

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 9
Governance statement	10 - 14
Statement on regularity, propriety and compliance	15
Statement of Trustees' responsibilities	16
Independent auditors' report on the financial statements	17 - 19
Independent reporting accountant's assurance report on regularity	20 - 21
Statement of financial activities incorporating income and expenditure account	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25 - 48

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2019

Members

Mr P De Naeyer
Mr N Ruckman
Mrs J Zimaras
Mrs K M Rossington (resigned 1 September 2018)

Trustees

Mr P De Naeyer
Mrs J Zimaras, Chair
Mr J Newton, Executive Headteacher
Mrs S Haggis (resigned 1 September 2018)
Mr T Corrick (resigned 1 September 2018)
Mrs K Devin (resigned 1 September 2018)
Mr N Wolfe (resigned 1 September 2018)
Ms J King (resigned 1 September 2018)
Mrs N Blakemore (resigned 1 September 2018)
Ms L Ridley, Chair of Governors
Mrs L Drew (resigned 1 September 2018)
Mrs S Jones (resigned 1 September 2018)
Miss L Cody (resigned 1 September 2018)
Mrs K M Rossington (resigned 1 October 2019)
Miss C Joski-Jethi (resigned 4 June 2019)
Ms J Chakraborty, Accounting Officer (appointed 1 September 2018)

Company registered number

08164849

Company name

Grasvenor Avenue Infant School

Principal and registered office

Grasvenor Avenue, Barnet, Hertfordshire, EN5 2BY

Company secretary

Mrs K Rossington

Senior management team

Mr J Newton, Executive Headteacher
Ms J Chakraborty, Head of School (Appointed 1 September 2018)

Independent auditors

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

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2019**

Advisers (continued)

Bankers

Lloyds Bank Plc, 39 Threadneedle Street, London, EC2R 8AU

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates a non-selective academy for pupils aged 4 to 7 serving our local community with admissions administered by the London Borough of Barnet. It has a pupil capacity of 90 and had a roll of 85 pupils in the school census in May 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of Grasvenor Avenue Infant School Multi Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Grasvenor Avenue Infant School.

In September 2018, the Trust restructured to align with other Multi Academy Trusts, removing the Local Governing Body and shifting all strategic decision making to the Board of Trustees. The Trust created a Local Advisory Board (LAB) with representatives made up of previous members of the local governing body, with the purpose of monitoring teaching and learning (the methodology of monitoring teaching and learning is described in the Organisational Structure below). The existing Finance sub-committee remained as a separate entity reporting to the Board of Trustees. Member of the sub-committees are referred to as representatives within this report.

During 2018-2019 the Trust operated under the DfE's standard multi-academy trust Articles of Association (referred to in this report as the Interim Articles of Association), whilst trialling its new structure.

Details of the Trustees and representatives on its sub-committees, who served throughout the year, are included in the Reference and Administrative Details on page 1.

Members Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £1,640.

Method of Recruitment and Appointment or Election of Trustees

Future trustees shall be appointed or elected, as the case may be, in line with the Interim Articles of Association. The number of trustees shall not be less than three. In accordance with the Academy Trust's interim Articles of Association, the Members may appoint by ordinary resolution up to 9 Trustees. The total number of Trustees including the Chief Executive Officer who are employees of the Academy Trust shall not exceed one third of the total number of Trustees. The Trustees may appoint Co-opted Trustees.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected at a General Meeting.

There must be two parent representatives within the Trust and the Board of Trustees has determined that these parent representatives will serve on the LAB. Parent LAB Representatives shall be elected or, if the number of parents, or individuals exercising parental responsibility, standing for election is less than the number of vacancies, appointed (in accordance with the terms of reference determined by the Trustees from time to time). The elected or appointed Parent Trustees must be a parent, or an individual exercising parental responsibility, of a registered pupil at the Academy at the time when they are elected or appointed. The term of office for representatives is four years, apart from Parent LAB representatives whose term is three years, reflecting the fact that Grasvenor Avenue is purely an infant school.

Policies and Procedures Adopted for the Induction and Training of Trustees

All new trustees and representatives will be assigned with a mentor who will ensure that they access the training provided for governing bodies through the London Borough of Barnet. A Welcome Pack is available for all new trustees and representatives.

Organisational Structure

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy, by the use of budgets and reports to committees. They make major policy decisions about the direction of the Academy, capital expenditure and senior staff appointments. During 2018-19 the Trustees had a Finance (including staffing and building) sub-committee and a Local Advisory Board (LAB) sub-committee. Responsibility for monitoring teaching and learning is delegated to the LAB and individual LAB representatives are allocated to specific areas known as Portfolios, encouraging monitoring visits into school and more in-depth knowledge of day-to-day school life. Portfolio reports are shared online to all LAB representatives and Trustees and reviewed at termly LAB meetings that focus on discussing portfolios. Portfolios included Achievement Across All Group, Safeguarding, Leadership & Management and Health and Safety. They are reviewed at the start of each school year to determine best fit dependent on the skill set of the LAB representatives with a focus defined in each area for the year ahead.

The Senior Leadership Team consists of the Executive Headteacher, the Head of School and the Business Manager. These managers control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. The Senior Leadership Team are responsible for the day to day operation of the Academy, in particular, curriculum delivery, deployment and quality assurance of teaching, well-being of students and oversight of budget and premises and facilities.

As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of certain staff.

Arrangements for setting pay and remuneration of key management personnel

The Executive Headteacher's performance management is the responsibility of the Trust. The Trustees benchmark performance against National Leadership Standards and utilise the independent expertise of a consultant through the local school improvement partnership (BPSI).

The responsibility for the Performance Management of the remaining Senior Leadership Team is managed by the Executive Headteacher following appraisals, and where appropriate benchmarked against relevant sector figures and specifically benchmarks the Head of School's performance against ("<https://www.gov.uk/government/publications/national-standards-of-excellence-for-headteachers>").

Trade Union facility time

Grasvenor Avenue Infant School subscribed to the Trade Union Facility time via the LB Barnet Traded Services. There were no employees who were union officials during the relevant period.

Related parties and other connected charities and organisations

The Academy Trust has continued to support Underhill School and Children's Centre through the provision of Leadership and Governance. Jack Newton (Principal) is the Executive Headteacher for Underhill School in addition to his position at Grasvenor Avenue Infant School. Several of the Members are lead governors of Underhill School and Children's Centre and their expertise has ensured that governance has been strengthened. Staff expertise and best practice is shared between both schools and invoices are raised by and to either school for staff time.

OBJECTIVES AND ACTIVITIES

Objects and Aims

To deliver a highly effective, inclusive and relevant curriculum to its community for pupils of all abilities between the ages of 4 and 7. The main objectives of the Academy Trust during the period ended 31 August 2019 were:

- to implement the 2018/2019 School Improvement plan (SIP) which builds on the school's strengths and addresses areas for development identified through in-school monitoring systems and external data.
- to ensure that every child enjoys the same high quality education in terms of resources, tuition and care; equity.
- to comply with all appropriate statutory and curriculum requirements.
- to continue to develop The Grasvenor Project, a project that aims to reintegrate Looked After Children into full time education.

Objectives, Strategies and Activities

- The effective induction of the new teaching team to ensure there is a high quality classroom practice in all year groups.
- Continued professional development of the Head of School to ensure continuous improvement and leadership.
- Ensure appropriate targeted funding to ensure impactful use of the pupil premium grant to maximise outcomes for disadvantaged children.
- Effective training for staff and use of resources to ensure good outcomes for all children including those with English as an additional language (EAL).

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

TRUSTEE REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

- Ensure all staff have a consistently positive impact on the Grasvenor Project.
- Improve standards in literacy
- Improve challenge in all subjects
- Further develop assessment procedures
- EYFS-insure indoor and outdoor areas are designed to encourage independence
- Enhancement of personal development, behaviour and welfare
- Ensure Health and Safety is a top priority across the school

Public Benefit

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

The Academy Trust's objective is to provide for the public benefit education for the local community in Barnet, in particular establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. The Academy is a non-selective school. In addition to the educational activities to the students, the Academy Trust offers its facilities for use by community groups outside of school hours for the benefit of the general public.

STRATEGIC REPORT

Achievements and Performance

The School continued to build on the achievements outlines in the most recent Ofsted inspection (September 2016). The School maintained relatively high numbers of pupils in line with recent years; this is important due to our comparatively small size.

The Trust has continued to support over 48 schools in Barnet and local boroughs in providing high quality education for LAC (and other vulnerable young people) experiencing difficulties in their host school. This includes a number of special schools. This support is known as The Grasvenor Project and is accounted for in the Trust's accounts. The Trust appointed new leadership to the Grasvenor Project which has resulted in continued growth. The profile of the project continues to grow and towards the end of the year, the Trust was successful in producing a short film highlighting the work of the project.

The School has continued to work with other Barnet schools as part of the School's improvement strategy. In particular, the school is in a strong infant school partnership.

The Trust has been asked to provide best practice to other governing bodies and local authority events.

The Trust has provided mutual development opportunities for staff at Underhill School and Children's Centre.

The School has further developed the leadership of the Grasvenor Project to support the continued growth of this valuable provision.

Key Financial Performance Indicators

The Academy Trust uses a number of financial performance indicators to monitor financial success. For the period ended 31 August 2019 staffing costs amounted to significantly more than 100% of total government funding, however it is important to note that these costs include staff working at Underhill and in respect of the Grasvenor Project, After School Club and Holiday Club, for which income is reflected within other trading activities.

The Academy Trust also uses non-financial performance indicators to monitor attainment and attendance. For the period ended 31 August 2018 student attendance was 94.3%.

In EYFS, 69% of children made a good level of development, 2% higher than last year. 70% of children passed their Phonics test.

Key Stage 1 results – 64 % of children attained the expected standard in Reading, Writing and Maths. This was a 2% increase on last year.

Reading – 64%

Writing – 64%

Mathematics – 72%

Going Concern

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

FINANCIAL REVIEW

At the year end the Academy had restricted funds of £159,779 and unrestricted funds of £43,539, £203,318 in total as against £196,463 in the previous period. The principal financial management policy is to work within the annual income budget and ensure the Academy does not go overdrawn. These figures exclude the fixed asset reserve of £2,611,216 and the pension deficit of £526,000.

Reserves Policy

At 31 August 2019 the total funds of £2,288,534 comprised:

Reserves carried forward include £2,611,216 relating to the restricted fixed asset fund, a deficit of £526,000 in relation to the pension fund and a surplus of £159,779 in the general restricted fund. Unrestricted funds have reserves to carry forward of £43,539.

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 20. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The Trustees have plans to reduce the deficit over a five year period. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Trustees, and represent 16 days of Academy annual expenditure. The aim of the Trustees is to increase this reserve to meet future working capital requirements to at least 30 days.

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

TRUSTEE REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

At 31 August 2019 the total funds comprised:

Unrestricted		£43,539
Restricted:	Fixed asset funds	£2,611,216
	Pension reserve	£(526,000)
	Other restricted	£159,779
		<hr/>
		£2,288,534
		<hr/>

Investment Policy

Grasvenor Avenue Infant School Academy does not, at present, have an Investment Policy. Cash deemed as surplus is invested in an interest-bearing account.

Principal Risks and Uncertainties

The principal risks facing the Academy are:

- Reputational risk - mitigated by strong challenging governance with an integral ethos of self-review.
- Performance risk - mitigated by focussed governance portfolio meetings reporting back to the trustees.
- Financial Risk - The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The risks presented here are mitigated by the maintaining of a financial contingency, insurance and strong partnerships with the local authority as well as a finance committee with strong financial/strategic skills.
- Risks associated with personnel - mitigated by a strong partnership with local schools and the local authority. The academy's reputation for developing staff helps to maintain staff loyalty and encourages applicants for any vacancies.

The Academy Trust practices, through its Board and the constituted subcommittees (and use of portfolios for monitoring), risk management principles. Any major risks highlighted at any sub-committee/portfolio meeting are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

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

Detail is recorded in the Risk Register which is reviewed annually by the Trustees. Systems are in place to mitigate exposure to these risks.

Fundraising

The Trust has undertaken no fundraising activities directly and no professional fundraisers are used by the academy. The Trustees monitor all fundraising. The School has an active fundraising organisation called Friends of Grasvenor who produce their own Accounts. The monies raised are used for the pupils' benefit, an example would be financially supporting educational trips, such as Year 1 visiting a farm as part of their topic, plus a whole school trip to the Christmas pantomime. Friends of Grasvenor also donated monies towards a refresh of IT equipment.

PLANS FOR FUTURE PERIODS

The Trust continues to support the development of The Grasvenor Project (supporting Barnet’s Looked after Children) as part of its wider community responsibility. The Grasvenor Project is also available for other local authorities’ needs.

The Trust is actively engaged with a potential partner to develop a strategy for provision of places for children with Special Educational Needs to build on the expertise within the School community, particularly experience within the Staff.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Members and Trustees do not currently act as the custodian trustees for any other charities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware.
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees’ report, incorporating a strategic report, was approved by order of the Academy Trust, as the company directors and signed on the Board’s behalf by:

.....

Jacqui Zimaras
Chair of the Academy Trust

Date:

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

SCOPE OF RESPONSIBILITY

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

The Board of Trustees have delegated the day-to-day responsibility to the Executive Head, 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 Grasvenor Avenue Infant School and the Secretary of State for Education. They are also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

During the 2018-2019 period reported, the Trustees met formally six times during the year, the Local Advisory Board met three times and Finance Committee met three times.

Attendance during the year at Trust meetings was as follows:

Trustee	Meetings attended	Out of a possible
Jacqui Zimaras	6	6
Leila Ridley	3	5
Peter De Naeyer	6	6
Jack Newton	5	6
Caylin Joshi-Jethi	3	3
Kay Rossington	4	6

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Attendance during the year at Local Advisory Board (LAB) meetings in was as follows:

LAB Representative	Meetings attended	Out of a possible
Jacqui Zimaras	3	3
Leila Ridley	1	3
Sarah Haggis	1	3
Lorraine Cody	3	3
Samantha Jones	1	3
Peter de Naeyer	2	3
Nicky Wolfe	3	3
Lynne Drew	3	3
Karen Devin	3	3
Jessie Chakraborty	3	3
James Ecclestone	1	2

NB The Executive Headteacher does not attend LAB meetings unless specifically requested to do so.

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

Representative	Meetings attended	Out of a possible
Peter de Naeyer	2	3
Nicky Wolfe	3	3
Kay Rossington	2	2
Karen Devin	3	3
Jack Newton	3	3

NB The Head of School, Jessie Chakraborty also attended all three Finance Committee meetings.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Executive Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The role of the Chief Financial Officer at Grasvenor Avenue Infant School is performed by Jack Newton. The Trust has authorised Jack to delegate this work to Diane Merrill at FM4S because of its relatively small size. This delegation of authority is an example of The Trust receiving best value and probity from its resource.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Ensuring that all children were supported by high quality and well qualified staff.
- The school continued to ensure high quality outcomes for the children by inspiring them with a broad and creative curriculum.
- The school was unable to improve the fabric of the building this year, but the premises remain fit for purpose.
- Procedures are in place for competitive tendering, review of best value quotes, robust financial control and regular financial monitoring.

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 Grasvenor Avenue Infant School for the period 1st September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees have 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 Trust is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustees.

The Risk and Control Framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- setting targets to measure financial and other performance.
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties.
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However, the trustees have appointed Kay Rossington, a financially experienced Member of the Academy Trust, to carry out a programme of internal checks as the appointed Responsible Officer (R.O).

The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The following visit took place during the 2018/19 school year:

- Check on processes relating to the After-School, Breakfast and Holiday Clubs – 27th November 2018.

A further visit has been scheduled in the second half of the Autumn Term 2019 to review Grasvenor Project invoicing.

On a termly basis, the Responsible Officer reports to the Trustees, through the Finance Committee, on the operation of the systems of control and on the discharge of the Board of Trustee's financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the reviewer
- 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 been advised of the implications of the result of their review of the system of internal control by the finance committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Academy Trust and signed on its behalf by:

.....

Jacqui Zimaras
Chair of the Academy Trust

Jessie Chakraborty
Accounting Officer

Date:

Date:

GRASVENOR AVENUE INFANT SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the academy trust board of trustees 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 2018.

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

Jessie Chakraborty
Accounting officer

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

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

Jacqui Zimaras
Chair of the Academy Trust

Date:

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GRASVENOR AVENUE INFANT SCHOOL**

OPINION

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes Reference and Administrative details, Trustees Report, incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees' Responsibilities Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GRASVENOR AVENUE INFANT SCHOOL

assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements and
- the Strategic Report and the Directors Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GRASVENOR AVENUE INFANT SCHOOL**

AUDITORS' 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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

USE OF OUR REPORT

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

Brendan Sharkey FCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditors

New Bridge Street House

30-34 New Bridge Street

London

EC4V 6BJ

Date:

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GRASVENOR AVENUE INFANT SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 28 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Grasvenor Avenue Infant School during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Grasvenor Avenue Infant School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Grasvenor Avenue Infant School and the 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 Grasvenor Avenue Infant School and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF GRASVENOR AVENUE INFANT SCHOOL'S AND THE REPORTING ACCOUNTANT

The is responsible, under the requirements of Grasvenor Avenue Infant School's funding agreement with the Secretary of State for Education dated 31 August 2012, and the Academies Financial Handbook extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GRASVENOR AVENUE INFANT SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

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

CONCLUSION

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

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants

New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date:

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:						
Donations and capital grants	2	545	-	10,686	11,231	6,576
Charitable activities	5	-	985,268	-	985,268	814,721
Other trading activities	3	3,347	42,372	-	45,719	46,208
Investments	4	69	-	-	69	76
TOTAL INCOME		3,961	1,027,640	10,686	1,042,287	867,581
EXPENDITURE ON:						
Other trading activity		(166,136)	166,136	-	-	-
Charitable activities		166,639	899,107	20,231	1,085,977	896,954
TOTAL EXPENDITURE	6	503	1,065,243	20,231	1,085,977	896,954
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		3,458	(37,603)	(9,545)	(43,690)	(29,373)
Actuarial gains/(losses) on defined benefit pension schemes	20	-	(167,000)	-	(167,000)	80,000
NET MOVEMENT IN FUNDS		3,458	(204,603)	(9,545)	(210,690)	50,627
RECONCILIATION OF FUNDS:						
Total funds brought forward		40,081	(161,618)	2,620,761	2,499,224	2,448,597
TOTAL FUNDS CARRIED FORWARD		43,539	(366,221)	2,611,216	2,288,534	2,499,224

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

The notes on pages 25 to 48 form part of these financial statements.

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08164849

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	12		2,600,530		2,620,761
CURRENT ASSETS					
Debtors	13	216,268		187,175	
Cash at bank and in hand	18	84,522		88,389	
			300,790	275,564	
CREDITORS: amounts falling due within one year	14	(86,786)		(79,101)	
NET CURRENT ASSETS			214,004		196,463
TOTAL ASSETS LESS CURRENT LIABILITIES			2,814,534		2,817,224
Defined benefit pension scheme liability	20		(526,000)		(318,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			2,288,534		2,499,224
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	15	159,779		156,382	
Restricted fixed asset funds	15	2,611,216		2,620,761	
Restricted income funds excluding pension liability		2,770,995		2,777,143	
Pension reserve		(526,000)		(318,000)	
Total restricted income funds			2,244,995		2,459,143
Unrestricted income funds	15		43,539		40,081
TOTAL FUNDS			2,288,534		2,499,224

The financial statements on pages 22 to 48 were approved by the Trustees, and authorised for issue, on and are signed on their behalf, by:

Mrs J Zimaras
Trustee

Mr J Newton
Accounting Officer

The notes on pages 25 to 48 form part of these financial statements.

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	17	<u>(14,622)</u>	<u>(54,526)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(5,450)
Capital grants		10,686	4,945
Interest received		69	76
Net cash provided by/(used in) investing activities		<u>10,755</u>	<u>(429)</u>
Change in cash and cash equivalents in the year		(3,867)	(54,955)
Cash and cash equivalents brought forward		<u>88,389</u>	<u>143,344</u>
Cash and cash equivalents carried forward	18	<u><u>84,522</u></u>	<u><u>88,389</u></u>

The notes on pages 25 to 48 form part of these financial statements.

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Grasvenor Avenue Infant School constitutes a public benefit entity as defined by FRS 102 and a company limited by guarantee incorporated in England. The address of the registered office and principal place of operation are detailed on page 1. The nature of the academy trust's operation and principal activity are detailed in the Trustees Report.

The financial statements are prepared in £ sterling, the functional currency, rounded to the nearest £1.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 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 incorporating income and expenditure account in the year 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

1.4 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

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

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £2,500 are capitalised 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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, a transfer is made to reflect these assets in the restricted fixed asset fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	2% straight line basis
Furniture and fixtures	-	20% straight line basis
Computer equipment	-	33.33% straight line basis
Leasehold Land	-	Not depreciated

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 incorporating income and expenditure account.

1.6 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.7 Debtors

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

1.8 Cash at Bank and in hand

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

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

1. ACCOUNTING POLICIES (continued)

1.9 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 14. 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.

1.11 Taxation

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

1.12 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

1. ACCOUNTING POLICIES (continued)

The LGPS is a funded multi-employer 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 incorporating income and expenditure account 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.

1.13 Fund accounting

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

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 Department for Education Group.

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

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	545	-	-	545	1,631
Capital grants	-	-	10,686	10,686	4,945
Total 2019	545	-	10,686	11,231	6,576
Total 2018	1,631	-	4,945	6,576	

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
School clubs	-	26,497	26,497	25,961
Other income	3,347	11,969	15,316	14,241
Professional services to other schools	-	3,906	3,906	6,006
Total 2019	<u>3,347</u>	<u>42,372</u>	<u>45,719</u>	<u>46,208</u>
Total 2018	<u>1,597</u>	<u>44,611</u>	<u>46,208</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest receivable	<u>69</u>	<u>-</u>	<u>69</u>	<u>76</u>
Total 2018	<u>76</u>	<u>-</u>	<u>76</u>	

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	451,561	451,561	473,331
Pupil premium	-	56,773	56,773	50,188
Other ESFA/DfE grants	-	26,892	26,892	18,181
	-	535,226	535,226	541,700
Other government grants				
Local authority grants	-	150	150	47,854
SEN allocation	-	37,452	37,452	25,269
	-	37,602	37,602	73,123
Other funding				
Trip income	-	2,357	2,357	2,613
Grasvenor project	-	410,083	410,083	197,285
	-	412,440	412,440	199,898
Total 2019	-	985,268	985,268	814,721
Total 2018	-	814,721	814,721	

There are no unfulfilled conditions or other contingencies attached to the government grants above.

The Grasvenor project is an external outreach service which Grasvenor provide to children who are at risk of underachieving at school.

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

6. EXPENDITURE

	Staff costs 2019 £	Premises 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Academy's Educational operations:					
Direct costs	582,936	20,231	143,738	746,905	601,280
Support costs	192,813	31,019	115,240	339,072	295,674
Total 2019	775,749	51,250	258,978	1,085,977	896,954
Total 2018	678,641	20,376	197,937	896,954	

Of the total expenditure of £1,085,977 (2018 - £896,954), £503 (2018 - £653) was from unrestricted funds, £1,065,243 (2018 - £875,925) was from restricted funds and £20,231 (2018 - £20,376) from restricted fixed asset funds.

7. CHARITABLE EXPENDITURE

	Direct costs 2019 £	Support costs 2019 £	Total 2019 £	Total 2018 £
Charitable activities	746,905	339,072	1,085,977	770,064
Total 2018	474,390	295,674	770,064	

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

7. CHARITABLE EXPENDITURE (continued)

Analysis of support costs

	Educational operations	Total 2019	Total 2018
	£	£	£
Staff costs	192,213	192,213	171,767
Travel and subsistence	-	-	44
Maintenance of premises and equipment	31,019	31,019	12,667
Cleaning	2,792	2,792	2,255
Bank charges	110	110	115
Energy	6,128	6,128	7,205
Insurance	2,490	2,490	2,262
Catering	31,606	31,606	27,285
Other occupancy costs	43,965	43,965	42,127
Other support costs	18,902	18,902	21,105
Governance costs	9,847	9,847	8,842
	<u>339,072</u>	<u>339,072</u>	<u>295,674</u>
At 31 August 2019	<u>339,072</u>	<u>339,072</u>	<u>295,674</u>
	<u>295,674</u>	<u>295,674</u>	
At 31 August 2018	<u>295,674</u>	<u>295,674</u>	

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2019	2018
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	20,231	20,376
Auditors' remuneration - audit	5,000	4,600
Auditors' remuneration - other services	3,800	3,635
Operating lease rentals	280	280
	<u>29,311</u>	<u>31,921</u>

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2019	2018
	£	£
Wages and salaries	376,414	401,455
Social security costs	38,611	36,325
Pension costs	112,876	129,560
	<hr/>	<hr/>
	527,901	567,340
Agency staff	81,824	41,074
Project staff	166,024	70,227
	<hr/>	<hr/>
	775,749	678,641
	<hr/> <hr/>	<hr/> <hr/>

b. Staff numbers

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

	2019	2018
	No.	No.
Teachers	3	4
Administration and support	18	17
Management	2	2
	<hr/>	<hr/>
	23	23
	<hr/> <hr/>	<hr/> <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

The executive head works at Grasvenor Avenue Infant School and Underhill School. His salary has been split between the payroll of both schools and therefore the salary with Grasvenor Avenue Infant School falls below £60,000.

c. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The amount of employee benefits (including employers' national insurance contributions and employers' pension contributions) received by the senior management team for their services to the academy trust was £66,932 (2018 - £70,645). The amount of employee benefits (including employer pension contributions) received by the trustees is disclosed in note 10. Jack Newton is both a member of the senior management team and a Trustee.

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

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

		2019	2018
		£	£
J Newton	Remuneration	15,000-20,000	15,000-20,000
	Pension contributions paid	0-5,000	0-5,000
L Cody (resigned 1 September 2018)	Remuneration		20,000-25,000
	Pension contributions paid		5,000-10,000
Ms J Chakraborty (Appointed 1 September 2018)	Remuneration	40,000-45,000	
	Pension contributions paid	5,000-10,000	

During the year, one Trustee (2018 - 1) received reimbursed travel and other expenses of £1,913 (2018 - £2,222).

11. TRUSTEES' AND OFFICERS' INSURANCE

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000 (2018 - £10,000,000). It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

12. TANGIBLE FIXED ASSETS

	Leasehold property £	Furniture and fixtures £	Computer equipment £	Total £
Cost				
At 1 September 2018 and 31 August 2019	<u>2,719,738</u>	<u>12,729</u>	<u>17,876</u>	<u>2,750,343</u>
Depreciation				
At 1 September 2018	105,275	6,431	17,876	129,582
Charge for the year	18,435	1,796	-	20,231
At 31 August 2019	<u>123,710</u>	<u>8,227</u>	<u>17,876</u>	<u>149,813</u>
Net book value				
At 31 August 2019	<u>2,596,028</u>	<u>4,502</u>	-	<u>2,600,530</u>
At 31 August 2018	<u>2,614,463</u>	<u>6,298</u>	-	<u>2,620,761</u>

Included in leasehold property is land at a valuation of £1,798,000 (2018 - £1,798,000) which is not depreciated. The leasehold property was valued on conversion to academy status in 2012 by chartered surveyors using the depreciated replacement cost method. The trustees consider that this valuation remains appropriate at 31 August 2019.

The leasehold land and buildings are owned by London Borough of Barnet. Grasvenor Avenue Infant School has a 125 year leasehold from 1 September 2012 with no rent payable.

13. DEBTORS

	2019 £	2018 £
Trade debtors	2,944	88,280
VAT recoverable	22,552	7,168
Prepayments and accrued income	190,772	91,727
	<u>216,268</u>	<u>187,175</u>

14. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Salix loan	-	374
Trade creditors	23,108	23,542
Accruals and deferred income	63,678	55,185
	<u>86,786</u>	<u>79,101</u>

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

14. CREDITORS: Amounts falling due within one year (continued)

	2019	2018
	£	£
Deferred income		
Deferred income at 1 September 2018	16,315	65,597
Resources deferred during the year	15,116	16,315
Amounts released from previous years	(16,315)	(65,597)
	<hr/>	<hr/>
Deferred income at 31 August 2019	15,116	16,315
	<hr/> <hr/>	<hr/> <hr/>

At the balance sheet date the Academy Trust was holding funds received in advance from free infant school meals of £15,041 (2018 - £16,315) and other income of £75 (2018 - £Nil).

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

15. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds					
General Funds	40,081	3,961	(503)	-	43,539
Restricted funds					
General Annual Grant (GAG)	690	451,561	(425,771)	-	26,480
Other Dfe/ESFA grants	23,902	83,065	(99,340)	-	7,627
Other restricted funds	131,790	493,014	(499,132)	-	125,672
Pension reserve	(318,000)	-	(41,000)	(167,000)	(526,000)
	<u>(161,618)</u>	<u>1,027,640</u>	<u>(1,065,243)</u>	<u>(167,000)</u>	<u>(366,221)</u>
Restricted fixed asset funds					
Fixed asset fund	2,620,761	-	(20,231)	-	2,600,530
Unspent capital	-	10,686	-	-	10,686
	<u>2,620,761</u>	<u>10,686</u>	<u>(20,231)</u>	<u>-</u>	<u>2,611,216</u>
Total restricted funds	<u>2,459,143</u>	<u>1,038,326</u>	<u>(1,085,474)</u>	<u>(167,000)</u>	<u>2,244,995</u>
Total of funds	<u>2,499,224</u>	<u>1,042,287</u>	<u>(1,085,977)</u>	<u>(167,000)</u>	<u>2,288,534</u>

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

Unrestricted funds are used towards meeting the charitable objectives of the academy at the discretion of the trustees.

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State the academy was not subject to a limit on the GAG it could carry forward at 31 August 2019.

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes restricted PTA donations, after school club, holiday club, breakfast club and catering.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. The fund is in deficit but given the nature of the liability this is not payable immediately and plans are in place to meet the deficit to ensure the deficit is not a constraint on the free reserves of the academy.

The restricted fixed asset fund recognises the tangible assets held by the Academy Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of fixed assets is allocated to these funds.

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

15. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
General Funds	37,935	3,304	(653)	(505)	-	40,081
Restricted funds						
General Annual Grant (GAG)	3,469	473,330	(476,109)	-	-	690
Other Dfe/ESFA grants	8,046	66,928	(51,072)	-	-	23,902
Other restricted funds	111,460	319,074	(298,744)	-	-	131,790
Pension reserve	(348,000)	-	(50,000)	-	80,000	(318,000)
	(225,025)	859,332	(875,925)	-	80,000	(161,618)
Restricted fixed asset funds						
Fixed asset fund	2,635,687	4,945	(20,376)	505	-	2,620,761

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	2,600,530	2,600,530
Current assets	43,539	246,565	10,686	300,790
Creditors due within one year	-	(86,786)	-	(86,786)
Pension liability	-	(526,000)	-	(526,000)
	<u>43,539</u>	<u>(366,221)</u>	<u>2,611,216</u>	<u>2,288,534</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	2,620,761	2,620,761
Current assets	40,081	235,483	-	275,564
Creditors due within one year	-	(79,101)	-	(79,101)
Pension liability	-	(318,000)	-	(318,000)
	<u>40,081</u>	<u>(161,618)</u>	<u>2,620,761</u>	<u>2,499,224</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(43,690)	(29,373)
Adjustment for:		
Depreciation charges	20,231	20,376
Interest receivable	(69)	(76)
Increase in debtors	(29,093)	(71,310)
Increase/(decrease) in creditors	7,685	(19,198)
Capital grants	(10,686)	(4,945)
Pension adjustment	41,000	50,000
Net cash used in operating activities	(14,622)	(54,526)

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	2018
	£	£
Cash at bank and in hand	84,522	88,389
Total	84,522	88,389

19. CONTINGENT LIABILITIES

The Trustees have been made aware that in prior years there has been a potential miscalculation of holiday pay to support staff employees. Should the Trust incur any costs, these will look to be recovered from a third party.

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

20. PENSION COMMITMENTS

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

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

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

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The teachers' pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the teachers' pension scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

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

20. PENSION COMMITMENTS (continued)

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the period amounted to £23,000 (2018 - £27,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded 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 scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £61,000 (2018 - £64,000), of which employer's contributions totalled £49,000 (2018 - £52,000) and employees' contributions totalled £12,000 (2018 - £12,000). The agreed contribution rates for future years are 23.6% for employers and 5.5 - 12.5% for employees.

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

Principal actuarial assumptions:

	2019	2018
Discount rate for scheme liabilities	1.80 %	2.80 %
Rate of increase in salaries	2.60 %	2.70 %
Rate of increase for pensions in payment / inflation	2.30 %	2.40 %

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

20. PENSION COMMITMENTS (continued)

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

	2019	2018
Retiring today		
Males	21.0	21.9
Females	23.3	24.3
Retiring in 20 years		
Males	22.3	23.9
Females	25.1	26.5

	At 31 August	At 31 August
Sensitivity analysis	2019	2018
	£	£
Salary Increase Rate +0.5%	9,000	8,000
Discount Rate -0.5%	167,000	123,000
Pension Increase Rate +0.5%	156,000	114,000

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

20. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2019 £	Fair value at 31 August 2018 £
Equities	419,000	383,000
Gilts	239,000	198,000
Property	23,000	-
Cash and other liquid assets	67,000	79,000
	<u>748,000</u>	<u>660,000</u>
Total market value of assets	<u><u>748,000</u></u>	<u><u>660,000</u></u>

The actual return on scheme assets from 1 October 2018 to 30 June 2019 was 3.2% (2018 - 3.0%).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2019 £	2018 £
Current and past service cost	(81,000)	(92,000)
Interest income	19,000	15,000
Interest cost	(28,000)	(25,000)
	<u>(90,000)</u>	<u>(102,000)</u>
Total	<u><u>(90,000)</u></u>	<u><u>(102,000)</u></u>

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

	2019 £	2018 £
Opening defined benefit obligation	978,000	937,000
Current and past service cost	81,000	92,000
Interest cost	28,000	25,000
Employee contributions	12,000	12,000
Actuarial losses/(gains)	192,000	(73,000)
Benefits paid	(17,000)	(15,000)
	<u>1,274,000</u>	<u>978,000</u>
Closing defined benefit obligation	<u><u>1,274,000</u></u>	<u><u>978,000</u></u>

GRASVENOR AVENUE INFANT SCHOOL
(A company limited by guarantee)

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

20. PENSION COMMITMENTS (continued)

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

	2019	2018
	£	£
Opening fair value of scheme assets	660,000	589,000
Interest income	19,000	15,000
Actuarial losses	25,000	7,000
Employer contributions	49,000	52,000
Employee contributions	12,000	12,000
Benefits paid	(17,000)	(15,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	748,000	660,000
	<hr/> <hr/>	<hr/> <hr/>

21. OPERATING LEASE COMMITMENTS

At 31 August 2019 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019	2018
	£	£
Amounts payable:		
Within 1 year	140	280
Between 1 and 5 years	-	140
	<hr/>	<hr/>
Total	140	420
	<hr/> <hr/>	<hr/> <hr/>

22. MEMBERS' LIABILITY

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

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

23. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the Governing Body being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the requirements of the Academies Financial Handbook, the Academy's financial regulations and normal procurement procedures.

Expenditure related party transactions

During the year ended 31 August 2019 transactions totalling £59,539 (2018 - £34,745) were invoiced by Underhill School and Children's Centre for rental of a swimming pool for pupils at Grasvenor Avenue Infant School, after school clubs, staff utilised and secondment of the Head of school.

The balance owed from Grasvenor Avenue Infant School to Underhill School and Children's Centre at 31 August 2019 was £1,105 (2018 - £10,846). Underhill School and Children's Centre is a school in which Mrs J Zimaras, Mr P de Naeyer, Mrs K Rossington and Mr N Ruckman, trustees/members at Grasvenor Avenue Infant School, are also governors. Mr Newton, the Executive head of Grasvenor Avenue Infant School is also the Executive head of Underhill School and Children's Centre.

Income related party transactions

Underhill School and Children's Centre were charged £3,908 (2018 - £6,006) in relation to staff utilised from Grasvenor Avenue Infant School. The balance owed from Underhill School and Children's Centre to Grasvenor Avenue Infant School at 31 August 2019 was £Nil (2018 - £1,902). Underhill School is a school in which Mrs J Zimaras, Mr P de Naeyer, Mrs K Rossington and Mr N Ruckman, trustees/members at Grasvenor Avenue Infant School, are also governors. Mr Newton, the Executive head of Grasvenor Avenue Infant School is also the Executive head of Underhill School and Children's Centre.

No further related party transactions took place in the year other than certain trustees remuneration and expenses disclosed in note 10.