 2 November 2014)
Marion Williams

Company registered number 07627110

Principal and registered office 36 Stanley Road
Sutton
Surrey
SM2 6TQ

Company secretary Janet Barnett

Chief executive officer Brenda Morley MBE

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

Bankers Lloyds TSB
Sutton
Surrey
SM1 1DT

Solicitors Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditor's Report of academy trust (the academy) for the year ended 31 August 2015. The Governors confirm that the Annual Report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

Structure, Governance and Management

a. Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees 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 trustees who served during the year 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. Trustees' Indemnities

Governors benefit from Indemnity insurance to cover the liability of Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance during the year was £265.

d. Method of Recruitment and Appointment or Election of Trustees

The management of the Academy 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 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 2015 and who served during the year are listed on page 1.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

e. Policies and Procedures Adopted for the Induction and Training of Trustees

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.

f. Organisational Structure

The Academy'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 Academy.

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. A Governor is appointed to the role of Responsible Officer.

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 Academy 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 Academy 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 Academy, specifically staff, facilities and students.

g. 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 Personnel Committee considers recommendations for staff job evaluations.

h. Related Parties and other Connected Charities and Organisations

The Academy 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 (LA) and local primary schools, secondary school and special schools. The Academy purchases services from the LA where these represent best value for the school.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

Objectives and Activities

a. Objects and Aims

The Academy's objective is set out in its Articles of Association

b. Objectives, Strategies and Activities

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.

Aims and Objectives: In partnership with parents and the community, Overton Grange 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 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 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 2015, our priorities were:

1. 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, (Looked After children, EAL English as an Additional Language students, students for whom Pupil Premium is received), Year 7 'Catch-Up' and, More Able students.
2. To improve the quality of teaching and learning in all key stages through a continued focus on differentiation by:
 - a) Developing teacher-student dialogue through effective marking and feedback
 - b) Developing differentiation through effective use of student information
 - c) Developing active learning through effective dialogue in the classroom
3. 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.
4. To monitor national and local changes to Special Educational Needs, ensuring that the implications of these are clear to governors, all staff, parents and the SEN students themselves, and plan their implementation in detail.
5. To strategically plan and manage resources to ensure a sustainable budget and optimise the use of school facilities, teaching and support staff.
6. To prepare for an inspection by Ofsted.

c. Public Benefit

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. 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.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

STRATEGIC REPORT

Achievements and Performance

a. Going Concern

In common with other Government Funded Academies, the trustees expect to see a decline in funding for the foreseeable future. To ensure the school's operation as a going concern, the trustees have taken the following actions:

- Investigated additional sources for increasing income, including an increase in student numbers.
- Reduced costs and carried out value for money reviews on all contracts and services.
- Reviewed staffing levels to ensure that they are appropriate for the needs of the school.

On this basis, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

b. Financial Performance indicators

These are as follows:

Number of students on roll (31 August)

2015	1252
2014	1236
2013	1265
2012	1283
2011	1265
2010	1293
2009	1261

Staff turnover	New staff	% of total staff
2015	11	13.7
2014	20	13.1
2013	12	6.81
2012	12	6.67
2011	11	6.11
2010	7	3.89

The school complies with all the terms and conditions of its Funding Agreement.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

c. Financial Review

Funding

90% (2014: 89%) of the Academy's income for the year ended 31st August 2015 was generated through general annual grant (GAG) funding from the Education Funding Agency (EFA), which is part of the Department for Education (DfE) and the remaining 10% (2014:11%) from other sources.

Expenditure

Staff costs continue to represent the largest category of expenditure for the school and the school has carried out a detailed review of its curriculum and staffing structure to ensure that staffing levels are strategically planned and managed to ensure a sustainable budget and to optimise the quality of teaching and learning of students at the school. All expenditure is reviewed to ensure that it represents value for money for the school.

Financial position and policies

The school has adopted the principles of prudence and going concern in its financial management for the year ended 31st August 2015.

Prudent financial management of the school's resources continues to be necessary as the school due to the challenges posed by school funding.

To ensure the school's going concern, the school continues to develop additional sources of funding through letting of the school premises, the hosting of a football academy at the school and changes to the planned admission number. The school is embarking on work to expand the school premises to accommodate an additional form of entry from September 2016.

d. Reserves Policy

As at 31st August 2015, the total funds comprised restricted funds of £21,425,736 analysed into restricted fixed asset funds of £23,680,257, GAG of £155,481 and the pension reserve of £2,410,000. Unrestricted reserves total £58,983.

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 Academy 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' scheme, separate assets are held to fund future liabilities as discussed in note 25. The deficit can be met in the longer term from any combination of increased employer and employee contributions, increased government funding or changes to scheme benefits.

e. Investment Policy

During the year, the Academy held all of its liquid funds in an interest bearing account at a major UK clearing bank with and 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.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

a. Principal Risks and Uncertainties

The Academy Trust 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 required 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 Academy 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.

PLANS FOR FUTURE PERIODS

The Governing Body has approved a three year School Development Plan (SDP) for 2015-18 which provides a framework of detailed actions to ensure further school improvement, meet the anticipated changes in educational provision and meet the aims and objectives of the school. As in the past this SDP will be monitored on a termly basis by the Full Governing Body and will, where necessary, be updated in response to changes in government policy and the financial climate in which the school operates.

Key strategic priorities for development 2015 – 2018

1. 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 Year 7 'Catch-Up' and More Able students.
2. To improve the quality of teaching and learning in all key stages through a continued focus on differentiation by:
 - a) Developing teacher-student dialogue through effective marking and feedback
 - b) Developing differentiation through effective use of student information
 - c) Developing active learning through effective dialogue in the classroom
3. 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.
4. Strategically plan and manage resources to ensure a sustainable budget and optimise the use of school facilities, teaching and support staff.
5. To strategically plan and manage building works to ensure that the school buildings are fit for purpose and ready to accommodate additional forms of entry starting in September 2016.

Funds held as Custodian Trustee on behalf of others

There are no assets subject to custodian arrangements.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

Auditor

Insofar as the trustees are aware: there is no relevant audit information of which the charitable company's auditor is unaware. The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report, incorporating the Strategic Report, was approved by order of the board of trustees, as the company directors, on 1.12.15 and signed on the board's behalf by:

Brenda Morley MBE
Chair of Governors

B. P. Morley

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

As accounting officer, I acknowledge that I 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 trustees has delegated the day-to-day responsibility to the Head Teacher, 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 trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Governors' Responsibilities Statement. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
Brenda Morley MBE, Chair	3	3
Peter Butterworth, Head Teacher and Accounting Officer	3	3
Aaron Banham	3	3
Helen Binnie	2	3
Carole Cook	2	3
Simon Doubell	2	2
Julia Gault	3	3
Stephen Gillmore, Staff Governor	3	3
Andrew Green	2	3
Richard Hall	1	3
Kirsty MacLean, Staff Governor	1	3
Karl Nicholas	2	2
David Nicholls	2	3
Jane Weller, Staff Governor	1	1
Marlon Williams	3	3

Governance reviews:

The trust has not carried out a governance review for the year but will carry out a review when deemed appropriate.

Attendance at Finance Committee meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Brenda Morley MBE, Chair	2	3
Helen Binnie	3	3
Peter Butterworth, Head Teacher and Accounting Officer	3	3
Carole Cook	3	3
Simon Doubell	1	1
Richard Hall	0	3
Helena Jordan	0	1
Kirsty MacLean, Staff Governor	1	3
Marion Williams	3	3

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

As accounting officer, the Head Teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

Review of printing

The school carried out a tender exercise to replace the photocopiers that were being leased with new multi-functional devices (MFDs) that could offer benefits of newer technology available to a greater number of staff and lower operating costs. The school was able to take advantage of a framework agreement available to schools and colleges and has secured a 11% saving in rental costs plus savings in copy costs.

Student and Family Support

As a result of declining local authority services in this area and the requirement to pay increasing fees for this service the school reorganised administrative, support and pastoral staff to employ a high quality and experienced Student and Family Support Worker from February 2015. This resulted in lower costs, higher quality and quantity support for students and their families and improved student outcomes in terms of attendance and progress in learning.

Behaviour Support

The contract for external Behaviour Support services for students came to an end in July 2015 and pastoral services in school were reorganised to increase the behaviour support available within school.

Careers services

The contract with an external provider of careers advice for students was cancelled and a Careers Manager with appropriate experience and qualifications appointed from within the school staff. As a result the quality and quantity of careers advice for students has improved and there is greater coherence in the whole-school approach to careers education, guidance and support.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Overton Grange School for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees 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 trustees 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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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 trustees;
- regular reviews by the 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 trustees 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 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:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/ bank reconciliations

On a termly basis, the auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. There were no significant matters identified in the year.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

As accounting officer, the Head Teacher 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 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 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 trustees on _____ and signed on its behalf, by:

Brenda Morley MBE, Chair
Chair of Governors

B.P. Morley

Peter Butterworth, Head Teacher and Accounting
Officer

Peter Butterworth

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Overton Grange School I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.

Peter Butterworth, Head Teacher
and Accounting Officer



Date: 1 December 2015

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 1.12.15 and signed on its behalf by:

B. P. Morley

Brenda Morley MBE
Chair of Governors

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OVERTON GRANGE SCHOOL

We have audited the financial statements of Overton Grange School for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITOR

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the 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 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Governors' Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

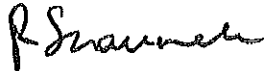
OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OVERTON GRANGE SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



RAKESH SHAUNAK FCA
MHA MacIntyre Hudson
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ
Date: 17-12-15

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 14 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Overton Grange School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Overton Grange School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Overton Grange School and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Overton Grange School and EFA, 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 24 March 2014, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

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

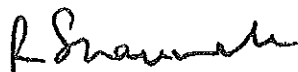
OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

- 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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



RAKESH SHAUNAK FCA

MHA MacIntyre Hudson
Chartered Accountants
New Bridge Street House
30-34 New Bridge Street
London
EC4V 8BJ

Date: 12 - 12 - 15

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	16,720	-	-	16,720	31,342
Activities for generating funds	3	77,153	-	-	77,153	109,323
Investment income	4	9,383	-	-	9,383	11,392
Incoming resources from charitable activities	5	-	6,948,018	26,523	6,974,541	7,125,653
TOTAL INCOMING RESOURCES		103,256	6,948,018	26,523	7,077,797	7,277,710
RESOURCES EXPENDED						
Charitable activities	7	122,681	7,063,723	394,577	7,580,981	7,831,164
Governance costs	6	-	14,492	-	14,492	14,100
TOTAL RESOURCES EXPENDED	8	122,681	7,078,215	394,577	7,595,473	7,845,264
NET RESOURCES EXPENDED BEFORE TRANSFERS		(19,425)	(130,197)	(368,054)	(517,676)	(567,554)
Transfers between Funds	19	-	(26,704)	26,704	-	-
NET EXPENDITURE FOR THE YEAR		(19,425)	(156,901)	(341,350)	(517,676)	(567,554)
Actuarial gains and losses on defined benefit pension schemes		-	196,000	-	196,000	(490,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		(19,425)	39,099	(341,350)	(321,676)	(1,057,554)
Total funds at 1 September 2014		78,408	(2,293,619)	24,021,607	21,806,396	22,863,950
TOTAL FUNDS AT 31 AUGUST 2015		58,983	(2,254,520)	23,680,257	21,484,720	21,806,396

All activities relate to continuing operations.
The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 22 to 38 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	15		23,680,257		24,021,607
CURRENT ASSETS					
Stocks	16	7,224		15,759	
Debtors	17	54,592		74,844	
Cash at bank		535,862		614,121	
		597,678		704,724	
CREDITORS: amounts falling due within one year	18	(383,215)		(444,935)	
NET CURRENT ASSETS			214,463		259,789
TOTAL ASSETS LESS CURRENT LIABILITIES			23,894,720		24,281,396
Defined benefit pension scheme liability	24		(2,410,000)		(2,475,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			21,484,720		21,806,396
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	19	155,480		181,381	
Restricted fixed asset funds	19	23,680,257		24,021,607	
Restricted funds excluding pension liability		23,835,737		24,202,988	
Pension reserve		(2,410,000)		(2,475,000)	
Total restricted funds			21,425,737		21,727,988
Unrestricted funds	19		58,983		78,408
TOTAL FUNDS			21,484,720		21,806,396

The financial statements were approved by the Governors, and authorised for issue, on 1.12.15

Brenda Morley MBE *B.P. Morley*
 Chair of Governors

The notes on pages 22 to 38 form part of these financial statements.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	21	(60,937)	(180,819)
Returns on Investments and servicing of finance	22	9,383	11,392
Capital expenditure and financial investment	22	(26,705)	(30,588)
DECREASE IN CASH IN THE YEAR		(78,259)	(200,015)

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

	2015 £	2014 £
Decrease in cash in the year	(78,259)	(200,015)
MOVEMENT IN NET FUNDS IN THE YEAR	(78,259)	(200,015)
Net funds at 1 September 2014	614,121	814,136
NET FUNDS AT 31 AUGUST 2015	535,862	614,121

The notes on pages 22 to 38 form part of these financial statements.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Governors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1.4 Resources expended

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Assets transferred at inception have been included at cost. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between carrying value of the fixed assets and their recoverable amounts are recognised as impairments.

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

Long-term leasehold property	-	50 years straight line
Fixtures and fittings	-	5 years straight line
Computer equipment	-	3 years straight line

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.

1.8 Taxation

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

VERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	16,720	-	16,720	31,342

3. FUNDRAISING INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Rental income	64,522	-	64,522	59,370
Other income	12,631	-	12,631	49,953
	<u>77,153</u>	<u>-</u>	<u>77,153</u>	<u>109,323</u>

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest receivable	9,383	-	9,383	11,392

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Educational operations	-	6,974,541	6,974,541	7,125,653

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
Government annual grant (GAG)	-	6,277,850	6,277,850	6,391,381
Other government grants	-	94,294	94,294	121,346
Pupil premium	-	232,002	232,002	203,874
SEN allocation	-	147,206	147,206	235,992
Trip income	-	190,912	190,912	141,936
Exam fee income	-	5,754	5,754	5,625
Capital grants	-	26,523	26,523	25,499
	-	6,974,541	6,974,541	7,125,653

6. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Staff costs	-	6,292	6,292	6,000
Auditor's remuneration	-	8,200	8,200	8,100
	-	14,492	14,492	14,100

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	5,301,273	5,437,097
Pension finance cost	53,000	71,000
Education consumables	125,912	162,441
Examination expenses	131,469	129,667
Staff development	33,287	64,324
Educational consultancy	40,245	73,444
School trip expenditure	190,887	133,859
Other direct costs	18,474	17,419
	<u>5,894,547</u>	<u>6,089,251</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	624,313	527,776
Depreciation	394,577	396,402
Repairs and maintenance	145,566	154,360
Cleaning contract	113,134	113,022
Rates and water	63,661	65,857
Light and heat	89,780	91,602
Legal and professional services	81,212	176,093
Insurance	89,427	112,095
Other support costs	84,764	104,706
	<u>1,686,434</u>	<u>1,741,913</u>
Subtotal		
	-	-
Other resources expended		
	<u>1,686,434</u>	<u>1,741,913</u>
	<u>7,580,981</u>	<u>7,831,164</u>

Costs are allocated directly by expenditure type with support costs allocated in line with the proportion of staff costs allocated to each fund.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

8. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure Other costs	Total	Total
	2015	2015	2015	2014
	£	£	£	£
Educational operations	5,354,273	540,274	5,894,547	6,089,251
Support costs - educational operations	624,313	1,062,121	1,686,434	1,741,913
Charitable activities	5,978,586	1,602,395	7,580,981	7,831,164
Governance	-	14,492	14,492	14,100
	5,978,586	1,616,887	7,595,473	7,845,264

9. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly	Support costs	Total	Total
	2015	2015	2015	2014
	£	£	£	£
Educational operations	5,894,547	1,686,434	7,580,981	7,831,164

10. NET RESOURCES EXPENDED

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets: - owned by the academy trust	394,577	396,402
Auditor's remuneration	8,200	8,100

VERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	4,581,785	4,839,281
Social security costs	335,173	348,334
Other pension costs (Note 24)	779,203	663,875
	<u>5,696,161</u>	<u>5,851,490</u>
Supply teacher costs	229,425	113,383
Pension finance cost	53,000	71,000
	<u>5,978,586</u>	<u>6,035,873</u>

b. Staff numbers

The average number of persons employed by the academy during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Teachers	114	121
Administration and support	45	48
	<u>159</u>	<u>169</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £50,001 - £60,000	3	3
In the band £60,001 - £70,000	2	2
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0
	<u>6</u>	<u>6</u>

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. GOVERNORS' REMUNERATION AND EXPENSES

The highest paid Governor received remuneration of £91,134 (2014 - £89,119).

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

	2015 £	2014 £
Principal	90,000-95,000	85,000-90,000
Stephen Gillmore (staff governor)	30,000-35,000	30,000-35,000
Jane Weller (staff governor)		40,000-45,000
Peter Wood (staff governor)		20,000-25,000
Kirsten Maclean (staff governor)	45,000-50,000	
Karl Nicholas (staff governor)	45,000-50,000	

During the year, Governors received reimbursement of travel and other expenses of £14 (2014 - £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 2015 was £265 (2014 - £1,540). The cost of this insurance is included in the total insurance cost.

14. PENSIONS FINANCE COST

	2015 £	2014 £
Expected return on pension scheme assets	123,000	96,000
Interest on pension scheme liabilities	(176,000)	(167,000)
	<u>(53,000)</u>	<u>(71,000)</u>

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

15. TANGIBLE FIXED ASSETS

	Long Term Leasehold Property £	Motor Vehicles £	Computer Equipment £	Total £
Cost				
At 1 September 2014	25,031,950	19,522	153,495	25,204,967
Additions	-	-	53,227	53,227
At 31 August 2015	<u>25,031,950</u>	<u>19,522</u>	<u>206,722</u>	<u>25,258,194</u>
Depreciation				
At 1 September 2014	1,091,427	15,776	76,157	1,183,360
Charge for the year	364,395	3,746	26,436	394,577
At 31 August 2015	<u>1,455,822</u>	<u>19,522</u>	<u>102,593</u>	<u>1,577,937</u>
Net book value				
At 31 August 2015	<u>23,576,128</u>	<u>-</u>	<u>104,129</u>	<u>23,680,257</u>
At 31 August 2014	<u>23,940,523</u>	<u>3,746</u>	<u>77,338</u>	<u>24,021,607</u>

16. STOCKS

	2015 £	2014 £
Finished goods and goods for resale	<u>7,224</u>	<u>15,759</u>

17. DEBTORS

	2015 £	2014 £
Trade debtors	1,456	12,920
Other debtors	13,893	34,035
Prepayments and accrued income	39,243	27,869
	<u>54,592</u>	<u>74,844</u>

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	55,317	45,565
Other taxation and social security	105,219	107,136
Accruals and deferred income	222,679	292,234
	<u>383,215</u>	<u>444,935</u>

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	78,408	103,256	(122,681)	-	-	58,983
Restricted funds						
Restricted funds	181,381	6,948,018	(6,947,215)	(26,704)	-	155,480
Pension reserve	(2,475,000)	-	(131,000)	-	196,000	(2,410,000)
	<u>(2,293,619)</u>	<u>6,948,018</u>	<u>(7,078,215)</u>	<u>(26,704)</u>	<u>196,000</u>	<u>(2,254,520)</u>
Restricted fixed asset funds						
EFA capital grants	24,021,607	26,523	(394,577)	26,704	-	23,680,257
Total restricted funds	<u>21,727,988</u>	<u>6,974,541</u>	<u>(7,472,792)</u>	<u>-</u>	<u>196,000</u>	<u>21,425,737</u>
Total of funds	<u>21,806,396</u>	<u>7,077,797</u>	<u>(7,595,473)</u>	<u>-</u>	<u>196,000</u>	<u>21,484,720</u>

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

Restricted Fixed Asset Fund - the land and buildings element relates to the asset transferred from Sutton LEA and which is being released in line with the depreciation charged on land and buildings. The EFA capital grant relates to monies to be spent on forthcoming capital projects at which time the grant will be released in line with depreciation on those assets so purchased. Other amounts in the fund represents the academy's investment in fixed assets.

Restricted general funds will be used for educational purposes in line with the academy's objects and its funding agreement with the EFA.

Restricted funds in respect of the defined benefit relate to the movement on the Local Government Pension Scheme liability.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

19. STATEMENT OF FUNDS (continued)

Unrestricted funds relate to donations and other income given without restriction to its purpose and can be used for the general purpose of the academy trust.

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

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	78,408	103,256	(122,681)	-	-	58,983
Restricted funds	(2,293,619)	6,948,018	(7,078,215)	(26,704)	196,000	(2,254,520)
Restricted fixed asset funds	24,021,607	26,523	(394,577)	26,704	-	23,680,257
	<u>21,806,396</u>	<u>7,077,797</u>	<u>(7,595,473)</u>	<u>-</u>	<u>196,000</u>	<u>21,484,720</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	23,680,257	23,680,257	24,021,607
Current assets	58,983	538,696	-	597,679	704,724
Creditors due within one year	-	(383,216)	-	(383,216)	(444,935)
Provisions for liabilities and charges	-	(2,410,000)	-	(2,410,000)	(2,475,000)
	<u>58,983</u>	<u>(2,254,520)</u>	<u>23,680,257</u>	<u>21,484,720</u>	<u>21,806,396</u>

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(517,676)	(567,554)
Returns on Investments and servicing of finance	(9,383)	(11,392)
Depreciation of tangible fixed assets	394,577	396,402
Capital grants from DfE	(26,523)	(25,499)
(Increase)/ decrease in stocks	8,535	(5,005)
(Increase)/ decrease in debtors	20,251	(16,547)
(Decrease)/ increase in creditors	(61,718)	(29,224)
FRS 17 adjustments	131,000	78,000
	<u>(60,937)</u>	<u>(180,819)</u>

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>9,383</u>	<u>11,392</u>
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(53,227)	(56,087)
Capital grants from DfE	26,522	25,499
	<u>(26,705)</u>	<u>(30,588)</u>

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	614,121	(78,259)	-	535,862
Net funds	<u>614,121</u>	<u>(78,259)</u>	<u>-</u>	<u>535,862</u>

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Pension Fund Authority. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2013 and of the LGPS 31 March 2014.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £178,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2016.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS (continued)

The pension costs paid to TPS in the year amounted to £529,000 (2014: £376,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £316,000 (2014: £353,000), of which employer's contributions totalled £250,000 (2014: £287,000) and employees' contributions totalled £66,000 (2014: £66,000). The agreed contribution rates for future years are 13.0% for employers and 5.5-7.5% for employees.

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

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(4,820,000)	(4,578,000)
Fair value of scheme assets	2,410,000	2,103,000
Net liability	<u>(2,410,000)</u>	<u>(2,475,000)</u>

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

	2015 £	2014 £
Current service cost	(328,000)	(294,000)
Interest on obligation	(176,000)	(167,000)
Expected return on scheme assets	123,000	96,000
Total	<u>(381,000)</u>	<u>(365,000)</u>
Actual return on scheme assets	<u>3,000</u>	<u>191,000</u>

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	4,578,000	3,494,000
Current service cost	328,000	294,000
Interest cost	176,000	167,000
Contributions by scheme participants	66,000	66,000
Actuarial (gains)/losses	(316,000)	636,000
Benefits paid	(12,000)	(79,000)
	<u>4,820,000</u>	<u>4,578,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	2,103,000	1,587,000
Expected return on assets	123,000	96,000
Actuarial gains and (losses)	(120,000)	146,000
Contributions by employer	250,000	287,000
Contributions by employees	66,000	66,000
Benefits paid	(12,000)	(79,000)
	<u>2,410,000</u>	<u>2,103,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £554,000 (2014 - £750,000).

The academy expects to contribute £311,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Equities	62.00 %	65.00 %
Bonds	28.00 %	26.00 %
Property	7.00 %	7.00 %
Cash	3.00 %	2.00 %

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	3.70 %
Expected return on scheme assets at 31 August	5.40 %	5.40 %
Rate of increase in salaries	4.40 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	21.7	22.3
Females	25.0	24.5
Retiring in 20 years		
Males	23.7	24.2
Females	27.0	26.8

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(4,820,000)	(4,578,000)
Scheme assets	2,410,000	2,103,000
Deficit	(2,410,000)	(2,475,000)
Experience adjustments on scheme liabilities	316,000	(636,000)
Experience adjustments on scheme assets	(120,000)	146,000

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.

26. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by guarantee and does not have share capital.