

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016



Whittingham Riddell

chartered accountants

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

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS GOVERNORS AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members

Dr D Llewellyn, Community Governor and Chairman (resigned 4 July 2016)
Mr E Lewis (Chair) (appointed 9 November 2015)
Mrs R Garner

Governors

Mr R Clarke, Community Governor (deceased 12 November 2016)¹
Dr D Llewellyn, Community Governor and Chairman (resigned 4 July 2016)¹
Mrs R Garner, Headteacher and Accounting Officer¹
Dr M Deahl, Community Governor and Vice Chair¹
Mr S Hennessey, Staff Governor¹
Mrs H Hogan, Community Governor
Mr A Hughes, Community Governor
Mr E Lewis (Chair), Community Governor (appointed 9 November 2015)¹
Chairman from 4 July 2016
Mrs J Macpherson, Parent Governor
Mrs K L Moore, Staff Governor¹
Mr J Pimm, Staff Governor (resigned 4 July 2016)
Mr M Turner, Parent Governor¹
Mrs J Harris, Community Governor (appointed 4 July 2016)

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

Mr G Thompson (resigned 31 August 2016)
Rev S Walters (appointed 1 September 2016)

Senior management team

Mrs R Garner, Headteacher
Mr G Thompson, Deputy Headteacher (resigned 31 August 2016)
Mrs S Little, Assistant Headteacher (resigned 31 August 2016)
Miss V Maxwell, Assistant Headteacher (resigned 31 August 2016)
Reverend Stephen Walters, Deputy head (appointed 1 September 2016)
Miss A Davies, Lead Practitioner for teaching and learning (appointed 1 September 2016)

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS GOVERNORS AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Independent auditors

Whittingham Riddell, Belmont House, Shrewsbury Business Park, Shrewsbury, Shropshire, SY2 6LG

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 2016

The Governors present their Annual Report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual Report serves the purposes of both a Governors' report, and a Directors' report under company law.

Since the Academy Trust qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

The Trust operates as an academy for girls aged 11 to 18.

Structure, governance and management

a. Constitution

The Academy 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 and Articles of Association are the primary governing documents of the Academy 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 is known as Newport Girls' High School.

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

The Governors of Newport Girls' High School Academy Trust are also the directors of the charitable company for the purpose of company law.

Details of the Governors who served during the reporting year are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Method of recruitment and appointment or election of Governors

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

Up to 1 Governor, appointed by the Members of the Academy Trust

Up to 1 LA Governor, appointed by Telford & Wrekin Council

Up to 5 Parent Governors, elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy 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 Academy or are committed to the government and success of the Academy; and

The Headteacher.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

d. Policies and procedures adopted for the induction and training of Governors

The Academy Trust provides access for Governors to suitable training and ensures that any new governors are familiarised with the work and procedures of the Academy Trust, so that they can play a full role on the Governing Body. Governors are provided with access to the Academy 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.

e. Pay policy for key management personnel

Arrangement for setting 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 when setting the school Budget for the following academic year.

f. Organisational structure

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

g. Connected organisations, including related party relationships

Owing to the nature of the Academy 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 Academy 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, mini bus expenses and school equipment. Donations received for the year ended 31st August 2016 amounted to £10,796.50

h. Governors' indemnities

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

Strategic report

Objectives and Activities

a. Objects and aims

The Academy 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.

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

b. Objectives, strategies and activities

The aims of the Academy 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 the Trust's objectives the Governors have given careful consideration to the revised guidance on the public benefit published by the Charity Commission.

Achievements and performance

a. Key financial performance indicators

Financial performance at Newport Girls' High School Academy 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

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

b. Review of activities

Examination results for the 2015/2016 academic year were outstanding and the school continues to be one of the top performing schools in the country.

A summary of the results is as follows:

YR13 - A Level

- . Pass rate (grades A* - E) 99.2%
- . 70% of passes at the top grades of A* - B
- . Average UCAS point score of 452.2
- . 44.2% of passes at A*A

YR - 11 GCSE

- . 100% of students gained 5+ grades A* - C including English & Maths
- . Pass rate (grades A* - C) of 99.8%
- . 75.8% of the grades A* or A
- . Average number of passes (A* - C) per student = 10.3
- . 78.2% attained the English Baccalaureate - 100% of students who studied relevant components attained it.

c. Investment policy and performance

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

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Financial review

a. Going concern

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

b. Financial review

The Academy made an operational surplus of £38,587 before accounting for the CIF grant, donations, pension adjustments and depreciation (2015: operational deficit of £19,000).

c. Principal risks and uncertainties

The Governors have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy 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 Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

d. Reserves policy

In general, the Academy 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 Academy 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 2016 amounted to £6,623,861 (2015 £6,342,665). The pension reserve is a negative balance of £760,000 (2015: £405,000). If this is excluded, restricted reserves are £313,479 (2015: £205,494).

Free reserves amounted to £69,000 (2015: £69,000).

Plans for future periods

a. Future developments

The Academy 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 Academy Trust also continues to review development of accommodation and facilities in order to cater for future expansion of the school.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Disclosure of information to auditors

Each of the persons 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 Governor has 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.

This report, incorporating a strategic report, was approved by order of the Board of Trustees as the company directors, on 9 December 2016 and signed on its behalf by:



Mr E. Lewis (Chair), 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.

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

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Governor	Meetings attended	Out of a possible
Mr R Clarke, Community Governor	2	3
Dr D Llewellyn, Community Governor and Chairman	3	3
Mrs R Garner, Headteacher and Accounting Officer	3	3
Dr M Deahl, Community Governor and Vice Chair	3	3
Mr S Hennessey, Staff Governor	2	3
Mrs H Hogan, Community Governor	1	3
Mr A Hughes, Community Governor	2	3
Mr E Lewis (Chair), Community Governor Chairman from 4 July 2016	3	3
Mrs J Macpherson, Parent Governor	1	3
Mrs K L Moore, Staff Governor	3	3
Mr J Pimm, Staff Governor	2	3
Mr M Turner, Parent Governor	3	3
Mrs J Harris, Community Governor	1	1

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

The Finance Committee is a subcommittee of the main Governing body. Its purpose is to monitor the school's budget position and systems of financial control.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Mrs R Garner, Headteacher and Accounting Officer	4	4
Dr D Llewellyn, Community Governor and Chairman	4	4
Dr M Deahl, Community Governor and Vice Chair	4	4
Mr R Clarke, Community Governor	1	4
Mrs K L Moore, Staff Governor	4	4
Mr S Hennessey, Staff Governor	3	4
Mr M Turner, Parent Governor	3	4
Mr E Lewis (Chair), Community Governor	3	4

GOVERNANCE STATEMENT (continued)

Review of Value for money

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

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

- In-house monitoring by the Leadership Group and middle managers
- Line Management meetings
- Annual Performance Management
- Annual Budget Planning
- Governors' regular financial review
- Audit reports
- Independent External Audit Checks
- Analysis of school student performance data
- Analysis of DfE student performance data eg. RAISEonline
- OfSTED inspection reports and
- Minutes of Full Governing Body and Governors' Committees

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Whittingham Riddell, the external auditors, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the auditor's report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.


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 executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 9 December 2016 and signed on their behalf, by:


Mr E Lewis (Chair), Community Governor


Mrs R Garner, Headteacher and Accounting Officer

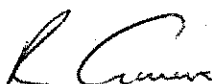
NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Newport Girls' High School Academy Trust I have considered my responsibility to notify the Academy Trust Board of Governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy 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 2015.

I confirm that I and the Academy Trust's Board of Governors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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 EFA.



Mrs R Garner, Headteacher and Accounting Officer

9 December 2016

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST

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**STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016**

The Governors (who act as governors of Newport Girls' High School Academy Trust and 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 Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 9 December 2016 and signed on its behalf by:



Mr E Lewis (Chair), Community Governor

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

We have audited the financial statements of Newport Girls' High School Academy Trust for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of Governors and auditors

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

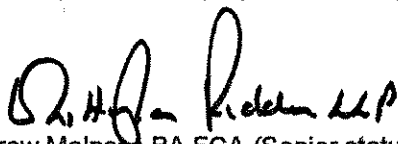
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

Whittingham Riddell

Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

15 December 2016

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

In accordance with the terms of our engagement letter dated February 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, 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 2015 to 31 August 2016 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 the EFA 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 the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Newport Girls' High School Academy Trust and the EFA, 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 auditors

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 01/04/2011, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

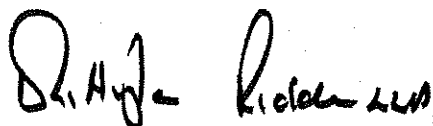
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

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

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO NEWPORT GIRLS'
HIGH SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have 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)

for and on behalf of

Whittingham Riddell

Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date: 15 December 2016

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 2016**


	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted funds - fixed asset 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	-	96,455	591,934	688,389	36,828
Charitable activities - Funding for the academy trust's educational operations	3	-	2,445,469	-	2,445,469	2,409,538
TOTAL INCOME		-	2,541,924	591,934	3,133,858	2,446,366
EXPENDITURE ON:						
Raising funds		-	7,700	-	7,700	15,400
Charitable activities - Academy trust educational operations		-	2,435,720	80,242	2,515,962	2,551,658
TOTAL EXPENDITURE	6	-	2,443,420	80,242	2,523,662	2,567,058
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	15	-	98,504 (16,519)	511,692 16,519	610,196 -	(120,692) -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
Actuarial losses on defined benefit pension schemes	19	-	81,985 (329,000)	528,211 -	610,196 (329,000)	(120,692) (22,000)
NET MOVEMENT IN FUNDS		-	(247,015)	528,211	281,196	(142,692)
RECONCILIATION OF FUNDS:						
Total funds brought forward		69,000	(199,506)	6,473,171	6,342,665	6,485,357
TOTAL FUNDS CARRIED FORWARD		69,000	(446,521)	7,001,382	6,623,861	6,342,665

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

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		6,409,448		6,473,171
CURRENT ASSETS					
Debtors	13	197,834		133,235	
Cash at bank and in hand		937,427		314,557	
		<u>1,135,261</u>		<u>447,792</u>	
CREDITORS: amounts falling due within one year	14	(160,848)		(173,298)	
NET CURRENT ASSETS			<u>974,413</u>		<u>274,494</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,383,861</u>		<u>6,747,665</u>
Defined benefit pension scheme liability	19		<u>(760,000)</u>		<u>(405,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>6,623,861</u></u>		<u><u>6,342,665</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	15	313,479		205,494	
Restricted funds - fixed asset	15	7,001,382		6,473,171	
Restricted income funds excluding pension liability		<u>7,314,861</u>		<u>6,678,665</u>	
Pension reserve		<u>(760,000)</u>		<u>(405,000)</u>	
Total restricted income funds			<u>6,554,861</u>		<u>6,273,665</u>
Unrestricted income funds	15		<u>69,000</u>		<u>69,000</u>
TOTAL FUNDS			<u><u>6,623,861</u></u>		<u><u>6,342,665</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 9 December 2016 and are signed on their behalf, by:


Mr E Lewis (Chair), Community Governor

The notes on pages 22 to 40 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 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	<u>639,389</u>	<u>(4,994)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(16,519)</u>	<u>(17,303)</u>
Net cash used in investing activities		<u>(16,519)</u>	<u>(17,303)</u>
Change in cash and cash equivalents in the year		622,870	(22,297)
Cash and cash equivalents brought forward		<u>314,557</u>	<u>336,854</u>
Cash and cash equivalents carried forward	18	<u><u>937,427</u></u>	<u><u>314,557</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Newport Girls' High School Academy Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Newport Girls' High School Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Newport Girls' High School Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Governors have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 23.

1.2 Fund accounting

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

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 Department for Education 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 and include grants from the Department for Education.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

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

1.4 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.

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

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

All resources expended are inclusive of irrecoverable VAT.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements..

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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

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

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Long-term leasehold property	-	125 years
Motor vehicles	-	5 years
Fixtures and fittings	-	5-15 years
Computer equipment	-	3 years

1.7 Interest receivable

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

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.8 Operating leases

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

1.9 Debtors

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

1.10 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.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. 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 academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Taxation

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The Academy Trust 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.

Critical areas of judgement:

Assumptions used in Pension Valuation

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

Long term Leasehold Property

The academy's land and buildings were brought in on conversion based on a valuation of £6,553,040. This balance is being written off over the 125 year life of the lease.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted funds - fixed asset 2016 £	Total funds 2016 £	<i>As restated</i> Total funds 2015 £
Other Donations	-	-	-	-	279
Campaign Donations	-	96,455	-	96,455	10,000
Capital Grants	-	-	591,934	591,934	26,549
Total donations and capital grants	-	96,455	591,934	688,389	36,828

In 2015, of the total income from donations and capital grants, £ NIL was to unrestricted funds and £36,828 was to restricted funds

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>As restated</i> Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	2,238,412	2,238,412	2,167,637
	-	2,238,412	2,238,412	2,167,637
Other government grants				
Other DfE/EFA grants	-	34,576	34,576	37,906
	-	34,576	34,576	37,906
Other funding				
School Fund Income	-	172,467	172,467	199,988
Other Income	-	14	14	4,007
	-	172,481	172,481	203,995
	-	2,445,469	2,445,469	2,409,538

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £2,409,538 was to restricted funds.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

4. DIRECT COSTS

	Academy's Educational Operations £	Total 2016 £	Total 2015 £
Educational Supplies	247,321	247,321	274,988
Examination Fees	52,560	52,560	57,416
Staff Development	6,021	6,021	9,391
Other Direct Costs	59,801	59,801	85,334
Security & Transport	1,076	1,076	732
Wages and salaries	1,306,933	1,306,933	1,298,156
National insurance	103,844	103,844	98,542
Pension cost	202,306	202,306	178,999
Depreciation	80,242	80,242	119,916
	<u>2,060,104</u>	<u>2,060,104</u>	<u>2,123,474</u>

5. SUPPORT COSTS

	Academy's Educational Operations £	Total 2016 £	Total 2015 £
Pension income	15,000	15,000	12,000
Support Staff Costs	2,049	2,049	2,850
Recruitment & Support	7,959	7,959	3,317
Maintenance	77,730	77,730	80,927
Cleaning	49,320	49,320	46,758
Rent & Rates	13,555	13,555	16,680
Insurance	15,412	15,412	22,275
Security & Transport	1,421	1,421	1,072
Bank Interest & Charges	617	617	590
Other Support Costs	13,386	13,386	13,263
Governance	12,128	12,128	21,971
Wages and salaries	146,175	146,175	112,848
National insurance	11,838	11,838	8,944
Pension cost	89,268	89,268	84,689
	<u>455,858</u>	<u>455,858</u>	<u>428,184</u>

During the year ended 31 August 2016, the Academy Trust incurred the following Governance costs:
£0 (2015 - £21971) included within the table above in respect of Academy's Educational Operations.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising voluntary income	-	-	7,700	7,700	15,400
Academy's Educational Operations:					
Direct costs	1,613,083	-	447,021	2,060,104	2,124,529
Support costs	247,281	-	208,577	455,858	427,129
	<u>1,860,364</u>	<u>-</u>	<u>663,298</u>	<u>2,523,662</u>	<u>2,567,058</u>

In 2016, of the total expenditure, £0 (2015 - £11,934) was to unrestricted funds and £2,523,659 (2015 - £2,555,124) was to restricted funds.

7. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	80,242	119,916
Auditors' remuneration - audit	3,000	3,000
Auditors' remuneration - other services	4,510	5,000
	<u>87,752</u>	<u>137,916</u>

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

8. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,426,023	1,398,238
Social security costs	115,682	107,486
Operating costs of defined benefit pension schemes	291,574	263,688
	1,833,279	1,769,412
Supply teacher costs	27,085	12,766
	1,860,364	1,782,178

Staff restructuring costs comprise:

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

	2016 No.	2015 No.
Teachers	28	24
Administration and support	11	13
Management	4	4
	43	41

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1

The key management personnel of the academy trust comprise the trustees 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 academy trust was £295,560 (2015: £269,509).

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. GOVERNORS' REMUNERATION AND EXPENSES

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

		2016	2015
		£	£
Mrs R Garner, Headteacher and Accounting Officer	Remuneration	75,000-80,000	70,000-75,000
	Pension contributions paid	10,000-15,000	5,000-10,000
Mr S Hennessey, Staff Governor	Remuneration	45,000-50,000	40,000-45,000
	Pension contributions paid	5,000-10,000	5,000-10,000
Mr J Pimm, Staff Governor	Remuneration	40,000-45,000	35,000-40,000
	Pension contributions paid	5,000-10,000	5,000-10,000
Mrs K L Moore, Staff Governor	Remuneration	30,000-35,000	25,000-30,000
	Pension contributions paid	0-5,000	0-5,000

During the year, no Governors received any benefits in kind (2015 - £NIL).

During the year, no Governors received any reimbursement of expenses (2015 - £NIL).

10. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £755 (2015 - £358).

11. OTHER FINANCE INCOME

	2016	2015
	£	£
Interest income on pension scheme assets	17,000	17,000
Interest on pension scheme liabilities	(32,000)	(29,000)
	<u>(15,000)</u>	<u>(12,000)</u>

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

12. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2015	6,553,040	20,893	146,286	393,678	7,113,897
Additions	-	-	1,450	15,069	16,519
At 31 August 2016	<u>6,553,040</u>	<u>20,893</u>	<u>147,736</u>	<u>408,747</u>	<u>7,130,416</u>
Depreciation					
At 1 September 2015	189,312	19,042	48,660	383,712	640,726
Charge for the year	53,456	1,851	5,933	19,002	80,242
At 31 August 2016	<u>242,768</u>	<u>20,893</u>	<u>54,593</u>	<u>402,714</u>	<u>720,968</u>
Net book value					
At 31 August 2016	<u>6,310,272</u>	<u>-</u>	<u>93,143</u>	<u>6,033</u>	<u>6,409,448</u>
At 31 August 2015	<u>6,363,728</u>	<u>1,851</u>	<u>97,626</u>	<u>9,966</u>	<u>6,473,171</u>

13. DEBTORS

	2016 £	2015 £
Other debtors	18,358	8,163
Prepayments and accrued income	179,476	125,072
	<u>197,834</u>	<u>133,235</u>

14. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	9,521	-
Other taxation and social security	67,730	61,295
Other creditors	34,236	34,235
Accruals and deferred income	49,361	77,768
	<u>160,848</u>	<u>173,298</u>

At the balance sheet date the academy trust was holding funds received in advance for school fund income, pupil premium and 16-19 bursary for activity in the 2016/2017 year.

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

15. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds						
Campaign	20,000	-	-	-	-	20,000
General funds						
Unrestricted funds	49,000	-	-	-	-	49,000
Total Unrestricted funds	69,000	-	-	-	-	69,000
Restricted funds						
Restricted Funds - all funds	-	-	-	(16,519)	-	(16,519)
General Annual Grant (GAG)	202,494	2,445,469	(2,417,420)	-	-	230,543
Voluntary Income	3,000	96,455	-	-	-	99,455
Pension reserve	(405,000)	-	(26,000)	-	(329,000)	(760,000)
	(199,506)	2,541,924	(2,443,420)	(16,519)	(329,000)	(446,521)
Restricted funds - Fixed Asset						
Restricted Fixed Asset Funds - all funds	6,473,171	591,934	(80,242)	16,519	-	7,001,382
Total restricted funds	6,273,665	3,133,858	(2,523,662)	-	(329,000)	6,554,861
Total of funds	6,342,665	3,133,858	(2,523,662)	-	(329,000)	6,623,861

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

Designated funds

Designated funds are solely used for the learning and teaching activities within school, and provide resources to support the curriculum, and maintain the school premises efficiently and effectively as is possible.

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. Restricted funds include the School Fund Current Account - Receipts and payments for trips, and includes the Campaign income for new build.

Voluntary Income

Voluntary income includes the income received in relation to the Appeal.

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15. STATEMENT OF FUNDS (continued)

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted funds - fixed asset 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	6,409,448	6,409,448	6,473,171
Current assets	69,000	474,326	591,934	1,135,260	447,792
Creditors due within one year	-	(160,847)	-	(160,847)	(173,298)
Provisions for liabilities and charges	-	(760,000)	-	(760,000)	(405,000)
	<u>69,000</u>	<u>(446,521)</u>	<u>7,001,382</u>	<u>6,623,861</u>	<u>6,342,665</u>

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

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of financial activities)	610,196	(120,692)
Adjustment for:		
Depreciation charges	80,242	120,252
Increase in debtors	(64,596)	(26,254)
(Decrease)/increase in creditors	(12,453)	1,700
Pension finance income / expenditure	26,000	20,000
Net cash provided by/(used in) operating activities	<u>639,389</u>	<u>(4,994)</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	937,427	314,557
Total	<u>937,427</u>	<u>314,557</u>

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19. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £194,111 (2015 - £162,000).

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19. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £66,668 (2015 - £67,500), of which employer's contributions totalled £51,107 (2015 - £51,645) and employees' contributions totalled £15,561 (2015 - £15,855). The agreed contribution rates for future years are 20% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.10 %	4.00 %
Rate of increase in salaries	3.30 %	3.80 %
Rate of increase for pensions in payment / inflation	1.90 %	2.30 %
Inflation assumption (CPI)	1.80 %	2.30 %

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

	2016	2015
Retiring today		
Males	23.9	23.9
Females	26.4	26.3
Retiring in 20 years		
Males	26.2	26.1
Females	29.2	29.1

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19. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	276,000	208,000
Government bonds	-	42,000
Other Bonds	102,000	56,000
Property	27,000	18,000
Cash/Liquidity	9,000	10,000
Other	105,000	62,000
Total market value of assets	519,000	396,000

The actual return on scheme assets was £61,000 (2015 - £13,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(61,000)	(60,000)
Net interest cost	(15,000)	(12,000)
Total	(76,000)	(72,000)

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

	2016 £	2015 £
Opening defined benefit obligation	801,000	680,000
Current service cost	61,000	60,000
Interest cost	32,000	29,000
Contributions by employees	16,000	16,000
Actuarial losses	373,000	18,000
Benefits paid	(4,000)	(2,000)
Closing defined benefit obligation	1,279,000	801,000

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19. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening fair value of scheme assets	396,000	317,000
Return on plan assets (excluding net interest on the net defined pension liability)	17,000	17,000
Actuarial gains and (losses)	44,000	(4,000)
Assets distributed on settlements	(1,000)	-
Contributions by employer	51,000	52,000
Contributions by employees	16,000	16,000
Benefits paid	(4,000)	(2,000)
Closing fair value of scheme assets	<u>519,000</u>	<u>396,000</u>

20. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	14,919	16,629
Between 1 and 5 years	23,654	38,572
Total	<u>38,573</u>	<u>55,201</u>

21. 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.

22. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

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23. FIRST TIME ADOPTION OF FRS 102

The policies applied under the Academy Trust's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.