

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mrs K Foster
Mr E Lewis
Mrs R Garner

Governors

Mr A J Brown (appointed as Chair from 27 September 2021), Community Governor¹
Mr E Lewis, Community Governor (resigned 27 September 2021)¹
Mrs J Macpherson, Parent Governor
Mrs J Harris, Community Governor
Mrs P Dower, Community Governor (resigned 1 September 2020)
Mr M J Scott, Headteacher¹
Mrs J Doyle, Parent Governor¹
Mrs C Rodrigues, Parent Governor
Mr D Postle, Staff Governor¹
Mrs K Evans, Community Governor¹
Mrs L Peters, Community Governor
Mrs C Hughes, Community Governor¹
Mr J Wade, Staff Governor (appointed 7 December 2020)¹

¹ members of The Finance Committee

Company registered number

07521640

Company name

Newport Girls High School Academy Trust

Principal and registered office

Newport High School, Wellington Road, Newport, Shropshire, TF10 7HL

Company secretary

Mrs K Machin

Senior management team

Mr M J Scott, Headteacher and Accounting Officer
Miss H Clarke, Acting Deputy Headteacher
Miss A Davies, Acting Assistant Headteacher

Independent auditors

WR Partners, Belmont House, Shrewsbury Business Park, Shrewsbury, Shropshire, SY2 6LG

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Bankers

HSBC Bank, 33 High Street, Shrewsbury, Shropshire, SY1 1SL

Lloyds Bank, 95 High Street, Newport, Shropshire, TF10 7AZ

Solicitors

Browne Jacobson LLP, Victoria Square House, Victoria Square, Birmingham, B2 4BU

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors present their Annual Report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2020 to 31 August 2021. The Annual report serves the purposes of both a Governors' report, and a Directors' report under company law.

Structure, governance and management

a. Constitution

The Trust is a charitable company limited by guarantee and an exempt charity and was set up by a Memorandum of Association on 31 January 2011.

The charitable company's Memorandum of Association is the primary governing document of the Trust.

The Governors act as the Trustees for the charitable activities of Newport Girls' High School Academy Trust Limited and are also the Directors of the Charitable Company for the purposes of company law.

The Charitable Company was incorporated in England & Wales and is known as Newport Girls' High School (the "School").

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

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10.00, for the debts and liabilities contracted before they ceased to be a member.

c. Trustees' indemnities

As part of its insurance cover, the Trust has purchased Governors' liability insurance.

d. Method of recruitment and appointment or election of Governors

The Trust has the following governing structure prescribed by its Articles of Association:

- Up to 1 Governor, appointed by the Members of the Trust;
- Up to 1 LA Governor, appointed by Telford & Wrekin Council;
- Up to 5 Parent Governors, elected by parents of registered pupils at the School. A Parent Governor must be a parent of a pupil at the School at the time of the election;
- Up to 3 Staff Governors, appointed by the Governing Body;
- Up to 6 Community Governors, appointed by the Governing Body and being people who live or work in the community served by the Trust or are committed to the government and success of the Trust; and
- The Headteacher.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Governors

The Trust provides access for Governors to suitable training and ensures that any new Governors are familiarised with the work and procedures of the Trust, so that they can play a full role on the Governing Body. Governors are provided with access to the Trust's reports, budgets and plans so that they have the information necessary to carry out their duties, and are encouraged to meet with staff, students and parents. Where necessary, training will be provided on charity, educational, legal and financial matters.

f. Organisational structure

The Trust is governed by its Board of Governors which meets once a term. The Board delegates the day to day running of the Trust to the Headteacher who is also the Accounting Officer and leads the Senior Management Team.

g. Arrangements for setting pay and remuneration of key management personnel

Arrangements for setting the pay and remuneration of key management personnel adhere to the Local Authority Pay policy. The salary forecast for all personnel is presented to Governors during the Summer Term where this is agreed as part of the Academy's Budget Setting process for the following academic year.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£
Total cost of facility time	8,321
Total pay bill	2,382,408
Percentage of total pay bill spent on facility time	- %

Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours	1 %

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

Owing to the nature of the Trust's operations and the composition of the Board of Governors being drawn from local private sector organisations, transactions may take place with organisations in which a Governor has an interest. Any transactions involving such organisations would be conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

The Friends of Newport Girls' High School is a connected charity receiving parental donations monthly. The charity then makes donations to the School to support School activities and School equipment.

Objectives and activities

a. Objects and aims

The Trust's object is specifically restricted to advance, for the public benefit, education in the United Kingdom. In particular, but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a School offering a broad and balanced curriculum.

b. Objectives, strategies and activities

The aims of the Trust can be summarised as enabling each pupil to seek excellence in all aspects of life, providing a community in which:

Pupils achieve their full potential in academic, aesthetic and sporting spheres:

- Enjoy a balanced and challenging curriculum
- Receive regular and meaningful assessment and opportunities for self assessment
- Develop an awareness of the relationship between their learning and the world outside the classroom, and see education as a life long process

Pupils develop personal values which enable participation in a caring society:

- Develop integrity, self discipline and honesty
- Develop self esteem whilst retaining a sensitivity towards the needs of others
- Develop independence and initiative
- Develop self confidence
- Accept responsibility for their own actions
- Develop a sense of commitment, determination and the perseverance to achieve set objectives
- Develop spiritual and moral values

Pupils learn to recognise their responsibilities in the local, national, international and global environments:

- Develop an awareness of their role as citizens
- Develop open minded attitudes
- Work towards an understanding of the values and cultures of others
- Learn to value others regardless of class, physical ability, linguistic or religious background, and
- Develop an awareness of the interdependence of individuals, groups and nations within a global context

c. Public benefit

In setting our objectives and planning our activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Strategic report

Achievements and performance

a. Key performance indicators

Financial performance of the Trust is measured using a series of control and monitoring systems and procedures including:

- Budget Monitoring and Variance Analysis
- Termly External Extended Audits
- Financial Procedures Manual
- Benchmarking Activities
- Examination Results
- Pupil Numbers
- Pupil Attendance
- Staff Profile

b. Going concern

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

c. Promoting the success of the company

Newport Girls' High School Academy Trust has a high level of teaching and learning employee engagement as reflected through the Ofsted report and visit during Autumn Term 2019 - resulting in the Schools' continued Achievement as an Outstanding School.

School has an excellent level of employee engagement through teaching/support staff training. Frequent teaching and learning meetings/briefings and regular management SLT meetings which include higher and middle management. The Wellbeing of staff is paramount in school, offering both students and staff wellbeing support.

The structure of school governance is also key to the success of the school, through termly Full Governor and Sub-Committee Meetings, the governance team contribute a wide range of experience and knowledge from within their individual job roles from outside of school, this benefits school with key decision making to assist with the improvements and future plans of the school.

The School was rewarded with Flexible Working Ambassador School Status in March 2021. It also received accreditation from Be Kind and The AcSEED Award for Wellbeing during the past academic year.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

d. Review of activities

Examination results for the 2020/2021 academic year were outstanding and the School continues to be one of the top performing schools in the country. Whilst the examination outcomes were calculated through Teacher Assessed Grades, the school was scrutinised in its approach both through its Centre Policy and the moderation of assessment work. All of these reviews were passed without question.

A-Level

At A-level, A* grades were attained in all subjects with the proportion being 40% A* and 85% graded A*-B. 74 candidates achieved 3 or 4 A-levels with the average grade A- and average academic points score of 48.9. Approximately half a grade of additional value was added to each qualification. Subject highlights include:

- Every student in Art and in Product Design secured an A* grade
- In German and in Music, a clean sweep of A* and A grades was achieved
- In Physics, half the cohort achieved A*s
- In Computing, half the grades were A* and 100% secured A*-B
- In Geography, every candidate achieved A*-B with almost half securing A*
- In Philosophy, every candidate achieved A*-B
- In Biology, 81% of candidates achieved A*-B
- In History, almost half the grades awarded were A*
- In Further Maths, 70% of candidates secured an A* grad
- In Psychology, 96% of students achieved A*-B

GCSE

- At GCSE, 86% of GCSE/Level 2 results were 9-7 grades.
- Progress 8 score would be around +1.3 using 2019 methodology. Attainment 8 Points Score is 79.8 which is a marginal increase on 2019 and 2020.
- One student was awarded grade 9 in all of their subjects (2 in 2020).
- There were 37 grade 9s in mathematics, 35 in physics, 39 in biology, 31 in chemistry, 24 in English language and 23 in geography.
- The highest proportion of grade 9s were in music (70%), computing (58%), geography (55%) and biology (47%).
- In mathematics 98% of students achieved the top levels 9-7 and 28 of these students also obtained 9-7 in further mathematics.

Impact of COVID-19

Since March 2020, the school has operated under considerable pressure from Covid-19. Whilst a lot of this originated in the previous year (2019-2020), there were multiple national and regional lockdowns in 2020-21 as well as the cancellation of examinations for a second year running. The school invested heavily in additional cleaning and PPE equipment to keep staff and students safe. Whilst the school year began relatively normally (albeit with significant Covid restrictions, bubbles etc.) there were points in the year when this began to impact on the wellbeing of all at NGHS.

During lockdowns and the isolation of staff/students, MS Teams was deployed. Through the hard work of teaching and support staff, the impact of lost learning was less than seen and reported in other schools. A real sense of camaraderie between colleagues ensured skills were honed and shared. Newport Girls' High School were one of the first schools to get Teams software up and running effectively to ensure students could keep on track with studies.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Covid 19 brought with it some additional income, but also expenditure to the school. There were two cleaners on site permanently during the autumn term. The DFE provided a fairly large amount of PPE etc. but additional costs in running testing, particularly in September were seen. During this time some suppliers had increased prices due to demand.

The curriculum was enhanced with a series of 'Bounce Back' lessons which won national acclaim through the Schools, Students and Teachers Network. NGHS was keen to avoid the term 'catch up' and preferred 'Bounce Back' to positively influence students after a period of prolonged isolation at home.

The main achievement of the Academy Trust in 2020-2021 was to ensure the mental and physical health of our students and staff was prioritised. The second achievement was for students to experience blended learning – lessons were planned and delivered regardless of whether students were in school or at home.

In spite of the pandemic, the school continued to fund raise for its campaign 'Primed for Success'. Approximately £35,000 was committed in this year group from charity and parental donations. The building work for the extension commenced in January 2021 and will finish in November 2021.

The risks and uncertainties facing the academy were those of R&M contract/SLA agreements as supplier staff were furloughed, and school remained committed to continue to pay leases/service provider contract costs. Where possible, negotiations took place to reduce costs. Most planned contractor works were accommodated ensuring the school R&M and H&S remained compliant.

School financial operations continued to work effectively and efficiently from school and remotely from home, with much collaboration.

From a financial prospective segregation of duties remained for Finance & Facilities, H&S Manager, Finance Assistant and Headteacher/Accounting Officer. Authorised Access was given to the Finance Team to remotely access both financial systems Civica and Tucasi. This enabled the school to keep day to day financial procedures of school running effectively.

The school was also faced with uncertainties around school trips that had been planned to take place during the academic year. As part of school's risk measures, the school buys into Zurich Municipal insurance to cover school trips, and also take out some individual insurances with trip providers depending on trip. With immediate effect of government announcements regarding flights/lockdown, through the efforts of collaboration of the headteacher/finance team with insurers, claims were submitted. The school faced an uncertain time until confirmation was received. The school can successfully report 100% of claims were successful, resulting in school providing full refunds to parents/carers.

e. Investment policy and performance

As stated in the Trust's Articles of Association, Governors have the power to invest in the name of the Trust such part of the funds as they may see fit. The Trust currently holds its cash balances at its bank and has no plans to change this policy in the near future.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Financial review

a. Reserves policy

In general, the Trust expects to spend its annual income on the provision of education for its pupils and does not expect to accumulate significant additional reserves. Governors will, however, be reviewing the financial position of the Trust and will determine the use of any expected reserves, above a prudent level for contingencies, in the context of this review.

Total reserves at 31 August 2021 amounted to £9,607,291 (2020: £7,915,328).

Total restricted reserves including the restricted asset funds at 31 August 2021 are £9,607,291 (2020: £7,915,328). The pension reserve is a deficit balance of £1,348,000 (2020: £1,238,000). If this is excluded, restricted reserves including restricted fixed asset funds are £10,955,291 (2020: £9,153,328).

Unrestricted reserves at 31 August 2021 are £nil (2020: £nil). Free reserves are £nil (2020: £nil).

b. Principal risks and uncertainties

The Governors have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The Governors have implemented a number of systems to assess risks that the School faces, especially in the operational areas, (e.g. in relation to teaching, health and safety, buildings and School trips) and in relation to the control of finance. They have introduced systems, including operational procedures, (e.g. vetting of new staff and visitors, supervision of School grounds) and internal financial controls in order to manage risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

Fundraising

The Trust has received and continues to receive fundraising donations from parents and stakeholders connected with Newport Girls' High School.

During 2015, the Trustees of Newport Girls' High School actioned a feasibility study with an external provider to assist with a fundraising scheme to support a new Sixth Form Centre for students.

Parents and school employees were appointed and provided with training to assist the fundraising campaign programme. Through collaboration with parents and stakeholders, campaign fundraising gifts have been received since May 2015 and committed income is due until August 2021. The new Sixth Form Centre was handed over by the contractor on 9th February 2018.

The new Sixth Form Centre was part funded by fundraising donations namely (school client contribution), ESFA Condition Improvement Funding Grant, and CIF loan. Without the continued support of parents, stakeholders and ESFA funding the new build would not have been possible.

Campaign income for the Atrium Building completed February 2018 continues to be received from parents and stakeholders to support ongoing Client Costs towards the build project for next few months.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising (continued)

Impact of Covid 19 on Fundraising:

Committed Campaign income continues to be contributed by parents. At present there appears to be no impact on this fundraiser. The Academy Trust is in the early stages of new fundraiser Primed For Success. This fundraising is to assist the school with the purchase of ICT Equipment and Furniture for the SSEF Build project started January 2021, due to be completed November 2021.

Plans for future periods

The Trust plans to continue to review its educational and financial procedures and structures, so that current high levels of educational achievement can be maintained and enhanced, whilst continuing to operate prudently within available financial resources. The Trust also continues to review development of accommodation and facilities in order to cater for future expansion of the School.

Disclosure of information to auditors

Each of the people who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governors have taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 29 November 2021 and signed on its behalf by:



Mr A J Brown, Community Governor
Chair of Governors

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of Governors has delegated the day to day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Newport Girls' High School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of Governors has formally met 5 times during the year.

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

Governor	Meetings attended	Out of a possible
Mr A J Brown (Chair), Community Governor & Chair of Finance	5	5
Mr E Lewis, Community Governor	5	5
Mrs A Seys, Staff Governor	1	1
Mrs J Macpherson, Parent Governor	5	5
Mrs J Harris, Community Governor	5	5
Mrs P Dower, Community Governor	1	2
Mr M J Scott, Headteacher	5	5
Mrs J Doyle, Parent Governor	5	5
Mrs C Rodrigues, Parent Governor	4	5
Mr D Postle, Staff Governor	5	5
Mrs K Evans, Community Governor	4	5
Mrs L Peters, Community Governor	5	5
Mrs C Hughes, Community Governor	5	5
Mr J Wade, Staff Governor	4	4

The Board of Governors formally meet 5 times during the Academic Year. Meetings are split between Personnel & Curriculum Sub Committee, and Finance & Buildings Sub Committee. Finance updates provided at each Finance Sub-Committee including Trusts' Budget position, bank reconciliation information, plus Capital Improvement updates. Internal Scrutiny Audit Reports and Interim Audits Reports are presented at meetings.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance Committee is a sub-committee of the main board of Governors. Its purpose is to monitor the Trust's budget position and systems of financial control.

The Committee is provided with termly financial data to assist with Financial Committee decisions. Capital Improvement Projects CIF Roof Works and Tender documentation for SSEF new build were consulted by Committee in conjunction with Trustees appointed External Project Management Team.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Mr A Brown (Chair), Chair of Finance & Community Governor	3	3
Mr M J Scott, Headteacher and Accounting Officer	3	3
Mrs J Doyle, Parent Governor	3	3
Mrs K Evans, Community Governor	2	3
Mrs C Hughes, Community Governor	3	3
Mr E Lewis, Community Governor	2	3
Mr D Postle, Staff Governor	2	2
Mr J Wade, Staff Governor	2	2

Review of value for money

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

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

- In house monitoring by the Leadership Group and middle managers
- Line Management meetings
- Annual Performance Management
- Annual Budget Planning
- Governors' regular financial review
- Audit compliance - 2 x Interim Audits and independent Internal Scrutiny Audit
- Analysis of student performance data
- OfSTED inspection reports
- Minutes of Full Governing Body and Governors' Committees

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Newport Girls' High School Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Governors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Governors
- 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
- identification and management of risks

The Board of Governors has considered the need for a specific internal audit function and has opted for a bought in internal audit service in line with the Academies Financial Handbook 2020/2021. The Finance Committee considered the output from external audit interim visits, and other compliance visits, in conjunction with the Trust's assessment of risk in confirmation the scope of the internal audit work.

The internal auditor's role included performing a range of checks on areas of the Trust's finance systems and controls which included:

- the operations of the systems of controls;
- then proper use of public funds;
- systems, procedures and policies in place; and
- reporting on their findings.

In addition to the internal audit, the external auditors reported to the Finance Committee the results of the interim visits performed during the year, which comprise part of the statutory year end audit; reporting on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

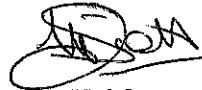
- the work of the external auditors;
- the work of the internal auditors;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Governors on 29 November 2021 and signed on their behalf by:



Mr A J Brown, Community Governor
Chair of Governors



Mr M J Scott
Headteacher and Accounting Officer

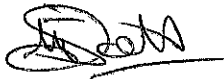
NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Newport Girls' High School Academy Trust I have considered my responsibility to notify the Trust board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the 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 2020.

I confirm that I and the Trust board of Governors are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2020.

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



Mr M J Scott
Headteacher and Accounting Officer

Date: 29 November 2021

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Governors and signed on its behalf by:



Mr A J Brown, Community Governor
Chair of Governors

Date: 29 November 2021

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST**

Opinion

We have audited the financial statements of Newport Girls' High School Academy Trust (the 'trust') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Trustees' Report (incorporating the strategic report and the directors' report) other than the financial statements and our Auditors' report thereon. The Governors are responsible for the other information contained within the Trustees' Report (incorporating the strategic report and the directors' report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

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.

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

- We reviewed the susceptibility of the Trust's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Trust's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Trust and its environment and identify any instances of non-compliance.
- We also assessed the Trust's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Trust awareness to carry out our work to the required standard.

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.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST (CONTINUED)**

Use of our report

This report is made solely to the charitable Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable Trust's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

1 December 2021

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Newport Girls' High School Academy Trust during the year 1 September 2020 to 31 August 2021 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 Newport Girls' High School Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Newport Girls' High School Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Newport Girls' High School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Newport Girls' High School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Newport Girls' High School Academy Trust's funding agreement with the Secretary of State for Education dated 1 April 2011 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NEWPORT
GIRLS' HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Malpass BA FCA (Senior Statutory Auditor)

WR Partners
Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

1st December 2021

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and capital grants	3	-	1,802,839	1,802,839	157,384
Charitable activities	4	3,228,492	-	3,228,492	3,072,302
Total income		<u>3,228,492</u>	<u>1,802,839</u>	<u>5,031,331</u>	<u>3,229,686</u>
Expenditure on:					
Charitable activities	5	3,186,978	123,390	3,310,368	3,178,322
Total expenditure		<u>3,186,978</u>	<u>123,390</u>	<u>3,310,368</u>	<u>3,178,322</u>
Net movement in funds before other recognised gains/(losses)		41,514	1,679,449	1,720,963	51,364
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	22	(29,000)	-	(29,000)	(111,000)
Net movement in funds		<u>12,514</u>	<u>1,679,449</u>	<u>1,691,963</u>	<u>(59,636)</u>
Reconciliation of funds:					
Total funds brought forward		(1,027,344)	8,942,672	7,915,328	7,974,964
Net movement in funds		12,514	1,679,449	1,691,963	(59,636)
Total funds carried forward		<u>(1,014,830)</u>	<u>10,622,121</u>	<u>9,607,291</u>	<u>7,915,328</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 27 to 51 form part of these financial statements.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07521640

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	10,445,709	8,921,696
		<u>10,445,709</u>	<u>8,921,696</u>
Current assets			
Debtors	12	238,215	107,000
Cash at bank and in hand		816,356	438,979
		<u>1,054,571</u>	<u>545,979</u>
Creditors: amounts falling due within one year	13	(525,284)	(247,737)
Net current assets		<u>529,287</u>	<u>298,242</u>
Total assets less current liabilities		<u>10,974,996</u>	<u>9,219,938</u>
Creditors: amounts falling due after more than one year	14	(19,705)	(66,610)
Net assets excluding pension liability		<u>10,955,291</u>	<u>9,153,328</u>
Defined benefit pension scheme liability	22	(1,348,000)	(1,238,000)
Total net assets		<u><u>9,607,291</u></u>	<u><u>7,915,328</u></u>

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
 (A company limited by guarantee)
 REGISTERED NUMBER: 07521640

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Funds of the Trust			
Restricted funds:			
Fixed asset funds	15	10,622,121	8,942,672
Restricted income funds	15	333,170	210,656
Restricted funds excluding pension asset	15	<u>10,955,291</u>	<u>9,153,328</u>
Pension reserve	15	<u>(1,348,000)</u>	<u>(1,238,000)</u>
Total restricted funds	15	<u>9,607,291</u>	<u>7,915,328</u>
Unrestricted income funds	15	<u>-</u>	<u>-</u>
Total funds		<u><u>9,607,291</u></u>	<u><u>7,915,328</u></u>

The financial statements on pages 23 to 51 were approved by the Governors, and authorised for issue on 29 November 2021 and are signed on their behalf, by:



.....
Mr A J Brown, Community Governor
 Chair of Governors

The notes on pages 27 to 51 form part of these financial statements.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	17	2,024,786	188,971
Cash flows from investing activities	18	(1,647,409)	(109,207)
Change in cash and cash equivalents in the year		377,377	79,764
Cash and cash equivalents at the beginning of the year		438,979	359,215
Cash and cash equivalents at the end of the year	19, 20	<u><u>816,356</u></u>	<u><u>438,979</u></u>

The notes on pages 27 to 51 form part of these financial statements

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.6 Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 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.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.7 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 118 - 122 years
Furniture and equipment	- 5 - 10 years
Computer equipment	- 3 years
Motor vehicles	- 5 years
Assets under construction	- 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.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.11 Provisions

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

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 13 and 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.

1.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

1.15 Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	-	44,781	44,781	57,563
Grants	-	14,569	14,569	23,401
Government grants	-	1,743,489	1,743,489	76,420
Total 2021	-	1,802,839	1,802,839	157,384
<i>Total 2020</i>	<i>3,500</i>	<i>153,884</i>	<i>157,384</i>	

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Trust's academy's educational operations

	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	2,842,263	2,842,263	2,661,891
Other DfE/ESFA grants			
Other grants	189,525	189,525	227,464
Other DfE/ ESFA Grant Income	10,140	10,140	-
Universal Infant Free School Meals (UIFSM)	4,365	4,365	-
	<u>3,046,293</u>	<u>3,046,293</u>	<u>2,889,355</u>
Other Government grants			
HVC premium funding	34,400	34,400	-
	<u>34,400</u>	<u>34,400</u>	<u>-</u>
Other income from the Trust's academy's educational operations	105,948	105,948	182,947
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	7,215	7,215	-
Other DfE/ESFA COVID-19 funding	34,636	34,636	-
	<u>41,851</u>	<u>41,851</u>	<u>-</u>
Total 2021	<u><u>3,228,492</u></u>	<u><u>3,228,492</u></u>	<u><u>3,072,302</u></u>
<i>Total 2020</i>	<u><u>3,072,302</u></u>	<u><u>3,072,302</u></u>	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading.

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5. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Academy's Educational Operations:					
Direct costs	2,138,336	-	347,507	2,485,843	2,326,096
Allocated support costs	348,616	237,378	238,531	824,525	852,226
Total 2021	2,486,952	237,378	586,038	3,310,368	3,178,322
<i>Total 2020</i>	<i>2,360,122</i>	<i>261,919</i>	<i>556,281</i>	<i>3,178,322</i>	

6. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Academy's Educational Operations	2,485,843	824,525	3,310,368	3,178,322
<i>Total 2020</i>	<i>2,326,096</i>	<i>852,226</i>	<i>3,178,322</i>	

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6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Academy's Educational Operations 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	2,138,336	2,138,336	2,032,163
Depreciation	123,390	123,390	124,167
Educational Supplies	100,867	100,867	35,455
Examination Fees	62,227	62,227	73,688
Technology Costs	32,479	32,479	27,672
Other Staff Costs	16,313	16,313	26,213
Other Costs	12,231	12,231	6,738
	<u>2,485,843</u>	<u>2,485,843</u>	<u>2,326,096</u>
<i>Total 2020</i>	<u>2,326,096</u>	<u>2,326,096</u>	

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6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Academy's Educational Operations 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	348,616	348,616	327,959
Other Staff Costs	14,222	14,222	4,852
Other Costs	193,207	193,207	268,394
Rates	21,734	21,734	20,139
Energy	55,818	55,818	51,850
Risk Protection Arrangement Fees	15,089	15,089	15,492
Cleaning and Catering	82,008	82,008	72,282
Operating Leases	5,940	5,940	5,940
Security	886	886	4,414
Transport	1,301	1,301	4,826
Catering	12,205	12,205	187
Other Premises Costs	55,903	55,903	58,445
Legal and Professional	7,596	7,596	7,646
Auditor Costs	10,000	10,000	9,800
	<u>824,525</u>	<u>824,525</u>	<u>852,226</u>
<i>Total 2020</i>	<u>852,226</u>	<u>852,226</u>	

7. Net income

Net income for the year includes:

	2021 £	<i>2020 £</i>
Depreciation of tangible fixed assets	123,390	124,167
Fees paid to auditors for:		
- audit	7,200	6,900
- other services	3,450	3,200
	<u>134,040</u>	<u>134,267</u>

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8. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	1,807,253	1,712,582
Social security costs	180,215	169,230
Pension costs	491,049	466,843
	<u>2,478,517</u>	<u>2,348,655</u>
Agency staff costs	8,435	11,467
	<u>2,486,952</u>	<u>2,360,122</u>

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	36	34
Administration and support	19	19
Management	3	4
	<u>58</u>	<u>57</u>

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8. Staff (continued)

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	-

d. Key management personnel

The key management personnel of the Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £375,625 (2020 £422,077).

9. Governors' remuneration and expenses

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

		2021 £	2020 £
Mr M J Scott, Headteacher and Accounting Officer	Remuneration	100,000 -	85,000 -
		105,000	90,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000
Mrs A Seys, Staff Governor	Remuneration	nil	40,000 -
			45,000
	Pension contributions paid	nil	5,000 -
			10,000
Mr D Postle, Staff Governor	Remuneration	45,000 -	45,000 -
		50,000	50,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Mr J Wade, Staff Governor (appointed 7 December 2020)	Remuneration	35,000 -	nil
		40,000	
	Pension contributions paid	5,000 -	nil
		10,000	

During the year ended 31 August 2021, expenses totalling £40 were reimbursed or paid directly to 1 Governor (2020 - £126). The expenses related to mileage and travel claims of which were reimbursed.

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10. Governors' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2021 was £142 (2020 - £155). The cost of this insurance is included in the total insurance cost.

11. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Assets under construction £	Total £
Cost or valuation						
At 1 September 2020	9,082,559	373,114	505,282	20,893	53,944	10,035,792
Additions	-	22,017	27,888	-	1,597,504	1,647,409
Disposals	-	-	-	(20,893)	-	(20,893)
At 31 August 2021	<u>9,082,559</u>	<u>395,131</u>	<u>533,170</u>	<u>-</u>	<u>1,651,448</u>	<u>11,662,308</u>
Depreciation						
At 1 September 2020	469,290	148,589	475,324	20,893	-	1,114,096
Charge for the year	55,200	41,055	27,141	-	-	123,396
On disposals	-	-	-	(20,893)	-	(20,893)
At 31 August 2021	<u>524,490</u>	<u>189,644</u>	<u>502,465</u>	<u>-</u>	<u>-</u>	<u>1,216,599</u>
Net book value						
At 31 August 2021	<u>8,558,069</u>	<u>205,487</u>	<u>30,705</u>	<u>-</u>	<u>1,651,448</u>	<u>10,445,709</u>
At 31 August 2020	<u>8,613,269</u>	<u>224,525</u>	<u>29,958</u>	<u>-</u>	<u>53,944</u>	<u>8,921,696</u>

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12. Debtors

	2021 £	2020 £
Due within one year		
Prepayments	72,626	91,927
Tax recoverable	165,589	15,073
	238,215	107,000

13. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other loans	46,905	46,901
Trade creditors	295,453	7,632
Other taxation and social security	45,677	42,052
Other creditors	45,073	43,484
Accruals and deferred income	92,176	107,668
	525,284	247,737
	2021 £	2020 £
Deferred income at 1 September 2020	98,226	98,339
Resources deferred during the year	81,993	98,226
Amounts released from previous periods	(98,226)	(98,339)
	81,993	98,226

At the balance sheet date the Trust was holding funds received in advance for school fund income, pupil premium and COVID-19 Catch-up income for activity in the 2021/2022 year.

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14. Creditors: Amounts falling due after more than one year

	2021	<i>2020</i>
	£	£
Other loans	19,705	<i>66,610</i>

Included within other loans is a CIF loan totalling £41,974 (2020: £83,591) which is being repaid through monthly repayments. Interest is charged at 1.65%.

Included within other loans are two interest free salix loans totalling £24,633 (2020: 29,599). The loans are repayable by installments over an 8 year period.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant(GAG)	-	2,842,263	(2,842,263)	-	-
Voluntary Income	32,946	-	-	-	32,946
Pupil Premium	-	18,592	(18,592)	-	-
School Fund	80,452	92,993	(126,433)	-	47,012
Other Grants	97,258	274,644	(118,690)	-	253,212
Pension reserve	(1,238,000)	-	(81,000)	(29,000)	(1,348,000)
	<u>(1,027,344)</u>	<u>3,228,492</u>	<u>(3,186,978)</u>	<u>(29,000)</u>	<u>(1,014,830)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Funds - all funds	<u>8,942,672</u>	<u>1,802,839</u>	<u>(123,390)</u>	<u>-</u>	<u>10,622,121</u>
Total Restricted funds	<u><u>7,915,328</u></u>	<u><u>5,031,331</u></u>	<u><u>(3,310,368)</u></u>	<u><u>(29,000)</u></u>	<u><u>9,607,291</u></u>

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

Restricted funds

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. The carried forward balance is the total net book value of fixed assets held plus any unspent capital grants. Restricted funds include the School Fund Current Account - Receipts and payments for trips.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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15. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
Designated funds	38,000	-	-	(38,000)	-	-
Restricted general funds						
General Annual Grant(GAG)	-	2,661,891	(2,661,891)	-	-	-
Voluntary Income	47,309	3,500	-	(17,863)	-	32,946
Pupil Premium	-	15,030	(15,030)	-	-	-
School Fund	-	167,777	(180,156)	92,831	-	80,452
Other Grants	-	227,604	(117,078)	(13,268)	-	97,258
Pension reserve	(1,047,000)	-	(80,000)	-	(111,000)	(1,238,000)
	<u>(999,691)</u>	<u>3,075,802</u>	<u>(3,054,155)</u>	<u>61,700</u>	<u>(111,000)</u>	<u>(1,027,344)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	8,936,655	153,884	(124,167)	(23,700)	-	8,942,672
Total Restricted funds	<u>7,936,964</u>	<u>3,229,686</u>	<u>(3,178,322)</u>	<u>38,000</u>	<u>(111,000)</u>	<u>7,915,328</u>
Total funds	<u><u>7,974,964</u></u>	<u><u>3,229,686</u></u>	<u><u>(3,178,322)</u></u>	<u><u>-</u></u>	<u><u>(111,000)</u></u>	<u><u>7,915,328</u></u>

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16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	10,445,709	10,445,709
Current assets	878,159	176,412	1,054,571
Creditors due within one year	(525,284)	-	(525,284)
Creditors due in more than one year	(19,705)	-	(19,705)
Provisions for liabilities and charges	(1,348,000)	-	(1,348,000)
Total	(1,014,830)	10,622,121	9,607,291

Analysis of net assets between funds - prior year

	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	8,921,696	8,921,696
Current assets	525,003	20,976	545,979
Creditors due within one year	(247,737)	-	(247,737)
Creditors due in more than one year	(66,610)	-	(66,610)
Provisions for liabilities and charges	(1,238,000)	-	(1,238,000)
Total	(1,027,344)	8,942,672	7,915,328

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17. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of financial activities)	1,720,963	51,364
Adjustments for:		
Depreciation	123,396	124,166
Defined benefit pension scheme cost less contributions payable	59,000	63,000
Defined benefit pension scheme finance cost	22,000	17,000
Increase in debtors	(131,215)	(24,270)
Increase/(decrease) in creditors	230,642	(42,289)
Net cash provided by operating activities	2,024,786	188,971

18. Cash flows from investing activities

	2021 £	2020 £
Purchase of tangible fixed assets	(1,647,409)	(109,207)
Net cash used in investing activities	(1,647,409)	(109,207)

19. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	816,356	438,979
Total cash and cash equivalents	816,356	438,979

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20. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	438,979	377,377	816,356
Debt due within 1 year	(46,901)	(4)	(46,905)
Debt due after 1 year	(66,610)	46,905	(19,705)
	<u>325,468</u>	<u>424,278</u>	<u>749,746</u>

21. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>1,072,523</u>	<u>-</u>

22. Pension commitments

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

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

Contributions amounting to £45,073 were payable to the schemes at 31 August 2021 (2020 - £43,484) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £334,109 (2020 - £292,301).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £80,882 (2020 - £66,307), of which employer's contributions totalled £60,832 (2020 - £48,366) and employees' contributions totalled £20,050 (2020 - £17,941). The agreed contribution rates for future years are 18.5 per cent for employers and 5.5-6.5 per cent for employees.

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

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

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22. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.95	3.65
Rate of increase for pensions in payment/inflation	2.80	2.50
Discount rate for scheme liabilities	1.70	1.80
Inflation assumption (CPI)	2.70	2.40

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	23.0	22.9
Females	25.1	25.0
<i>Retiring in 20 years</i>		
Males	24.3	24.2
Females	26.7	26.6

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	1,295	1,193
Mortality assumption - 1 year increase	1,431	1,303
CPI rate +0.1%	1,401	1,284
Pay Growth +0.1%	1,357	1,247

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22. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	661,000	503,000
Other bonds	256,000	231,000
Property	46,000	44,000
Cash and other liquid assets	22,000	18,000
Other	315,000	252,000
Total market value of assets	1,300,000	1,048,000

The actual return on scheme assets was £164,000 (2020 - £10,000).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(133,000)	(129,000)
Interest income	20,000	16,000
Interest cost	(42,000)	(33,000)
Administrative expenses	(2,000)	(2,000)
Total amount recognised in the Statement of financial activities	(157,000)	(148,000)

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

	2021 £	2020 £
At 1 September	2,286,000	1,918,000
Current service cost	133,000	129,000
Interest cost	42,000	33,000
Employee contributions	20,000	20,000
Actuarial losses	173,000	189,000
Benefits paid	(6,000)	(3,000)
At 31 August	2,648,000	2,286,000

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22. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	1,048,000	871,000
Interest income	20,000	16,000
Actuarial gains	144,000	78,000
Employer contributions	76,000	68,000
Employee contributions	20,000	20,000
Benefits paid	(6,000)	(3,000)
Administration expenses	(2,000)	(2,000)
At 31 August	1,300,000	1,048,000

23. Operating lease commitments

At 31 August 2021 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	14,995	41,241
Later than 1 year and not later than 5 years	16,271	48,600
	31,266	89,841

24. Members' liability

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

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(A company limited by guarantee)

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FOR THE YEAR ENDED 31 AUGUST 2021

25. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

