

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 2022

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Paul Lincoln OBE Richard Hall (resigned 14 January 2022) Christopher Dean Brenda Morley MBE Marion Williams Aaron Banham (appointed 7 March 2022)
Trustees	Marion Williams, Chair (from 2 December 2021) (resigned 28 April 2022) Brenda Morley MBE, Chair (to 2 December 2021) Santha Balamurugan (appointed 25 March 2022) Aaron Banham (resigned 1 April 2022) Clare Buxton, Staff Trustee Graham Cadle Joanna Cook Simon Doubell, Chair (from 28 April 2022) Peter Duus (resigned 16 August 2022) David Eccles (appointed 1 September 2022) Mary Hattley, Staff Trustee Nicola Kimber (appointed 15 October 2021) Emelia O'Callaghan (appointed 30 June 2022) Karthik Sankaran Abhijeet Selukar (appointed 3 December 2021, resigned 21 March 2022) Mohan Shekar (resigned 13 September 2022)
Company registered number	07627110
Company name	Overton Grange School
Principal and registered office	36 Stanley Road Sutton Surrey SM2 6TQ
Company secretary	Karen Brown
Chief executive officer	Keith Stride
Senior Leadership Team (SLT)	Keith Stride, Headteacher David Eccles, Deputy Headteacher Charlotte Auger, Deputy Headteacher Cherry Allanson, Assistant Headteacher Glenn Baldwin, Assistant Headteacher Carole Hilton Grange, Assistant Headteacher (to 31 August 2022) Sean O'Neill, Assistant Headteacher Karen Brown, School Business Manager

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Independent auditor MHA MacIntyre Hudson
6th Floor
2 London Wall Place
London, United Kingdom
EC2Y 5AU

Bankers Lloyds Bank
Sutton
Surrey
SM1 1DT

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

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

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 1228 in the school census in October 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Overton Grange School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Overton Grange Academy.

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

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of Trustees 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 £360.

Method of Recruitment and Appointment or Election of Trustees

The management of the Academy Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Academy deed. The Trustees 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 Trustees, 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 Trustee. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected. The Trustees who were in office at 31 August 2022 and who served during the year are listed on page 1.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction procedures for new Trustees will depend on their existing experience. Where necessary, induction will include training on educational, legal and financial and safeguarding matters. All new Trustees will be given the opportunity of a tour of the school, have a 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 Trustees. As there is expected to be only a small number of new Trustees each year, induction will be carried out informally and will be tailored specifically to the individual. All Trustees are required to have an enhanced DBS disclosure.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

Organisational Structure

The Academy Trust's organisational structure consists of three levels: the Members, the Trustees 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 Trust.

The Trustees 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 four occasions.

The Headteacher is the Academy Trust's Accounting Officer. The SLT controls the Academy Trust 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 the Academy Trust'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 Academy Trust, specifically staff, facilities and students.

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 Academy Trust'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 Trustees who carry out the Headteacher's performance management. The Academy Trust'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.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	0
51%-99%	0
100%	0

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FOR THE YEAR ENDED 31 AUGUST 2022

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	0
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0

Paid trade union activities

Time spent on paid trade union activities such as a percentage of total paid facility time hours calculated as:	0
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(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

Related Parties and other Connected Charities and Organisations

The Academy Trust 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 Academy Trust 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. After previously working in partnership with the University of Brighton Academies Trust in 2018/19, the Academy Trust is currently working in partnership with the Folio Trust.

OBJECTIVES AND ACTIVITIES

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.

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 Academy Trust 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.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

For the year ended 31 August 2022, our key 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, (SEND, LAC, EAL, PP) boys and the More Able students
2. To put in place the necessary interventions required to help students to both catch up academically and achieve a sense of well-being following the two school closures.
3. To improve further the quality of teaching and learning in all key stages for all students through a continued focus on, ensuring the recruitment and retention of good quality staff, the teaching of boys, and developing differentiation.
4. 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.

Public Benefit

The Trustees 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 Academy Trust but also the wider community including local primary schools 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.

STRATEGIC REPORT

Achievements and Performance

Key Performance Indicators

This Academy Trust 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 'Trustees are committed to providing support and challenge'.

2021/22 academic year saw no periods of national lockdown, however the pandemic still had an impact on attendance of students. The Academy Trust retained many of the Covid preventative measures through 2021/22, such as one-way systems, regular hand sanitising and staff remaining at the front of the class. Summer 2022 was the first year of external exams at both GCSE and A level since 2019, following two academic years of Centre Assessed/Teacher Assessed grades. The DfE gave exam boards a direction that overall percentages for exam grades were to fall between those of 2019, reducing the number of top grades. The DfE has also strongly discouraged drawing comparisons with performance data due to the impact of the pandemic.

Overton Grange took advantage of the National Tutoring Programme and also arranged our own series of after school tutoring sessions in Maths, English and Science for targeted students.

In this context, the Academy Trust is pleased with the level of grades attained by our students. There are only a very small number of students leaving Overton Grange, at year 11 or Year 13, identified as NEET.

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For Summer 2022 our average A level grade is C+ (C 2019), with an average A level point score of 31.17 (28.52 2019). This data is derived from SIMS.net as the DfE website 'Tables checking' is not available yet for 2022. School data analyses this as follows: -

A* - A	= 20.3%	(2021 - 35.6%)	(2019 - 13.7%)
A* - B	= 48.1%	(2021 - 61.7%)	(2019 - 32.6%)
A* - C	= 77.1%	(2021 - 86.5%)	(2019 - 64.3%)
A* - E	= 98.1%	(2020 - 98.9%)	(2019 - 96.9%)

It is also worth highlighting that this year group sat Year 13 A level exams as their first experience of formal external examinations. All students that wanted to go on to Higher/Further Education have been able to do so.

At GCSE school data is as follows. The Academy Trust is pleased to see consistency in the percentages achieving grade 4 or 5 and above, whilst DfE directives on top grades would appear to have impacted our results.

9 - 7	= 17%	(2021 - 22%)	(2019 - 19%)
9 - 5	= 54%	(2021 - 54%)	(2019 - 52%)
9 - 4	= 73%	(2021 - 73%)	(2019 - 70%)
9 - 1	= 98.6%	(2021 - 99%)	(2019 - 98%)

Of 49 Pupil Premium students entered for exams, 47 gained five or more 9-1 grades or equivalent. 2 students being dual role. 15 pupil premium students have continued into the school sixth form.

Following the pandemic, opportunities for cultural enrichment have remained reduced both within and outside of school, however it is pleasing to gradually see these activities returning for the benefit of students. Training was arranged for year 9 and 10 students around the concept of Consent. MAGT students in Science enjoyed a link with a PHd Science/Medical student, and the Academy Trust was selected to be the lead school for the STEM Enthuse partnership, working with four other local schools.

Outside of school a Year 10 student won Gold as part of a team cheerleading championship. Students raised money for a charitable donation to support Ukraine along with our other charitable donations this year to Jigsaw4U.

Within the premises, staff and students can gain from our continued investment in refurbished IT facilities. Security and Safeguarding of the whole site has been improved with the use of a bid through the governments Condition Improvement Fund. Along with funds secured to improve external circulation space for students in current year 7, 10 & 11 spaces. Also with safety in mind, the Academy Trust also invested in repairs to the leaking Mall Roof and a phased updating of surfaces within some Science classroom.

The Academy Trust has committed resources to support awareness of positive mental health and well-being amongst students and staff, including support to manage exam stress. With training in on-line safety also arranged in school.

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Financial Performance Indicators

Number of students on roll (31st August)

2022	1216
2021	1205
2020	1212
2019	1199
2018	1246
2017	1261
2016	1294
2015	1252
2014	1236
2013	1265
2012	1283
2011	1265
2010	1293
2009	1261

Staff turnover	New Staff	% of total staff
2022	11	7.8%
2021	8	5.8
2020	8	5.8
2019	5	3.8
2018	25	18.6
2017	15	11.0
2016	16	10.0
2015	11	13.7
2014	20	13.1
2013	12	6.8
2012	12	6.7
2011	11	6.1
2010	7	3.9

Going Concern

After making appropriate enquiries, 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 Accounting Policies.

FINANCIAL REVIEW

The accounting period runs from 1 September 2021 to 31 August 2022. The majority of the Academies income is obtained from the ESFA in the form of recurrent grants and the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2022 and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

Staff costs continue to represent the largest category of expenditure for the Academy Trust. The Academy Trust is committed to ensuring 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 Academy Trust. All expenditure is reviewed to ensure that it represents value for money for the Academy Trust.

Prudent financial management of the Academy Trust's resources has been necessary as, in line with the rest of the sector, the Academy Trust has faced continuing financial pressure.

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Reserves Policy

As at 31 August 2022, the total funds comprised restricted funds of £22,744,578 analysed into restricted fixed asset funds of £23,577,315, GAG of £1,324,263 and the pension reserve deficit of £2,157,000. Unrestricted reserves total £557,562. 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 Trust at the discretion of the Trustees. The aim of the Trustees is to increase this reserve to meet future working capital.

The deficit on the pension reserve relates to the support staff, where, unlike teachers' pension scheme, separate assets are held to fund future liabilities as discussed in Note 25

At 31 August 2022 the total funds comprised:

Unrestricted	£557,562
Restricted:	
Fixed asset funds	£23,577,315
Pension reserve	(£2,157,000)
Other	£1,324,263
	<hr/>
	£23,302,140
	<hr/>

Investment Policy

During the year the Academy Trust 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.

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 managing 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 Academy Trust 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 Academy Trust has correct recruitment and performance management procedures and that all staff are supported, motivated and valued.
- Unfunded additional duties placed on schools
- Global pandemic – poses the risk of further lockdown periods being imposed on the school. The risks are mitigated through investment in time and resources to facilitate planning across all departments to be ready and able to offer remote learning to all impacted students should the situation occur again.
- Impact of the previous lockdown on students and staff.

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TRUSTEES' REPORT
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FUNDRAISING

The Academy Trust 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 Academy Trust will attempt to raise additional monies to ensure this additional work is sustainable.

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

Fundraising activities are organised directly through the Academy Trusts personnel. Fundraising for the benefit of our students will be undertaken through:

- The letting of Academy Trust 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 Academy Trust.
- The collection of a voluntary school fund donation from parents, costs of collection being minimal as the Academy Trust's existing online payment system can be used.

The Academy Trust 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.

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, along with the formation of any necessary interventions to support students either academically or with well-being following the period of home learning. Our Academy Trust Development Plan identifies operational targets and actions to achieve these aims.

In collaboration with other local schools, Overton Grange plans, should the need arise, to be able to accommodate a bulge class of 30 students over the next 3 academic years to cope with a short-term need for additional capacity within the local authority area.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

There are no assets subject to custodian arrangements except for the ESFA 16-19 Bursary Funds.

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TRUSTEES' REPORT
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AUDITOR

In so far 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.

Trustees' report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the Company Directors, on01.12..2022 and signed on the Board's behalf by:



Simon Doubell
Chair

.....01.12..... 2022

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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

SCOPE OF RESPONSIBILITY

As Trustees 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.

As Trustees we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees 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 Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees was formally due to meet 4 times during the year. Meetings were held remotely with papers circulated in advance, due to the Coronavirus pandemic. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Brenda Morley MBE, Chair (to 02.12.21)	4	5
Keith Stride, Headteacher and Accounting Officer (to 31.08.22)	4	4
Sentha Balamurugan (from 25.03.22)	1	2
Aaron Banham (to 04.04.22)	0	3
Clare Buxton	3	4
Graham Cadle	4	5
Joanna Cook	5	5
Simon Doubell (Chair from 28.04.22)	5	5
Peter Duus	4	5
Mary Hattley (Staff Trustee)	3	4
Nicola Kimber (from 15.10.21)	4	5
Emelia O'Callaghan (from 30.06.22)	0	0
Karthik Sankaran	3	5
Abhijeet Selukar (03.12.21 to 21.03.22)	3	4
Mohan Shekar (to 13.09.21)	0	0
Marion Williams (Chair 02.12.21 to 28.04.22) (resigned 28.04.22)	4	4

The Trustees continue to monitor their governance arrangements and consider these have operated effectively in the period under review.

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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

The Resources Committee is a sub-committee of the main board of Trustees. Its purpose is to provide financial oversight for the Academy Trust. This will include consideration of the audit process, the annual financial statements and ongoing reviews. During the year, Nicola Kimber, a new parent Trustee, joined the sub-committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Brenda Morley MBE, Chair	3	3
Keith Stride, Headteacher and Accounting Officer (to 31.08.22)	3	3
Graham Cadle	3	3
Simon Doubell	3	3
Mary Hattley	3	3
Nicola Kimber (from 02.12.22)	2	2
Marion Williams (to 28.04.22)	2	2

REVIEW OF VALUE FOR MONEY

As Accounting Officer the Headteacher 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 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:

- Investing in replacement classroom IT equipment, to improve efficient working for staff and students. Ensuring the Academy Trust finance policy was followed in obtaining quotations for services prior to appointing a supplier.
- Investing in repair work to the Mall Roof, to improve the condition of the learning environment through the reduction of frequent leaks
- Ensuring staffing structures are viewed 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
- Enhancing security and safeguarding, through replacement gates, fencing and entry controls.

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 Trust 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 period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 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 Trust'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 monthly financial reports which are reviewed and agreed by the Board of Trustees
- 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 Trustees has considered the need for a specific internal audit function and has decided to appoint Centre for Education Management, a company independent of our external auditors, to perform the additional checks required for Internal Scrutiny.

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

- testing of payroll & HR systems
- testing of purchase systems
- testing of control accounts and bank reconciliations
- testing of monthly closedown processes
- checks on Income received

On a termly basis, report is made to the Board of Trustees, through the audit function of the Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. No significant issues were reported during the year.

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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022


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 work of the Internal Scrutiny role
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust 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 Trustees on 01 - 12 2022 and signed on its behalf by:


.....
Simon Doubell
Chair


.....
Charlotte Auger
Accounting Officer


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 Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust 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 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2021.

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 ESFA.


.....
Charlotte Auger
Accounting Officer
Date: 1/12/22

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 Trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping 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 Trustees 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 Trustees 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 and signed on its behalf by:


.....

Simon Doubell

Chair

Date: 01.12.22

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of Overton Grange School (the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including 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 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2022 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 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and 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 Trust 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

VERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Governors (who are also the Directors of the Academy Trust 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

VERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

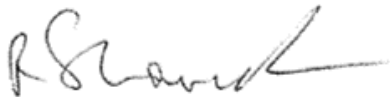
**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VERTON GRANGE SCHOOL (CONTINUED)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the Academy Trust'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 Trust'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 Trust 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
Statutory Auditor
London, United Kingdom

Date: 13/12/2022

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 5 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, 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 2021 to 31 August 2022 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 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 25 February 2019 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts 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 Trust's income and expenditure.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

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

The work undertaken to draw our conclusions includes:

- reviewing the Minutes of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy Trust, with reference to the income streams and other information available to us as auditors;
- 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;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
MHA MacIntyre Hudson
Statutory Auditor
London, United Kingdom

Date: 13/12/2022

VERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted general funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and grants	4	15,985	5,759	304,123	325,867	82,748
Other trading activities	6	104,428	52,952	-	157,380	40,964
Investments	7	467	-	-	467	276
Charitable activities	5	25,000	8,168,475	-	8,193,475	8,005,530
Total income		145,880	8,227,186	304,123	8,677,189	8,129,518
Expenditure on:						
Raising funds	8	-	5,518	-	5,518	4,555
Charitable activities	9,10	23,991	8,182,343	787,606	8,993,940	8,362,338
Total expenditure		23,991	8,187,861	787,606	8,999,458	8,366,893
Net movement in funds before other recognised gains/(losses)		121,889	39,325	(483,483)	(322,269)	(237,375)
Other recognised losses:						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	3,358,000	-	3,358,000	(153,000)
Net movement in funds		121,889	3,397,325	(483,483)	3,035,731	(390,375)
Reconciliation of funds:						
Total funds brought forward		435,673	(4,230,062)	24,060,798	20,266,409	20,656,784
Net movement in funds		121,889	3,397,325	(483,483)	3,035,731	(390,375)
Total funds carried forward		557,562	(832,737)	23,577,315	23,302,140	20,266,409

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

The notes on pages 28 to 59 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	23,577,315	24,008,052
		<u>23,577,315</u>	<u>24,008,052</u>
Current assets			
Stocks	16	16,778	13,838
Debtors	17	261,509	119,561
Cash at bank and in hand	23	2,663,326	1,748,692
		<u>2,941,613</u>	<u>1,882,091</u>
Creditors: amounts falling due within one year	18	(1,059,788)	(532,734)
Net current assets		<u>1,881,825</u>	<u>1,349,357</u>
Net assets excluding pension liability		<u>25,459,140</u>	<u>25,357,409</u>
Defined benefit pension scheme liability	25	(2,157,000)	(5,091,000)
Total net assets		<u><u>23,302,140</u></u>	<u><u>20,266,409</u></u>
Funds of the Academy Trust			
Restricted funds:			
Restricted fixed asset funds	19	23,577,315	24,060,798
Restricted general funds	19	1,324,263	860,938
		<u>24,901,578</u>	<u>24,921,736</u>
Restricted funds excluding pension asset	19	24,901,578	24,921,736
Restricted general funds - pension reserve	19	(2,157,000)	(5,091,000)
Total restricted funds	19	<u>22,744,578</u>	<u>19,830,736</u>
Unrestricted funds	19	<u>557,562</u>	<u>435,673</u>
Total funds		<u><u>23,302,140</u></u>	<u><u>20,266,409</u></u>

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

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements on pages 24 to 59 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Simon Doubell

Chair

Date: 01.12.22



Charlotte Auger

Accounting Officer

The notes on pages 28 to 59 form part of these financial statements.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	671,868	521,615
Cash flows from investing activities	22	242,766	36,822
Change in cash and cash equivalents in the year		914,634	558,437
Cash and cash equivalents at the beginning of the year		1,748,692	1,190,255
Cash and cash equivalents at the end of the year	23, 24	<u>2,663,326</u>	<u>1,748,692</u>

The notes on pages 28 to 59 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 2022

1. General information

Overton Grange School is a company limited by guarantee, incorporated in England and Wales.

The address of the registered office and principal place of operation is detailed on page 1.

The nature of the Academy Trust's operations and principal activity are detailed in the Governors' Report.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared on a going concern basis 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in Pound Sterling which is the functional currency of the Academy Trust and rounded to the nearest Pound Sterling.

2.2 Going concern

The Trustees 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 Trust to continue as a going concern. The Trustees 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.3 Income

All incoming resources are recognised when the Academy Trust 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.

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.4 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.

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.6 Tangible fixed assets

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.

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.

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line
Furniture and equipment	- 10 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 3 years straight line

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 the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

2.7 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.

2.8 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.

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.9 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.

2.10 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 Trust 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.

2.11 Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.12 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust 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 17. Prepayments are not financial instruments.

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 18. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.13 Pensions

Retirement benefits to employees of the Academy Trust 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 Trust 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 Trust in separate 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 net income / (expenditure) 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.

2.14 Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the ESFA. Related payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Academy does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in the Statement of Financial Activities. Where funds have not been fully applied in the accounting period then an amount will be included as Amounts due to the ESFA, within Creditors: Amounts falling due within one year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.15 Fund accounting

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

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.

3. Critical accounting estimates and areas of judgement

Estimates and judgements 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 25, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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.

Critical areas of judgement:

The Trustees consider there to be no critical areas of judgement that effect the amounts recognised in these financial statements.

OVERTON GRANGE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
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4. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted general funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	15,985	5,759	-	21,744
Capital grants	-	-	105,204	105,204
Local Authority capital grants	-	-	198,919	198,919
	<u>15,985</u>	<u>5,759</u>	<u>304,123</u>	<u>325,867</u>
	<i>Unrestricted funds 2021 £</i>	<i>Restricted general funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	12,411	4,555	-	16,966
Capital grants	-	-	65,782	65,782
	<u>12,411</u>	<u>4,555</u>	<u>65,782</u>	<u>82,748</u>

OVERTON GRANGE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Charitable activities - Funding for the Academy Trust's educational operations

	Unrestricted funds 2022 £	Restricted general funds 2022 £	Total funds 2022 £
Educational operations			
DfE/ESFA grants			
General Annual Grant (GAG)	-	7,317,819	7,317,819
Other DfE/ESFA grants			
Pupil Premium	-	293,561	293,561
Rates relief	-	61,180	61,180
Others	-	194,253	194,253
	-	7,866,813	7,866,813
Other Government grants			
Local Authority revenue grants	-	177,500	177,500
	-	177,500	177,500
Other income from the Academy Trust's educational operations	25,000	83,159	108,159
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	41,003	41,003
	25,000	8,168,475	8,193,475

The Academy Trust received £41,003 (2021 - £47,238) of funding for Catch-up Premium and costs incurred in respect of this funding totalled £41,003 (2021 - £47,238), with no amounts unspent at the year end (2021 - no amounts).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Charitable activities - Funding for the Academy Trust's educational operations (continued)

	<i>Restricted general funds 2021 £</i>	<i>Total funds 2021 £</i>
Educational operations		
DfE/ESFA grants		
General Annual Grant (GAG)	7,023,649	7,023,649
Other DfE/ESFA grants		
Pupil Premium	285,979	285,979
Rates relief	61,180	61,180
Others	362,274	362,274
	<hr/>	<hr/>
	7,733,082	7,733,082
Other Government grants		
Local Authority revenue grants	93,552	93,552
	<hr/>	<hr/>
	93,552	93,552
Other income from the Academy Trust's educational operations	90,648	90,648
COVID-19 additional funding (DfE/ESFA)		
Catch-up Premium	47,238	47,238
Other DfE/ESFA COVID-19 funding	41,010	41,010
	<hr/>	<hr/>
	88,248	88,248
	<hr/>	<hr/>
	8,005,530	8,005,530
	<hr/> <hr/>	<hr/> <hr/>

OVERTON GRANGE SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. Income from other trading activities

	Unrestricted funds 2022 £	Restricted general funds 2022 £	Total funds 2022 £
Lettings and other miscellaneous income	84,041	-	84,041
Receipts from insurance claims	-	52,952	52,952
Trade sales	20,387	-	20,387
	<u>104,428</u>	<u>52,952</u>	<u>157,380</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Lettings and other miscellaneous income	25,652	25,652
Trade sales	15,312	15,312
	<u>40,964</u>	<u>40,964</u>

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Bank interest receivable	467	467
	<u>467</u>	<u>467</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Bank interest receivable	276	276
	<u>276</u>	<u>276</u>

VERTON GRANGE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Total expenditure

	Staff costs 2022 £	Premises costs 2022 £	Other costs 2022 £	Total 2022 £
Expenditure on raising funds:				
Support costs	-	-	5,518	5,518
Educational operations:				
Direct costs	5,655,900	-	440,481	6,096,381
Support costs	1,206,175	787,554	903,830	2,897,559
	<u>6,862,075</u>	<u>787,554</u>	<u>1,349,829</u>	<u>8,999,458</u>

	Staff costs 2021 £	Premises costs 2021 £	Other costs 2021 £	Total 2021 £
Expenditure on raising funds:				
Support costs	-	-	4,555	4,555
Educational operations:				
Direct costs	5,709,980	-	386,724	6,096,704
Support costs	976,627	473,014	815,993	2,265,634
	<u>6,686,607</u>	<u>473,014</u>	<u>1,207,272</u>	<u>8,366,893</u>

Analysis of raising funds support costs

	2022 £	2021 £
Other costs	5,518	4,555
	<u>5,518</u>	<u>4,555</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Educational operations	23,991	8,969,949	8,993,940

	<i>Restricted funds 2021 £</i>	<i>Total 2021 £</i>
Educational operations	8,362,338	8,362,338

10. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Educational operations	6,096,381	2,897,559	8,993,940

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Educational operations	6,096,704	2,265,634	8,362,338

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Analysis of expenditure on charitable activities - by type (continued)

Analysis of support costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Defined benefit pension scheme finance cost	87,000	75,000
Staff costs	1,119,175	901,627
Depreciation	492,561	478,246
Technology costs	100,354	54,864
Premises costs	787,554	473,014
Other costs	290,868	248,713
Governance costs	14,326	19,295
Legal costs	5,721	14,875
	<u>2,897,559</u>	<u>2,265,634</u>

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	<i>2021 £</i>
Depreciation of tangible fixed assets	492,561	478,246
Fees paid to auditor for:		
- Audit of the financial statements	12,000	11,500
- Other services	1,500	1,500
	<u>12,500</u>	<u>13,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	4,827,885	4,769,824
Social security costs	502,354	496,554
Pension costs	1,389,834	1,334,644
	<u>6,720,073</u>	<u>6,601,022</u>
Agency staff costs	55,002	10,585
Defined benefit pension scheme finance cost	87,000	75,000
	<u><u>6,862,075</u></u>	<u><u>6,686,607</u></u>

b. Staff numbers

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

	2022	2021
	No.	No.
Teachers	75	75
Management	7	7
Administration and support	47	47
	<u>129</u>	<u>129</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. Staff (continued)

c. Higher paid staff

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

	2022	<i>2021</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	6	<i>7</i>
In the band £70,001 - £80,000	2	<i>1</i>
In the band £90,001 - £100,000	1	<i>1</i>

The above employees participated in both the Teachers' Pension Scheme and Local Government Pension Scheme. During the year ended 31 August 2022, pension contributions for these staff members amounted to £146,764 (2021 - £143,206).

d. Key Management Personnel

The Key Management Personnel of the Academy Trust comprise the Trustees and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by Key Management Personnel for their services to the Academy Trust was £834,716 (2021 - £744,082). The Academy Trust considered 8 (2021 - 8) members of staff to be Key Management Personnel.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. Related Party Transactions - Trustees' remuneration and expenses

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

		2022	2021
		£	£
Keith Stride, Headteacher and Accounting Officer	Remuneration	95,000 -	90,000 -
		100,000	95,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000
Claire Buxton, Staff Governor	Remuneration	45,000 -	45,000 -
		50,000	50,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Mary Hattley, Staff Governor	Remuneration	25,000 -	25,000 -
		30,000	30,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2022 was £360 (2021 - £140). The cost of this insurance is included in the total insurance cost.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

15. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2021	27,595,380	367,986	298,674	19,449	28,281,489
Additions	-	15,590	46,234	-	61,824
At 31 August 2022	<u>27,595,380</u>	<u>383,576</u>	<u>344,908</u>	<u>19,449</u>	<u>28,343,313</u>
Depreciation					
At 1 September 2021	3,846,442	146,155	261,391	19,449	4,273,437
Charge for the year	415,663	35,550	41,348	-	492,561
At 31 August 2022	<u>4,262,105</u>	<u>181,705</u>	<u>302,739</u>	<u>19,449</u>	<u>4,765,998</u>
Net book value					
At 31 August 2022	<u>23,333,275</u>	<u>201,871</u>	<u>42,169</u>	<u>-</u>	<u>23,577,315</u>
At 31 August 2021	<u>23,748,938</u>	<u>221,831</u>	<u>37,283</u>	<u>-</u>	<u>24,008,052</u>

16. Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u>16,778</u>	<u>13,838</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	1,694	19,463
Other debtors	49,572	9,215
Prepayments and accrued income	210,243	90,883
	<u>261,509</u>	<u>119,561</u>

18. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	323,386	96,276
Other taxation and social security	130,912	123,480
Accruals and deferred income	605,490	312,978
	<u>1,059,788</u>	<u>532,734</u>

	2022 £	2021 £
Deferred income		
Deferred income at 1 September	261,675	126,874
Resources deferred during the year	308,516	261,675
Amounts released from previous periods	(261,675)	(126,874)
Deferred income at 31 August	<u>308,516</u>	<u>261,675</u>

At the Balance Sheet date, the Academy Trust was holding funds received in advance for:

- Rates relief
- Sensory room income
- School trips
- Lettings income
- Jack Petchey awards

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Unrestricted general funds	435,673	145,880	(23,991)	-	-	557,562
Restricted general funds						
General Annual Grant (GAG)	860,938	7,317,819	(6,854,494)	-	-	1,324,263
Pupil Premium	-	293,561	(293,561)	-	-	-
Other DfE / ESFA revenue grants	-	255,433	(255,433)	-	-	-
Local Authority revenue grants	-	177,500	(177,500)	-	-	-
Exceptional government funding	-	41,003	(41,003)	-	-	-
Other Educational income	-	83,159	(83,159)	-	-	-
Other activities	-	58,711	(58,711)	-	-	-
Pension reserve	(5,091,000)	-	(424,000)	-	3,358,000	(2,157,000)
	(4,230,062)	8,227,186	(8,187,861)	-	3,358,000	(832,737)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
NBV of fixed assets	24,008,052	-	(492,561)	61,824	-	23,577,315
DfE / ESFA capital grants	52,746	105,204	(96,126)	(61,824)	-	-
Local Authority capital grants	-	198,919	(198,919)	-	-	-
	<u>24,060,798</u>	<u>304,123</u>	<u>(787,606)</u>	<u>-</u>	<u>-</u>	<u>23,577,315</u>
Total Restricted funds	<u>19,830,736</u>	<u>8,531,309</u>	<u>(8,975,467)</u>	<u>-</u>	<u>3,358,000</u>	<u>22,744,578</u>
Total funds	<u>20,266,409</u>	<u>8,677,189</u>	<u>(8,999,458)</u>	<u>-</u>	<u>3,358,000</u>	<u>23,302,140</u>

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

The Unrestricted 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 Academy Trust.

The Pupil Premium fund has been established to recognise the restricted funding from the ESFA to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The Other DfE / ESFA revenue grants fund represents a variety of other grant incomes that are received from the ESFA that fall outside of the core funding of the Academy Trust.

The Local Authority revenue grants fund has been set up to recognise the income received from the local council as a contribution towards the cost of the Academy Trust's revenue expenditure.

The Other Educational income fund has been established to recognise all other restricted funding that cannot be classified above but falls inside the scope of its core activities.

The Other activities fund has been established to recognise all other restricted income and expenditure which falls outside the scope of the Academy Trust's core funding.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Statement of funds (continued)

The Exceptional Government fund has been established to record exceptional restricted funding received from the government in response to the COVID-19 pandemic.

The 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 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 Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Statement of funds (continued)

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

	<i>Balance at 1 September 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2021</i>
	£	£	£	£	£	£
Unrestricted funds						
Unrestricted general funds	386,577	53,651	(4,555)	-	-	435,673
Restricted general funds						
General Annual Grant (GAG)	365,398	7,023,649	(6,528,109)	-	-	860,938
Pupil Premium	-	285,979	(285,979)	-	-	-
Other DfE / ESFA revenue grants	-	423,454	(423,454)	-	-	-
Local Authority revenue grants	-	93,552	(93,552)	-	-	-
Exceptional government funding	-	88,248	(88,248)	-	-	-
Other Educational income	-	90,648	(90,648)	-	-	-
Other activities	-	4,555	(4,555)	-	-	-
Pension reserve	(4,605,000)	-	(333,000)	-	(153,000)	(5,091,000)
	<u>(4,239,602)</u>	<u>8,010,085</u>	<u>(7,847,545)</u>	<u>-</u>	<u>(153,000)</u>	<u>(4,230,062)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Statement of funds (continued)

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Restricted fixed asset funds						
NBV of fixed assets	24,457,062	-	(478,246)	29,236	-	24,008,052
DfE / ESFA capital grants	52,747	65,782	(36,547)	(29,236)	-	52,746
	<u>24,509,809</u>	<u>65,782</u>	<u>(514,793)</u>	<u>-</u>	<u>-</u>	<u>24,060,798</u>
Total Restricted funds	<u>20,270,207</u>	<u>8,075,867</u>	<u>(8,362,338)</u>	<u>-</u>	<u>(153,000)</u>	<u>19,830,736</u>
Total funds	<u><u>20,656,784</u></u>	<u><u>8,129,518</u></u>	<u><u>(8,366,893)</u></u>	<u><u>-</u></u>	<u><u>(153,000)</u></u>	<u><u>20,266,409</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted general funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	23,577,315	23,577,315
Current assets	557,562	2,384,051	-	2,941,613
Creditors due within one year	-	(1,059,788)	-	(1,059,788)
Defined benefit pension scheme liability	-	(2,157,000)	-	(2,157,000)
Total	557,562	(832,737)	23,577,315	23,302,140

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted general funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	24,008,052	24,008,052
Current assets	435,673	1,393,672	52,746	1,882,091
Creditors due within one year	-	(532,734)	-	(532,734)
Defined benefit pension scheme liability	-	(5,091,000)	-	(5,091,000)
Total	435,673	(4,230,062)	24,060,798	20,266,409

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

21. Reconciliation of net expenditure to net cash flow from operating activities

		2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)		(322,269)	(237,375)
Adjustments for:			
Depreciation	15	492,561	478,246
Capital grants from DfE and other capital income	4	(304,123)	(65,782)
Investment income	7	(467)	(276)
Defined benefit pension scheme cost less contributions payable	25	337,000	258,000
Defined benefit pension scheme finance cost	25	87,000	75,000
Increase in stocks	16	(2,940)	(3,223)
(Increase)/decrease in debtors	17	(141,948)	21,338
Increase/(decrease) in creditors	18	527,054	(4,313)
Net cash provided by operating activities		671,868	521,615

22. Cash flows from investing activities

		2022 £	2021 £
Investment income	7	467	276
Purchase of tangible fixed assets	15	(61,824)	(29,236)
Capital grants from DfE Group	4	105,204	65,782
Capital funding received from others	4	198,919	-
Net cash provided by/(used in) investing activities		242,766	36,822

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	2,663,326	1,748,692
Total cash and cash equivalents	2,663,326	1,748,692

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24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,748,692	914,634	2,663,326
	<u>1,748,692</u>	<u>914,634</u>	<u>2,663,326</u>

25. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme 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 Borough of Sutton. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

There were outstanding contributions of £103,210 (2021 - £NIL) 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. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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25. Pension commitments (continued)

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 every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £844,000 (2021 - £867,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

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 2022 was £267,000 (2021 - £270,000), of which employer's contributions totalled £209,000 (2021 - £210,000) and employees' contributions totalled £58,000 (2021 - £60,000). The agreed contribution rates for future years are 22.0 per cent for employers and 5.5 to 12.5 per cent for employees.

As described in Note 2.13 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the Balance Sheet date.

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.

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25. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.20	3.90
Rate of increase for pensions in payment/inflation	3.20	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.4	21.6
Females	24.1	24.3
<i>Retiring in 20 years</i>		
Males	22.9	22.9
Females	25.8	25.7

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(139)	(236)
Discount rate -0.1%	139	241
Mortality assumption - 1 year increase	311	498
Mortality assumption - 1 year decrease	(311)	(477)
CPI rate +0.1%	122	212
CPI rate -0.1%	(122)	(207)

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25. Pension commitments (continued)

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	At 31 August 2022 £	At 31 August 2021 £
Equities	3,434,000	3,941,000
Gilts	1,295,000	917,000
Property	676,000	598,000
Cash and other liquid assets	225,000	118,000
Absolute return portfolio	-	47,000
Other	-	448,000
Total market value of assets	5,630,000	6,069,000

The actual loss on scheme assets was £501,000 (2021 - return of £816,000).

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

	2022 £	2021 £
Current service cost	(546,000)	(468,000)
Interest income	101,000	83,000
Interest cost	(188,000)	(155,000)
Administrative expenses	-	(3,000)
Total amount recognised in the Statement of Financial Activities	(633,000)	(543,000)

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

	2022 £	2021 £
At 1 September	11,160,000	9,725,000
Current service cost	546,000	468,000
Interest cost	188,000	155,000
Employee contributions	58,000	60,000
Actuarial (gains)/losses	(4,006,000)	886,000
Benefits paid	(159,000)	(134,000)
At 31 August	7,787,000	11,160,000

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25. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	6,069,000	5,120,000
Interest income	101,000	83,000
Actuarial (losses)/gains	(648,000)	733,000
Employer contributions	209,000	210,000
Employee contributions	58,000	60,000
Benefits paid	(159,000)	(134,000)
Administration expenses	-	(3,000)
At 31 August	5,630,000	6,069,000

Reconciliation of opening to closing defined benefit pension scheme liability

	2022 £	2021 £
Balance brought forward at 1 September	5,091,000	4,605,000
Defined benefit pension scheme cost less contributions payable	337,000	258,000
Defined benefit pension scheme finance cost	87,000	72,000
Administration expenses	-	3,000
Actuarial (losses)/gains	(3,358,000)	153,000
Balance brought forward at 31 August	2,157,000	5,091,000

Amounts recognised in the Balance Sheet are as follows:

	2022 £	2021 £
Present value of the defined benefit obligation	(7,787,000)	(11,160,000)
Fair value of scheme assets	5,630,000	6,069,000
Defined benefit pension scheme liability	(2,157,000)	(5,091,000)

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26. 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.

27. Related party transactions

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in Note 13.

28. Agency arrangements

The Academy Trust administers the distributions of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. In the year it received £4,746 (2021 - £7,119) and disbursed £4,746 (2021 - £6,435), £NIL (2021 - £684) was retained to cover administration expenses.. A balance of £NIL (2021 - £NIL) was repayable to the ESFA as at the Balance Sheet date.