Company Registration No. 07687897 (England and Wales)

GRAVENEY TRUST

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2017

GRAVENEY TRUST

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GRAVENEY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Directors	J Oppenheimer (Chairman) *# J Cox * D Hayes (Responsible Officer)*# J Katz (Chair of Finance Committee) *# I Parkes (Chair of Audit Committee)# H Rolfe G Stapleton (Chief Executive) *# N Brannon J Krienke (appointed Oct 2015) * D Milligan (appointed July 2016, left July 2017) *
	* members of the Finance Committee # members of the Audit Committee
Members	J Oppenheimer J Katz G Stapleton (resigned July 2017) I Parkes (resigned July 2017) D Hayes (resigned July 2017) C Buss (appointed July 2017)
Senior management team (Graveney)	
- Principal	Graham Stapleton
- First Vice-Principal/Headteacher	Keith Barbrook
- Vice-Principal/Bursar	Cynthia Rickman
- Deputy Head	Maeve Hamill
- Deputy Head	Ed Simmons
- - Deputy Head	Nancy Brannon
- Head of Sixth Form	Tamzin Cronin
- Head of Upper School	Dave Rees
- Head of Lower School	Marie Robertson
Senior management team (Tooting Primary)	
-Headteacher	D Milligan
-Teacher in Charge of ASD/SEN	L O'Reilly
Company secretary	C Rickman
Company registration number	07687897 (England and Wales)
Registered office	Welham Road Tooting London SW17 9BU United Kingdom
Academies operated	**Location**
Graveney School	Tooting
Tooting Primary School	Tooting
Independent auditor	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE

GRAVENEY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers	National Westminster Bank 3rd Floor City Link House 4 Addiscombe Road Croydon Surrey CR0 5TT
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

GRAVENEY TRUST

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The Directors present their annual report together with the accounts and independent auditor's report of the charitable company for the year ended 31 August 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charitable Company's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

The principal activity of Graveney Trust is to advance education for the public benefit by maintaining, managing and developing schools for pupils and students aged 4 to 19. It achieves this object through the operation of Graveney School and Tooting Primary School. The Trust's secondary activity is to provide and promote facilities for recreation/leisure for the local community in the interests of social welfare and with the object of improving life conditions for local people. A pupil roll of 2049 at Graveney and 249at Tooting Primary was reported in the school census dated Summer 2017.

Funding is obtained from the Department for Education (DfE) through the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes.

Structure, governance and management

Constitution

The Graveney Trust is registered under the Companies Act 2006, as a company limited by guarantee without a share capital. The Academy is an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy Trust.

Details of the Directors who served during the year together with their attendance at meetings are included in the Reference and Administration Details on page 1 at the front of the accounts.

Members' liability

Each Member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a Member, or within one year after they cease to be a member. The liability of the Members is limited to £10 each for the debts and liabilities contracted before they ceased to be a Member. The company is an exempt charity. The company's memorandum and articles of association are the primary governing documents of the academy trust.

Directors' Indemnities

No indemnities have been given by the Trust in respect of any director.

Method of recruitment and appointment or election of Directors

Directors are appointed in accordance with the Articles of Association, which provide for up to 12 Directors to be appointed by the Members, a minimum of 2 parent Directors to be appointed or elected from the two institutional governing bodies together with at least 1 staff director to be appointed by the Directors. At the current time, Directors have appointed the parent and staff directors who had already been elected to an institutional governing body and who expressed an interest in joining the Board. Where new Directors may be required in the future, pre-recruitment processes will include a skills analysis of existing Directors, a review of the range of professional and community interests that are currently represented and the identification of any gaps that emerge from such a review. Targeted searches are then undertaken, using the existing networks available to the school.

The Board of Directors is currently constituted as follows;

a) Five Directors appointed by the Members
b) Two staff Directors
c) Two parent Directors elected by parents
d) The Chief Executive of the Trust.

Policies and procedures adopted for the induction and training of Directors

The training and induction provided for new Directors will depend on their existing experience. All Directors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Directors. New Directors will be provided with a mentor from a member of the Trust Executive who takes the lead on ensuring that they are equipped to act effectively in their role. Where necessary and appropriate, induction includes training in charity and educational legal and financial matters and all Directors have access to the training programme offered by Wandsworth Borough Council for school governors, much of which is also relevant to Trust Directors. In addition, a wide range of documentation is available in a special Directors area on the school's Managed Learning Environment, which is accessible over the internet.

Organisational structure

The Board has formally delegated certain of its functions to a governing body for each institution as well as to Committees of the Board. The delegation arrangements are written up in the Trust's Standing Orders which includes detailed terms of reference for governing bodies, including arrangements for any further delegation that governing bodies choose to make to committees or individuals in each institution. The Board meets at least three times a year in order to discharge those strategic and other functions that it retains to itself.

Each institutional governing body has a set of Standing Orders and delegations of its own, with day to day management at Graveney School being undertaken by the Principal, supported by the Senior Leadership Team and at Tooting Primary School by the Headteacher.

Employee Involvement

Staff employed by the Trust are entitled to stand for election to serve on institutional governing bodies. The Articles also provide for staff Directors to be appointed at the discretion of the Board. There is currently one staff Director not including the Chief Executive, who holds an ex-officio post on the Board. There are also a number of internal forums/groups for staff to share views with each other and with the Senior Leadership team both formally and informally. Where appropriate (i.e. a formal consultation) Directors and directors s are invited to join the discussion and reports are made to the relevant Directors'/governors' committee

Disabled Persons

The policy of the Trust is to support recruitment and retention of students and employees with disabilities where at all possible. However, there are physical limitations in terms of the design and layout of the site and buildings at both Graveney and Tooting Primary. Access to wheelchair users is limited, with some access by ramp to some of the Trust buildings and there is some provision for disabled toilets. However, where possible, other adaptations to the physical environment are made (e.g handrails, hi vis lines on external steps etc) in order to ensure that individuals with non-ambulant disabilities are able to access the site and buildings. The Special Needs Departments also provide support resources for disabled students with special educational needs and support and training for staff with academic or pastoral responsibility for them. There is an ASD base at TPS with 11 pupils on roll during 2016/17 school year. Pupils are integrated for varying portions of the week depending on individual needs.

Arrangements for setting pay and remuneration of key management personnel

The senior leadership team (SLT) at both institutions are the key management personnel of the Trust. Trustees are also classified as key management personnel, although they receive no remuneration in respect of that role. Where staff trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are trustees is set out within the notes to the accounts.

The pay of the Chief Executive/Principal is set annually by the Pay Committee, having regards to performance against objectives set the previous year. Pay of other SLT members is also set by the Pay Committee again having regard to performance against previously agreed objectives and any recommendations made by the Chief Executive/Principal.

Related Parties and other Connected Charities and Organisations

The Trust has no commercially connected organisations. Related party relationships are managed through the requirement to maintain and keep up to date a register of business interests for all staff with responsibility for procurement (budget holders) and all Directors and governors. At each meeting, Directors and governors are also asked to declare any business or related party interests in the context of the business of the meeting.

Objectives and activities

Objects and aims

The principal objective of the company is to advance for the public benefit, education in the United Kingdom. It achieves this object through the operation of Graveney School and Tooting Primary School, providing a state education, free of charge, to pupils aged 4 to 19. The two institutions are operated as separate entities, who benefit from a range of shared management and support services that are provided by the Trust Board. The governance arrangements are intended to ensure

- that institutional governing bodies are able to focus on school improvement and development without being unduly concerned with the detailed legislative and accounting requirements relating to running a charitable company.
- that cost efficiencies derived from shared management and support services enable the two schools to target funding effectively on front-line functions for the benefit of pupils.

Public benefit

In exercising its powers, the Board of Directors has complied with its duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic report

GRAVENEY SCHOOL

EXAMINATION SUCCESSES

The main goal for 2016/17 was to achieve examination targets and the year has been particularly successful in this regard. .

The School scored an excellent set of results at A Level. Over 33% of all grades were at A* or A, almost 62% at A* to B (58% last year) and 83% at A* to C (81% last year). The overall A to E pass rate was 98%. In the following subjects, one third or more of all candidates scored A* or A: Art and Design, Chemistry, English, French, Further Maths, Government and Politics, History, Maths, Philosophy, Photography, Physics and Spanish. With this very large year group of 310 students, sitting 853A Levels between them, this represents success on a huge scale: some subjects had exceptionally large entries, with 87 students achieving A* to B in English Literature and 79 students achieving A* to B in Maths.

The vast majority of students obtained the University places of their choice, including 9 going up to Oxford or Cambridge and an impressive percentage taking up places at prestigious Russell Group universities, on a range of highly competitive courses such as medicine.

GCSE results this summer were excellent. The accountability measures at GCSE are in their second year and are now focussed on attainment and progress in a student's best 8 results. Using this new measure, the average point score (attainment 8) is 5.73, which equates to a 'B' rating overall. This is an very good result and reflects the fact that a high proportion of our students achieve well within a more comprehensive range of GCSEs than that provided for under the old 5A* to C measure.

OTHER DEVELOPMENTS

In 2016/17 we were successful in capital funding for repairs to our roofs (Lower Science, TE block, Canteen) and our windows (TE block, Canteen, Assembly Hall and walkway). The projects have completed successfully, and spending patterns enabled us to install electronic double doors to the walkway between College House and the Canteen, which has had a beneficial impact on the flow of traffic in the area. During the year we also heard that our bid for a new classroom block had been successful. The project has begun with the demolition of the former Family Centre over the summer holiday period and we are working with our architect partners to develop the final design for what will be a 10 classroom teaching block on the site of the Family Centre. The block will include a small observatory on the roof, which will be available both to our Astronomy GCSE students and the wider school body as part of their cross curricular studies.

The proposal to close Welham Road remains a contentious issue. The open nature of the school site presents a security threat both in terms of intruders and the fact that students can leave the site easily during the school day. As always, security arrangements are monitored and reviewed as part of the Trust's risk assessment processes. There has been brief discussion about the possible pedestrianisation of the road, but Directors are firm in their belief that the road must be closed in order to properly secure the perimeter of the school.

Recruitment to the sixth form in September 2017 has been good and we anticipate that budgeted numbers will be achieved and recorded on the Autumn census. Directors are aware that there is increasing competition between schools and colleges for the sixth form student market, particularly in the light of improvements to other school buildings locally which has made them more attractive both in terms of their ability to retain their own Year 11 cohort and attracting students from other schools into Year 12. The school has been asked to keep its recruitment procedures under review and to monitor trends including destinations of those offered places who decide not to take them up.

Changes to the test arrangements for the new year 7 intake necessitated an early open morning and evening for prospective parents which took place in June 2017 prior to a test date of mid-September (rather than November where it had been previously). The new arrangements are expected to impact significantly on the overall level of applications, as students will know their test result before making their school preferences.

Following the staffing re-structure that took place in 2016/17, the budget is now in balance and work is on-going with the SEN and Inclusion departments in particular to ensure that provision to students is effective in the context of the re-structured workforce.

TOOTING PRIMARY SCHOOL

After opening in 2013, the school has continued to attract a large number of pupil applications, resulting in the school being heavily oversubscribed and there is currently a waiting list of 46 for a Reception place for the September 17 intake. The ASD Resource Base has 13 children on roll in September 2017;

End of 2017 performance data showed the following:

EYFS

- 81% of children (excluding those in the ASD Base) achieved the Good Level of development (GLD) compared to a National average of 65% in 2015 (No national data for 2017 available as yet). Wandsworth LA 2016 data = 73%.
  Data for the last four years shows an upward and stabilising trend in GLD attainment:
- 60% (2014), 75% (2015), 78% (2016) and 81% (2017).

Year 1 Phonics Screening Check

All Year 1 children took part in the screening check in June 2017 with 81% meeting the pass mark, National data for 2016 = 81%. These are excellent outcomes considering the high percentage of EAL pupils in the cohort.

Year 2 attainment and progress

Data for this full Year 2 cohort is above the 2016 National data in reading and writing and is in line for maths. Comparable mainstream data is significantly above National in reading and writing and above National in Maths. The combined Reading, Writing and Maths is above National for all groups and EAL children have narrowed the gap with their non-EAL peers by 5% in reading and 7% in writing.

OTHER DEVELOPMENTS

A range of minor improvement works to the school playground and buildings have been implemented this year including widening of the playground gates to ensure easy access for fire vehicles, preparing the Year 4 classrooms for use and procuring teaching resources.

Recruitment to two new teaching and two new support staff posts to accommodate the new year group joining in September has been successful.

There have also been senior staff changes arising from the resignation of the Headteacher who, for personal reasons, decided to return to his home town in Essex. A review of the senior staff structure and then a high profile recruitment campaign has resulted in the successful recruitment of a new Headteacher and a new Deputy Headteacher. This adds substantial strength to the leadership capacity in the school and will be vital in developing the school into its Key Stage 2 phase.

Directors also commissioned a review of the provision in the ASD base during the course of the year. The review was extremely positive and drew attention to some excellent practice. Directors were particularly pleased to note the movement of one child who started in the ASD Base in Reception in 2013 and who is now fully integrated into the mainstream class.

Key financial performance indicators at both institutions

The principal performance measures are educational and pastoral rather than financial. However, the Directors require that each annual budget must be balanced, although they expect to bring forward an element of committed but as yet unspent funds each year as the purchasing cycle does not always fit within any financial year. This can have the effect of producing in-year expenditure budgets that exceed in-year income. Directors also require their periodic reports to identify all budget movements/virements so that they are transparent and can be tracked. Directors have specified 5% as an appropriate level for uncommitted reserves at institutional level.

Other key performance indicators

In addition to the educational performance indicators described above, measures of institutional success include the following:

a) Levels of subscription/oversubscription - currently both institutions are heavily oversubscribed in their entry cohorts
b) Levels of attendance - currently, both institutions set and achieve pupil attendance targets that exceed national averages
c) Staffing - currently both institutions are able to attract high calibre, qualified staff who wish to build a career within the Trust's schools
d) Parental support - parental support within both institutions is extremely high, evidenced by the high numbers of parents participating in parents evenings and other events for parents and the level of positive input provided by parents into both Ofsted inspections.
e) Governance.- institutional governing bodies are strong and effective, with both achieving an 'outstanding' rating as part of the leadership judgement in the respective Ofsted reports. Governors are committed and skilled, attending many meetings and contributing effectively to the success of the schools.

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the 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 accounts.

Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant -GAG). The EFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/EFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as Other government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the directors.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of directors ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August;

Fund	**Category**	**2017 £'000**	**2016 £'000**
GAG	Restricted General Funds	576	591
Other Grants	Restricted General Funds	275	282
Other Income	Restricted General Funds	685	565
Sub-total General Restricted Funds		1,536	1,438
Unspent Capital Grants	Restricted Fixed Asset Fund	2,001	1,061
Other Income	Unrestricted General Fund	1,219	1,153
Sub-Total	**Spendable Funds**	**4,756**	**3,652**
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	31,690	31,196
Share of LGPS Deficit	Restricted Pension Reserve	(3,166)	(4,435)
Total	**All Funds**	**32,953**	**30,413**

Reserves policy

The Directors believe that institutions should aim to build and maintain uncommitted reserves at a level of around 5%. In the current financial climate it is important that possible year on year fluctuations in income can be managed in a planned manner, with reserves providing a short term buffer in the event of unexpected reductions in income. They also believe that sufficient funding should be earmarked on an on-going basis to ensure that particularly 'lumpy' items of expenditure, such as maternity, redundancy and minor capital costs, can be managed in a planned manner. For this reason, they have set up 'sinking funds' for such items. These funds are budgeted for from within

the overall envelope available and drawn on as necessary during any year with any unspent funds at year end carried forward into the following year rather than showing as uncommitted reserves.

Investment policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal risks and uncertainties

The Directors have implemented a number of systems to assess risks that the Trust faces, and have developed policies and procedures to mitigate those risks. These systems are based on the model arrangements provided in the Academies Financial Handbook and provide an effective tool for risk management. The risk management process has been codified in a risk register implemented by the Senior Management Teams and overseen by the Board of Directors.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Statement on Internal Control.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Directors keep spendable reserves under constant review to ensure that they have sufficient income to run the Trust's schools on an efficient basis without affecting the quality of teaching and learning.

Plans for future periods

The focus in 2017/18 for Graveney will be maintaining the level of provision and the excellent outcomes referred to above in the context of significantly diminishing financial resources. Planning for a third financial year where the equivalent cash income will be below that of the previous year (with costs that continue to rise (pay awards etc) will be a challenge. However, opportunities have arisen during 2016/17 to re-structure at a senior level at Graveney, with consequential savings arising. Careful monitoring of the impact of this second re-structure will take place over the course of the 2017/18 school year.

With respect to Tooting Primary School, Directors will be working closely with the newly appointed headteacher to ensure that the school remains oversubscribed, that it is enabled to recruit the highest possible calibre of staff, that parents remain fully engaged in the life of the school and that it is resourced and supported to ensure that pupils can achieve the demanding targets that have been set for them. There will be a firm focus on maintaining the excellent outcomes reported by Ofsted at Key Stage 1 into the Key Stage 2 years, and in particular laying the foundations for the current Year 4 cohort to achieve outstanding results when they reach Year 6.

Directors have been actively exploring the possibility of expanding the Trust to include other local schools and, at the time of writing, are in active discussion with the governing bodies of two local primary schools. .

Funds Held as Custodian Director on Behalf of Others

No funds are held by the Directors on behalf of others.

Auditor

Insofar as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors 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.

A resolution proposing that Baxter & Co be reappointed as auditor of the charitable company will be put to the members.

The Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 13 December 2017 and signed on the Board's behalf by:

J Oppenheimer
Chairman

GRAVENEY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

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

The Board of Directors has delegated the day-to-day responsibility to Graham Stapleton, 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 Graveney Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 3 times during the year.

Attendance during the year was as follows:

Directors	Meetings attended	Out of possible
J Oppenheimer (Chair)	3	3
J Cox	3	3
D Hayes	1	3
J Katz (Chair of Finance)	3	3
I Parkes (Chair of Audit)	3	3
H Rolfe	3	3
G Stapleton (Chief Executive)	3	3
N Brannon	1	3
J Krienke	3	3
D Milligan	3	3

Governance Reviews

The Board of Directors keeps its governance structures under continual review including at both Director and governor level. It is looking at size of group, skills mix and succession planning for the Board itself and with respect to institutional governing bodies, the appropriateness of delegation arrangements in the context that institutional governing bodies should be enabled to focus on the core task of improving teaching and learning, the quality of documentation provided to Directors and governors, the quality and nature of INSED provided, the effectiveness of meetings and the degree of involvement of Directors and governors in the lives of the schools they are associated with. This year, in the context of the updated Governance Handbook for Academies, arrangements were made to build in appropriate levels of separation between Members and Directors and Directors and Governors.

Financial governance and oversight

During the course of the school year 2016/17 the Directors' Finance Committee undertook the following on behalf of both Graveney and Tooting Primary:

- reviewing the implications of indicative funding allocations and the budget for the school, taking account of the school improvement plan, for presentation to the full governing body and then the Board of Directors for approval
- a full financial review at each meeting, which enabled governors to assess the financial health of the school and approve any virements implemented by the Principal/Bursar in the preceding period
- a report to each meeting of the full governing body and the Board of Directors on the school's financial situation
- reviewing bids to the ESFA and other agencies.
- Ensuring that the principles of best value are applied and that all procurement is managed in accordance with both the terms of the Funding Agreement and the Graveney Trust's Financial Controls Handbook.
- Authorising the award of contracts over £20,000
- Co-operating with the Trust's arrangements for external and internal audit, receiving audit reports and responding as appropriate
- Receiving and where necessary responding to the minutes of each meeting of the Audit Committee
- Receiving regular reports on the condition of the site and buildings and making recommendations on long term plans for its development including formulating proposals for capital works for consideration by the Board of Directors
- Ensuring that the governors obligations with regard to health, safety and security are effectively discharged
- Maintaining an overview of cleaning, catering and IT provision and undertaking a detailed review of the Trust's reprographics arrangements
- Reviewing and agreeing school policies on
    - Lettings
    - Charging
    - Governors' Expenses
    - Health and Safety

The Governing Bodies of both Graveney and Tooting Primary School are the Committees of the Board of Directors with responsibility for financial matters at the respective schools. During the course of the year, in addition to a wide range of nonfinancial responsibilities, the governing bodies approved the budget for 2016/17, received regular monitoring reports on expenditure and agreed a number of larger purchases

Attendance at meetings during the year was as follows:

Graveney Governing Body	Meetings attended	Out of possible
J Bain	1	3
N Brannon	2	3
S Branson	1	3
J Cox	3	3
J Douglas	2	3
A Harrison	0	3
D Hayes	1	3
L Higton	3	3
S Jackson	1	3
J Katz	3	3
J Leggett	3	3
M Marquez	2	3
J Oppenheimer (Chair)	3	3
I Parkes (Vice-Chair)	3	3
C Paterson	3	3
H Rolfe	3	3
A Squire	1	3
G Stapleton (Principal)	3	3
N Wyver	2	3

Tooting Primary School Governors	Meetings attended	Out of possible
A Dames	3	3
C Dawson	2	3
J Krienke	3	3
D Milligan (Headteacher)	3	3
J Oppenheimer (Vice-Chair)	1	3
I Parkes (Chair)	3	3
I Patel (resigned May 2017)	2	2
K Hagon	3	3
G Stapleton	3	3

The Audit Committee is also a sub-committee of the main Board and its activities cover both institutions. Its purpose is to:

- review the Trust's internal and external financial statements and reports to ensure that they reflect best practice;
- provide direction to the external and internal auditors about the nature and scope of each forthcoming audit and to ensure that auditors have the fullest co-operation of staff;
- consider all relevant reports produced by the Trust's auditors and reports provided by the Department for Education and other regulatory bodies including reports on the body's accounts, achievement of value for money and the response to any management letters;
- review the effectiveness of the Trust's internal control system and ensure that the aims, objectives and key performance targets of the institutions managed by the Trust are achieved in the most economic, effective and environmentally preferable manner;
- consider internal audit reports, including value-for-money reports and the arrangements for their implementation;
- review the operation of the Trust's code of practice for board members and code of conduct for staff;
- consider any other matters where requested to do so by the Board; and
- meet and report at least once a year to the board on the discharge of the above duties.

The Committee considered an internal audit report by Crowe Clarke Whitehill that had been commission to look at the Trust's procedures for managing risk, the Trusts Financial Procedures Manual to check for compliance with the current requirements and to review arrangements for purchasing. The review of the risk register identified a number of areas where further detail was proposed and these suggestions have all been acted upon. There were also some minor amendments proposed to the Financial Procedures Manual to bring it fully into line with current requirements and best practice. Again, these have all been implemented. The review of purchasing found no exceptions.

There were also two 'Responsible officer' visits during the year. The first was a payroll check (ghost employees). This check covered 32 employees across both institutions. Of the 32 randomly selected members of staff, all were located and identified on site except for 4, two of whom were on maternity leave and two were part-timers, not in school on the date in question. These were followed up and re-checked later in the year.

The second visit was focussed on the tendering and other processes relating to the Graveney capital roofing and capital windows projects. The Responsible Office met with Graveney staff and the project consultants and reviewed all the tender processes that had been implemented. There were no adverse findings arising and the appointment of the recommended contractors was endorsed.

Attendance at meetings during the year was as follows:

Directors	Meetings attended	Out of possible
J Oppenheimer	0	1
D Hayes (Responsible Officer)	1	1
J Katz	1	1
I Parkes (Chair)	1	1
G Stapleton	1	1
J Krienke	1	1
D Milligan	1	1

Review of Value for Money

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

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

- continuing to work with the new cleaning contractors post-tender to ensure that standards are maintained within a reduced contract price
- working closely with the contract consultants on the two new capital projects (roof/windows) to ensure that best value is obtained from the funding envelope available
- keeping the staffing structure under careful review and making appropriate changes where opportunities arose, including natural wastage, to ensure cost savings within a value for money framework
- Issuing additional guidance to budget managers on improving the value for money achieved at cost centre level
- undertaking regular reviews of the application of internal controls including review of payroll feasibility documents, documentation provided as part of cheque signing process, monthly management reports from both institutions and review of reports to Directors and governors before submission to the relevant committee/board. Further detail of how these duties are discharged follows:

Improving educational results:
The staffing structure of the school is kept under continuous review and vacancies are scrutinised carefully as they arise. Where possible, staff are redeployed to cover areas of the curriculum in need of development and a regular review of staff skills ensures that where gaps can be filled from within the existing establishment they are. Where a department or area is identified as needing additional support, members of the senior leadership team supported by the school's team of Leading Practitioners and coaches work together to ensure that all the appropriate resources are in place to secure improvement.

Intervention teams at all key stages work to ensure that the individual needs of pupils are met through appropriate identification processes for the most and least able and a wide range of strategies are then available including one to one support, learning mentors, after school clubs and activities, revision and study skills classes in addition to the provision of additional teaching and learning resources where appropriate. Regular impact analyses are conducted on areas of focussed spending including intervention and pupil premium.

The re-structure of the finance and governance arrangements following the creation of our multi-academy Trust has allowed us to deliver central management support services to both schools at considerably lower cost than could be achieved by a stand alone institution. In the context of the growing primary school this has also enabled the provision of very high quality specialist advice and support to be provided that would normally be unavailable to a school of this size.

Financial governance and oversight: a comprehensive Financial Procedures and Controls document is reviewed annually by Directors and updated in the light of current advice and guidance. 'Dear Accounting Officer' letters are circulated to and discussed by the Board of Directors to ensure that the Trust remains up to date with recommended good practice.

The Accounting Officer is involved in the specifications for and tendering processes around all major contracts such as cleaning and catering as well as leading capital developments across both schools.

Purchasing: a register of service contracts is maintained and all contracts are appraised in the run-up to re-letting. Budget holders have all been given additional guidance on how to secure value for money in their purchasing this year with a particular focus on photocopying, hospitality and other resources for teaching and learning.

Income generation: income generation from sources other than the statutory funding bodies forms a small but important part of school income. For the fourth year running a significant increase in 'voluntary' income was achieved through letting rooms and facilities to a Languages school in the summer term and holiday period. Much of the additional income received has been credited to those departments releasing rooms to the school and this has enabled those departments to extend and improve the resources they provide to our students.

Reviewing controls and managing risk: Directors receive regular reports on spending against budget and regularly re-allocate resources from areas of underspend to areas where a new need has arisen. They have also established a number of sinking funds to manage 'lumpy' items such as maternity and redundancy costs. The Audit Committee of the Board of Directors reviews the risk register each year and this year an internal audit review of risk management recommended introducing a finer level of detail into the risk register. This has been done. Directors receive regular reports of cash at bank in addition to the detailed annual review of accounts and analysis of reserves and balances.

Lessons learnt: where savings are achieved on service contracts, it is clear that significant additional resources in terms of time are required from school staff, particularly in the early stages of the new contract if standards are to be maintained. Monitoring must be thorough and regular and early written feedback to the contractor forms a vital part of successful contract mobilisation.
Working with a company of cost savings analysts this year resulted in some substantial savings on reprographics across the Trust's schools. However, the share of savings, at 50/50, is considered excessive by the Directors who have introduced a new policy to ensure that, where there are third parties involved in achieving cost savings, the arrangements regulating the sharing of savings must be scaled to reflect the different potential levels of savings that could be achieved.

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 Graveney Trust for the year 01 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Directors 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 Directors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks and that that has been in place for the year 01 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process itself is regularly reviewed by the Board of Directors.

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 periodic financial reports which are reviewed and agreed by the Board of Directors;
- regular reviews by the finance 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 Directors has considered the need for a specific internal audit function and a new internal auditor, Landau Baker, has been appointed. Landau Baker conducted a formal 'Responsible Officer' visit in July 2017. This visit found everything to be in order and there were no recommendations for improvement. The report will be considered by the Audit Committee in the next financial year.

The Board of Directors is satisfied that the RO function has been fully delivered in line with the agreed programme of work.

GRAVENEY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Review of effectiveness

As Accounting Officer the Principal 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 internal auditor
- the work of the external auditor;
- 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 reviewed the recommendations made by the internal auditors in their reports and has ascertained that the minor proposals for improvement made in those reports have been implemented by the Finance Team.

Approved by order of the members of the Board of Directors on 13 December 2017 and signed on its behalf by:

J Oppenheimer
Chairman

G Stapleton
Principal

GRAVENEY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

As accounting officer of Graveney Trust I have considered my responsibility to notify the Academy Trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2016.

I confirm that I and the Academy Trust's Board of Directors are able to identify any material irregular or improper use of 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 2016.

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 Directors and ESFA.

G Stapleton
Accounting Officer

13 December 2017

GRAVENEY TRUST

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

The directors (who also act as trustees for Graveney Trust) are responsible for preparing the Directors' Report and the Financial Statements in accordance with the Annual Accounts Direction issued 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 Directors to prepare Financial Statements for each financial year. Under company law the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors 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 Directors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Directors 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 Board of Directors on 13 December 2017 and signed on its behalf by:

J Oppenheimer
Chairman

GRAVENEY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAVENEY TRUST

Opinion

We have audited the Financial Statements of Graveney Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 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 charitable company's affairs as at 31 August 2017 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAVENEY TRUST (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 Directors are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report including the incorporated strategic report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' Report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Directors' Report, including the incorporated 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors 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 Directors 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 Directors 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 Directors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAVENEY TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David John Walsh FCCA (Senior Statutory Auditor)
For and on behalf of Baxter & Co
Statutory Auditor
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent BR6 8QE

Dated: 18 December 2017

GRAVENEY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GRAVENEY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 2 November 2012 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Graveney Trust during the period 1 September 2016 to 31 August 2017 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 Graveney Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Graveney Trust 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 Graveney Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Graveney Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Graveney Trust's funding agreement with the Secretary of State for Education dated 23 April 2013 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. 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 period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 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.

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of risk review and checking of financial controls implemented by the trust in order to comply with its obligations under 2.4.9 of the Academies Financial Handbook 2016, issued by the ESFA.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GRAVENEY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent BR6 8QE

Dated: 18 December 2017

GRAVENEY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Total 2017 £'000	Total 2016 £'000
Income and endowments from:						
Donations and capital grants	3	-	-	2,139	2,139	1,184
Charitable activities:						
- Funding for educational operations	4	-	14,181	-	14,181	14,115
Other trading activities	5	66	-	-	66	71
Investments	6	3	-	-	3	6
Total income and endowments		69	14,181	2,139	16,389	15,376
Expenditure on:						
Charitable activities:						
- Educational operations	8	-	14,384	899	15,283	14,343
Total expenditure	7	-	14,384	899	15,283	14,343
Net income/(expenditure)		69	(203)	1,240	1,106	1,033
Transfers between funds		-	(194)	194	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	1,761	-	1,761	(2,513)
Net movement in funds		69	1,364	1,434	2,867	(1,480)
Reconciliation of funds						
Total funds brought forward		1,153	(2,997)	32,257	30,413	31,893
Total funds carried forward		1,222	(1,633)	33,691	33,280	30,413

The comparative figures for 2016 are analysed according to fund on the next page of these financial statements.

GRAVENEY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

SUPPLEMENTARY NOTE: COMPARATIVE INFORMATION FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Total 2016 £'000
Income and endowments from:					
Donations and capital grants	3	-	-	1,184	1,184
Charitable activities:					
- Funding for educational operations	4	-	14,115	-	14,115
Other trading activities	5	71	-	-	71
Investments	6	6	-	-	6
Total income and endowments		77	14,115	1,184	15,376
Expenditure on:					
Charitable activities:					
- Educational operations	8	-	13,766	577	14,343
Total expenditure	7	-	13,766	577	14,343
Net income		77	349	607	1,033
Transfers between funds		-	93	(93)	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	21	-	(2,513)	-	(2,513)
Net movement in funds		77	(2,071)	514	(1,480)
Reconciliation of funds					
Total funds brought forward		1,076	(926)	31,743	31,893
Total funds carried forward		1,153	(2,997)	32,257	30,413

GRAVENEY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	2017 £'000	2017 £'000	2016 £'000	2016 £'000
Fixed assets					
Tangible assets	12		31,690		31,196
Current assets					
Stocks	13	2		-	
Debtors	14	2,432		1,044	
Cash at bank and in hand		3,461		3,550	
		5,895		4,594	
Current liabilities					
Creditors: amounts falling due within one year	15	(1,105)		(906)	
Net current assets			4,790		3,688
Total assets less current liabilities			36,480		34,884
Creditors: amounts falling due after more than one year	16		(34)		(36)
Net assets excluding pension liability			36,446		34,848
Defined benefit pension liability	21		(3,166)		(4,435)
Total net assets			33,280		30,413
Funds of the Academy Trust:					
Restricted funds	18				
- Fixed asset funds			33,691		32,257
- Restricted income funds			1,533		1,438
- Pension reserve			(3,166)		(4,435)
Total restricted funds			32,058		29,260
Unrestricted income funds	18		1,222		1,153
Total funds			33,280		30,413

The Financial Statements set out on pages 24 to 49 were approved by the Board of Directors and authorised for issue on 13 December 2017 and are signed on its behalf by:

J Oppenheimer
Chairman

Company Number 07687897

GRAVENEY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £'000	2017 £'000	2016 £'000	2016 £'000
Cash flows from operating activities					
Net cash provided by (used in) operating activities	20		(920)		24
Cash flows from investing activities					
Dividends, interest and rents from investments		3		6	
Capital grants from DfE and ESFA		2,139		1,184	
Payments to acquire tangible fixed assets		(1,312)		(30)	
			830		1,160
Cash flows from financing activities					
Repayment of long term bank loan		1		38	
			1		38
Change in cash and cash equivalents in the reporting period			(89)		1,222
Cash and cash equivalents at 1 September 2016			3,550		2,328
Cash and cash equivalents at 31 August 2017			3,461		3,550

1 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.

1.1 Basis of preparation

The Financial Statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 Financial Statements 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Graveney Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Directors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Directors 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.

1.3 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 receivable

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 period for which it is receivable, and any abatement in respect of the period 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.

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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.

1 Accounting policies

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management, Directors' meetings and reimbursed expenses.

1 Accounting policies

1.5 Tangible fixed assets and depreciation

Assets costing £10,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £50,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Freehold land is not depreciated.	
Freehold buildings	50 Years Straight Line
Computer equipment	7 Years Straight Line
Fixtures, fittings & equipment	7 Years Straight Line
Motor vehicles	5 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.

1.6 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 of services it must provide.

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 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 basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

1 Accounting policies

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 Taxation

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

1.11 Pensions benefits

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 and the assets are held separately from those of the Academy Trust.

Teachers' Pension Scheme

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. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

Local Government Pension Scheme

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

1.12 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 Directors.

1 Accounting policies

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

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

1.13 Agency arrangements

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 26.

2 Critical accounting estimates and areas of judgement

Accounting 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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

In preparing these Financial Statements, the Directors have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Capital grants	-	2,139	2,139	1,184

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	12,236	12,236	12,128
Start up grants	-	52	52	69
Other DfE / ESFA grants	-	443	443	458
	-	12,731	12,731	12,655
Other government grants				
Local authority grants	-	729	729	825
Other funds				
Other incoming resources	-	721	721	635
Total funding	-	14,181	14,181	14,115

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Hire of facilities	66	-	66	71

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Short term deposits	3	-	3	6

7 Expenditure

	Staff costs £'000	Premises & occupancy costs £'000	Other costs £'000	Total 2017 £'000	Total 2016 £'000
Academy's educational operations					
- Direct costs	10,136	459	840	11,435	11,485
- Allocated support costs	1,558	1,307	983	3,848	2,858
	11,694	1,766	1,823	15,283	14,343

7 Expenditure

Net income/(expenditure) for the year includes:	2017 £'000	2016 £'000
Fees payable to auditor for:		
- Audit	13	12
- Other services	7	8
Operating lease rentals	16	47
Depreciation of tangible fixed assets	575	577
Loss on disposal of fixed assets	243	-
Net interest on defined benefit pension liability	92	62

Central services

Central Services provided by the Trust Apportionment mechanism
All non-teaching staff:

- Working entirely in one institution
- Shared Personnel services
- Shared Strategic, Admin and Finance services
- Shared IT services

100% to the institution
% split based on number of employees
% split based on relative budget size

% split based on number of devices
Insurance Actual costs
Rates and Water Rates Actual costs
Payroll costs % split based on number of employees

- Actual costs where possible, otherwise apportioned on the basis of the number of employees
- Annual contributions from institutions as agreed by Directors with Governing Bodies as part of budget setting process. Funds earmarked for each institution.

The amounts charged during the year were as follows:	Total £'000
Graveney School	2,987
Tooting Primary School	569
	3,556

8 Charitable activities

	2017 £'000	2016 £'000
All from restricted funds:		
Direct costs - educational operations	11,435	11,485
Support costs - educational operations	3,848	2,858
	15,283	14,343

	Total 2017 £'000	Total 2016 £'000
Analysis of support costs		
Support staff costs	1,558	1,107
Depreciation and amortisation	359	116
Premises and occupancy costs	948	873
Other support costs	922	676
Governance costs	61	86
	3,848	2,858

9 Staff costs

	2017 £'000	2016 £'000
Wages and salaries	8,618	8,794
Social security costs	839	746
Operating costs of defined benefit pension schemes	1,808	1,564
Apprenticeship levy	12	-
Staff costs	11,277	11,104
Supply staff costs	396	232
Staff restructuring costs	21	24
Total staff expenditure	11,694	11,360

Staff numbers

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

	2017 Number	2016 Number
Teachers	162	168
Administration and support	128	147
Management	15	17
	305	332

9 Staff costs

The number of persons employed, expressed as a full time equivalent, was as follows:

	2017 Number	2016 Number
Teachers	126	133
Administration and support	69	68
Management	14	16
	209	217

Higher paid staff

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

	2017 Number	2016 Number
£60,000 - £70,000	2	3
£70,001 - £80,000	5	3
£80,001 - £90,000	1	1
£90,001 - £100,000	1	2
£100,001 - £110,000	1	1
£110,001 - £120,000	1	1
£160,001 - £170,000	1	1

Key management personnel

The key management personnel of the Academy Trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions, excluding employer NIC) received by key management personnel for their services to the Academy Trust was £1,140,364 (2016: £1,223,472).

10 Directors' remuneration and expenses

One or more of the Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other Staff Directors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment, and not in respect of their services as Directors.

The value of Directors' remuneration and other benefits was as follows:

G Stapleton (Principal):

- Remuneration : £165,000 - £170,000 (2016: £165,000 - £170,000)
- Employer's pension contributions : £ 0 (2016: £25,000 - £30,000)

N Brannon (Staff Director):

- Remuneration : £70,000 - £75,000 (2016: £65,000 - £70,000)
- Employer's pension contributions : £10,000 - £15,000 (2016: £10,000 - £15,000)

D Milligan (Staff Director):- Appointed July 2016, left July 2017

- Remuneration : £90,000 - £95,000 (2016: £15,000 - £20,000)
- Employer's pension contributions : £15,000 - £20,000 (2016: £0 - £5,000)

During the year, expense payments totalling £1,975 (2016: £1,211) was reimbursed or paid directly to 1 Director (2016: 1 Director). Reimbursements were made for expenses incurred in the normal course of employment.

Other related party transactions involving the Directors are set out within the related parties note.

11 Directors and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £4,000,000 on any one claim and the cost for the year ended 31 August 2017 was £381 (2016: £1,449). The cost of this insurance is included in the total insurance cost.

12 Tangible fixed assets

	Freehold land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2016	32,700	610	27	12	33,349
Additions	1,312	-	-	-	1,312
Disposals	(270)	-	-	-	(270)
At 31 August 2017	33,742	610	27	12	34,391
Depreciation					
At 1 September 2016	1,904	229	8	12	2,153
On disposals	(27)	-	-	-	(27)
Charge for the year	488	83	4	-	575
At 31 August 2017	2,365	312	12	12	2,701
Net book value					
At 31 August 2017	31,377	298	15	-	31,690
At 31 August 2016	30,796	381	19	-	31,196

The land and buildings shown above relates to the site at Graveney School, Wellham Road, for which the land has been valued at £8,021k. The land and buidings at Tooting Primary School, Franciscan Road, are held under the terms of a licence to occupy agreement with Wandsworth Council. It is expected that a long term lease of 125 years will be put into place in the near future, at which time a valuation for these leasehold land and buildings will be included as a fixed asset.

13 Stocks

	2017	2016
	£'000	£'000
School uniform	2	-

14 Debtors

	2017	2016
	£'000	£'000
VAT recoverable	91	67
Other debtors	78	33
Prepayments and accrued income	2,263	944
	2,432	1,044

15	Creditors: amounts falling due within one year	2017 £'000	2016 £'000
	Loans	5	2
	Other taxation and social security	230	234
	Other creditors	308	173
	Accruals and deferred income	562	497
		1,105	906

16	Creditors: amounts falling due after more than one year	2017 £'000	2016 £'000
	Loans	34	36
	Analysis of loans		
	Wholly repayable within five years	39	38
	Less: included in current liabilities	(5)	(2)
	Amounts included above	34	36
	Loan maturity		
	Debt due in one year or less	5	2
	Due in more than one year but not more than two years	5	4
	Due in more than two years but not more than five years	15	15
	Due in more than five years	14	17
		39	38

17	Deferred income	2017 £'000	2016 £'000
	Deferred income is included within:		
	Creditors due within one year	118	155
	Deferred income at 1 September 2016	155	212
	Released from previous years	(155)	(212)
	Amounts deferred in the year	118	155
	Deferred income at 31 August 2017	118	155

Deferred income of £118k (2016: £155k) represents resources deferred in the period and carried forward at 31 August 2017 in respect of devolved capital grant £nil (2016: £47k), Universal Free School meal income from the ESFA of £56k (2016: £40k), £nil (2016: £26k) of ESFA rates grant and school journey, catering and music fee income £62k (2016: £42k) which was received in advance.

18 Funds

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
Restricted general funds					
General Annual Grant	591	12,236	(12,057)	(194)	576
Start up grants	-	52	(52)	-	-
Other DfE / ESFA grants	222	443	(444)	-	221
Other government grants	60	729	(735)	-	54
Other restricted funds	565	721	(604)	-	682
Funds excluding pensions	1,438	14,181	(13,892)	(194)	1,533
Pension reserve	(4,435)	-	(492)	1,761	(3,166)
	(2,997)	14,181	(14,384)	1,567	(1,633)
Restricted fixed asset funds					
Transferred on conversion	28,751	-	(694)	-	28,057
DfE / ESFA capital grants	2,756	2,139	(168)	-	4,727
Capital expenditure from GAG and other funds	750	-	(37)	194	907
	32,257	2,139	(899)	194	33,691
Total restricted funds	29,260	16,320	(15,283)	1,761	32,058
Unrestricted funds					
General funds	1,153	69	-	-	1,222
Total funds	30,413	16,389	(15,283)	1,761	33,280

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

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

The Other Grant Funds represents the unspent balance of grants received during the year for specific purposes.

The Restricted Other Income General Fund represents the unspent balance which is earmarked for particular purposes.

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets. When fixed assets are purchased the fund is increased and depreciation charges reduce the fund.

18 Funds

Movements in funds - previous year

	Balance at 1 September 2015 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2016 £'000
Restricted general funds					
General Annual Grant	276	12,128	(11,906)	93	591
Start up grants	-	69	(69)	-	-
Other DfE / ESFA grants	96	458	(332)	-	222
Other government grants	-	825	(765)	-	60
Other restricted funds	413	635	(483)	-	565
Funds excluding pensions	785	14,115	(13,555)	93	1,438
Pension reserve	(1,711)	-	(211)	(2,513)	(4,435)
	(926)	14,115	(13,766)	(2,420)	(2,997)
Restricted fixed asset funds					
Transferred on conversion	29,202	-	(451)	-	28,751
DfE / ESFA capital grants	1,752	1,184	(87)	(93)	2,756
Capital expenditure from GAG and other funds	789	-	(39)	-	750
	31,743	1,184	(577)	(93)	32,257
Total restricted funds	30,817	15,299	(14,343)	(2,513)	29,260
Unrestricted funds					
General funds	1,076	77	-	-	1,153
Total funds	31,893	15,376	(14,343)	(2,513)	30,413

18 Funds

Total funds analysis by academy

Fund balances at 31 August 2017 were allocated as follows:	Total £'000
Graveney School	1,961
Tooting Primary School	501
Central services	293
Total before fixed assets fund and pension reserve	2,755
Restricted fixed asset fund	33,691
Pension reserve	(3,166)
Total funds	33,280

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total
	£'000	£'000	£'000	£'000	£'000
Graveney School	7,494	380	639	1,478	9,991
Tooting Primary School	711	20	170	193	1,094
Central services	1,931	1,158	156	458	3,703
	10,136	1,558	965	2,129	14,788

18 Funds

Funds analysis by academy - previous year

	Total 2016 £'000
Fund balances at 31 August 2016 were allocated as follows:	
Graveney School	1,729
Tooting Primary School	421
Central services	441
Total before fixed assets fund and pension reserve	2,591
Restricted fixed asset fund	32,257
Pension reserve	(4,435)
Total funds	30,413

Total cost analysis by academy - previous year

Expenditure incurred by each academy during the previous year was as follows:

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2016 £'000
Graveney School	7,806	-	649	1,129	9,584
Tooting Primary School	547	-	99	147	793
Central services	1,900	1,107	23	359	3,389
	10,253	1,107	771	1,635	13,766

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Total 2017 £'000
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	31,690	31,690
Current assets	1,222	2,672	2,001	5,895
Creditors falling due within one year	-	(1,105)	-	(1,105)
Creditors falling due after one year	-	(34)	-	(34)
Defined benefit pension liability	-	(3,166)	-	(3,166)
	1,222	(1,633)	33,691	33,280

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Restricted funds: Fixed asset £'000	Total 2016 £'000
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	31,196	31,196
Current assets	1,153	2,334	1,107	4,594
Creditors falling due within one year	-	(860)	(46)	(906)
Creditors falling due after one year	-	(36)	-	(36)
Defined benefit pension liability	-	(4,435)	-	(4,435)
	1,153	(2,997)	32,257	30,413

20 Reconciliation of net income to net cash flows from operating activities

	2017 £'000	2016 £'000
Net income for the reporting period	1,106	1,033
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(2,139)	(1,184)
Investment income receivable	(3)	(6)
Defined benefit pension costs less contributions payable	400	149
Defined benefit pension net finance cost	92	62
Depreciation of tangible fixed assets	575	577
Loss on disposal of fixed assets	243	-
(Increase) in stocks	(2)	-
(Increase) in debtors	(1,388)	(667)
Increase in creditors	196	60
Net cash used in operating activities	(920)	24

21 Pensions and similar obligations

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 Wandsworth Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £139k (2016: £132k) were payable to the schemes at 31 August 2017 and are included within creditors.

21 Pensions and similar obligations

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £ 1,024k (2016: £1,066k).

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 contributions are as noted below. The agreed contribution rates for future years are 19% for employers and a range betwen 5.5% and 12.5% for employees.

21 Pensions and similar obligations

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.

Total contributions made	**2017 £'000**	**2016 £'000**
Employer's contributions	379	349
Employees' contributions	134	123
Total contributions	513	472

Principal actuarial assumptions	**2017 %**	**2016 %**
Rate of increases in salaries	4.20	4.10
Rate of increase for pensions in payment	2.70	2.30
Discount rate	2.60	2.20
RPI Increases	3.60	3.20
CPI Increases	2.70	2.30

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

	2017 Years	**2016 Years**
Retiring today		
- Males	24.40	23.90
- Females	26.00	25.40
Retiring in 20 years		
- Males	26.70	26.10
- Females	28.30	27.70

Sensitivity Analysis
Scheme liabilities have been valued at £12,488k. The measurement of these liabilities would change in the event that key assumptions underlying their valuation changed.

If the discount rate were to increase by 0.1%, liabilities would be measured at £12,203k.

If the discount rate were to decrease by 0.1%, liabilities would be measured at £12,780k.

If the life expectancy were to increase by a year, liabilities would be measured at £12,916k.

If the life expectancy were to decrease by a year, liabilities would be measured at £12,074k.

21 Pensions and similar obligations

The Academy Trust's share of the assets in the scheme	2017 Fair value £'000	2016 Fair value £'000
Equities	6,780	5,832
Gilts	424	976
Other Bonds	955	825
Cash	64	69
Property	280	7
Other assets	819	-
Total market value of assets	9,322	7,709
Actual return on scheme assets - gain/(loss)	1,278	1,141

Amounts recognised in the statement of financial activities	2017 £'000	2016 £'000
Current service cost	779	498
Interest income	(174)	(256)
Interest cost	266	318
Total operating charge	871	560

Changes in the present value of defined benefit obligations	2017 £'000	2016 £'000
Obligations at 1 September 2016	12,144	7,955
Current service cost	771	498
Interest cost	266	318
Employee contributions	134	123
Actuarial (gain)/loss	(649)	3,398
Benefits paid	(178)	(148)
At 31 August 2017	12,488	12,144

21 Pensions and similar obligations

Changes in the fair value of the Academy Trust's share of scheme assets

	2017 £'000	2016 £'000
Assets at 1 September 2016	7,709	7,955
Assets acquired on conversion	-	(1,711)
Interest income	166	256
Actuarial gain	1,112	885
Employer contributions	379	349
Employee contributions	134	123
Benefits paid	(178)	(148)
At 31 August 2017	9,322	7,709
Total pension scheme liabilities/obligations	(12,488)	(12,144)
Total pension scheme assets	9,322	7,709
Net Defined Benefit Pension liability	(3,166)	(4,435)

22 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £'000	2016 £'000
Amounts due within one year	18	12
Amounts due in two and five years	31	-
	49	12

23 Capital commitments

	2017 £'000	2016 £'000
Expenditure contracted for but not provided in the Financial Statements	1,977	1,170

During the year, the trust successfully applied for capital grants for the Oppenheimer House expansion project (£1,729k) and the Lower School Gym Windows project (£317k). At 31 August 2017, the anticipated costs to completion are £1,660k and £317k respectively.

24 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

During the year expenditure of £1,975 (2016:£3,130) was incurred with Wandsworth BEST (Business Education and Schools Partnership) (company number 02815900 and charity number 1078992). This is a related party by virtue of the fact that G Stapleton is both a Director of Graveney Trust and Wandsworth BEST Partnership Limited. No balances were outstanding at the balance sheet date.

In entering into these transactions, the Academy Trust has complied with the requirements of the Academies Financial Handbook 2016.

25 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

26 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2017 the trust received £80k (2016: £70k) and disbursed £87k (2016: £46k) from the fund. £17k (2016: £24k) of unspent bursary funds is included within other creditors.