Registered number: 07521640

NEWPORT GIRLS' HIGH SCHOOL ACADEMY TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

Whittingham Riddell

chartered accountants

WEDNESDAY

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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

Members

Mrs K Foster
Mr E Lewis (Chair)
Mrs R Garner

Trustees

Mr A J Brown, Community Governor & Chair of Finance (appointed 1 April 2019)[1]
Mr S Hennessey, Staff Governor (resigned 31 August 2019)[1]
Dr M Deahl, Community Governor and Vice Chair (resigned 31 March 2019)[1]
Mrs A Seys, Staff Governor
Mrs J Macpherson, Parent Governor
Mr E Lewis (Chair), Community Governor[1]
Mrs J Harris, Community Governor[1]
Mrs P Dower, Community Governor
Mr M J Scott, Headteacher and Accounting Officer[1]
Mrs J Doyle, Parent Governor[1]
Mrs S Mahy, Parent Governor (resigned 31 August 2019)
Mrs C Rodrigues, Parent Governor
Mr D Postle, Staff Governor (appointed 1 September 2019)

[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

Rev S Walters

Senior management team

M J Scott, Headteacher
Reverend Stephen Walters, Deputy head
Miss H Clarke, Assistant Headteacher
Miss A Davies, Lead Practitioner for teaching and learning

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

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 2018 to 31 August 2019. 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 Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

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 Trustees

The Trust has the following governing structure prescibed 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.

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

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**
1%-50%	**-**
51%-99%	**-**
100%	**-**

Percentage of pay bill spent on facility time	**£**	
Total cost of facility time	**-**	
Total pay bill	**2,137,993**	
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**	%

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. Donations received for the year ended 31st August 2019 amounted to approximately £7,000 to support new build costs and part funding towards new building furniture.

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

Objectives and activities (continued)

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.

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.

Strategic report (continued)

Achievements and performance (continued)

c. Review of activities

Examination results for the 2018/2019 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:

YR 13 A Level

- A* grades were attained in 11 full A level subjects with the proportion of A* grades being 9.4%. Counting EPQ as one third of an A level increases the figure to 11.9%.
- 37.0% of entries were A* or A grades with eight subjects achieving 40% or more A*/A grades. These were Art, French, Geography, German, Mathematics, Physics, Religious Studies and the Extended Project.
- 68.2% of entries were A* to B grades with eight subjects achieving 70% or more A* to B grades. These subjects were Art, Geography, Politics, Psychology, Literature, French, German and the Extended Project.
- 85.5% of entries were A* to C grades with seven subjects achieving 100% or more A* to C grades. These subjects were Further Maths, Art, Religious Studies, English Literature, French, German and the Extended Project.
- Average grade was B.
- Progress/value added – likely to be around -0.15, a much improved figure.

Note if EPQ not scaled then the proportion of entries achieving A*A is 42.2%, A*B is 72% and A*C is 87.7%

YR 11 GCSE

- 79.5% of GCSE/Level 2 results were the new 9-7 grades or A* and A grades.
- The progress 8 score currently stand at 0.91 with the Attainment 8 Points Score at 78.2
- 2 students attained all 9s of A*grades.
- There were 39 grade 9s in mathematics, 34 in Physics, 29 in Chemistry, 29 in Biology and 20 in Geography.
- The highest proportions of Grade 9s were in Mathematics (47.6%) Physics (41.5%), Design Technology (41.2%) Geography (36.4%), Biology (35.4%) and Chemistry (35.4%).
- The highest proportions of Grade 8s or 9s/A* grades were in Music (87.5%), Design Technology (82.4%), Mathematics (80.5%), Biology (65.9%), Computer Science (63.6%), Physics (63.4%) and History (61.3%).
- In Mathematics 93.9% of students achieved the top levels 7-9 and 30 of these students obtained an A, A* or A^(distinction) in Additional Mathematics.
- 88% of the cohort achieved the Ebacc.
- 91.9% of all entries resulted in a grade 6/B or higher.

d. 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.

Strategic report (continued)

Financial review

a. Reserves policy

In general, the Trust expects to spend its annual income on the provision of education for it's 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 2019 amounted to £7,974,964 (2018: £8,347,644).

Total restricted reserves including the restricted asset funds at 31 August 2019 are £7,936,964 (2018: £8,309,644). The pension reserve is a deficit balance of £1,047,000 (2018: deficit £593,000). If this is excluded, restricted reserves including restricted fixed asset funds are £8,983,964 (2018: £8,902,644).

Unrestricted reserves at 31 August 2019 are £38,000 (2018: £38,000). The unrestricted reserves have been designated for contingencies on the new build.

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.

School were successful in obtaining a Wolfson Grant of £40,000 towards the refurbishment of Science Lab 15 which completed in June 2019

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 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 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 Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on and signed on its behalf by:

9/12/19

E Lewis

.....

Mr E Lewis (Chair), Community Governor
Chair of Governors

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, 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 STATEMENT (CONTINUED)

Governance

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

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

Trustee	Meetings attended	Out of a possible
Mr A J Brown, Community Governor & Chair of Finance	5	5
Mr S Hennessey, Staff Governor	5	5
Dr M Deahl, Community Governor and Vice Chair	3	4
Mrs A Seys, Staff Governor	4	5
Mrs J Macpherson, Parent Governor	5	5
Mr E Lewis (Chair), Community Governor	5	5
Mrs J Harris, Community Governor	4	5
Mrs P Dower, Community Governor	4	5
Mr M J Scott, Headteacher and Accounting Officer	5	5
Mrs J Doyle, Parent Governor	5	5
Mrs S Mahy, Parent Governor	4	5
Mrs C Rodrigues, Parent Governor	5	5
Mr D Postle, Staff Governor	0	0

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

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Brown, (Chair of Finance) Community Governor	2	2
Dr M Deahl	1	2
Mrs J Doyle, Parent Governor	2	2
Mrs J Harris, Community Governor	2	2
Mr S Hennessey, Staff Governor	2	2
Mr E Lewis (Chair), Community Governor	2	2
Mrs S Mahy, Parent Governor	2	2
Mr M J Scott, Headteacher and Accounting Officer	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 Trustees 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 reports
- Independent External Audit Checks
- Analysis of student performance data
- Analysis of DfE student performance data eg. RAISEonline
- OfSTED inspection reports
- 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 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 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees 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 Trustees 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 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

GOVERNANCE STATEMENT (CONTINUED)

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 Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

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

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

1. Reviewing the operations of the systems of controls;
2. Review of procedures in place; and
3. Reporting on their findings
   - testing of payroll systems;
   - testing of purchase systems;
   - testing of accounting procedures including bank reconciliations;
   - testing of income;
   - testing of items requiring special approval;
   - testing of tendering activities; and
   - testing of asset maintenance; and
   - testing of management reporting controls.

On a termly basis, the external auditors report to the board of Trustees through the finance and general purposes committee on the operation of the systems of control and on the discharge of the 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 financial management and governance self-assessment process;
- 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 finance and general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the board of Trustees on 9 December 2019 and signed on their behalf by:

.....
Mr E Lewis, Community Governor
Chair of Trustees

.....
Mr M J Scott
Headteacher and Accounting Officer

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 Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the 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 2018.

I confirm that I and the Trust board of Trustees 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 2018.

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

Mr M J Scott
Headteacher and Accounting Officer

Date: 9 December 2019

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

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

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

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

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

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

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

Approved by order of the members of the board of Trustees on 9 December 2019 and signed on its behalf by:

E Lewis

.....

Mr E Lewis (Chair), Community Governor
Chair of Governors

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 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

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 Trustees' responsibilities statement, the Trustees (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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

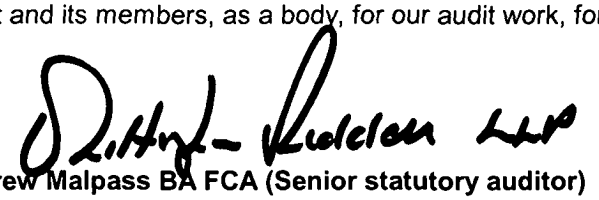
Auditors' responsibilities for the audit of the financial statements

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.

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

Use of our report

This report is made solely to the 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
Whittingham Riddell
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

12 December 2019

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

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

This report is made solely to Newport Girls' High School Academy Trust and the 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 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by 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.

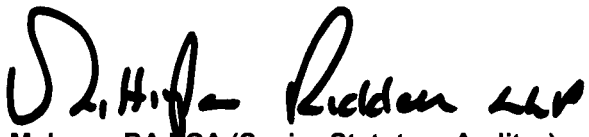
A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a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

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 2018 to 31 August 2019 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)

Whittingham Riddell

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date: 12 December 2019

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	*Total funds 2018 £*
Income from:						
Donations and capital grants	3	-	-	136,785	136,785	*325,903*
Charitable activities		-	2,906,776	-	2,906,776	*2,733,035*
Total income		-	2,906,776	136,785	3,043,561	*3,058,938*
Expenditure on:						
Charitable activities	6	-	2,968,450	99,791	3,068,241	*2,917,275*
Total expenditure		-	2,968,450	99,791	3,068,241	*2,917,275*
Net (expenditure)/income		-	(61,674)	36,994	(24,680)	*141,663*
Transfers between funds	16	-	(91,245)	91,245	-	-
Net movement in funds before other recognised gains/(losses)		-	(152,919)	128,239	(24,680)	*141,663*
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	21	-	(348,000)	-	(348,000)	*159,000*
Net movement in funds		-	(500,919)	128,239	(372,680)	*300,663*
Reconciliation of funds:						
Total funds brought forward		38,000	(498,772)	8,808,416	8,347,644	*8,046,981*
Net movement in funds		-	(500,919)	128,239	(372,680)	*300,663*
Total funds carried forward		38,000	(999,691)	8,936,655	7,974,964	*8,347,644*

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

The notes on pages 26 to 47 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 2019

	Note		2019 £		*2018 £*
Fixed assets					
Tangible assets	12		**8,936,655**		*8,808,416*
			8,936,655		*8,808,416*
Current assets					
Debtors	13	**82,730**		*138,937*	
Cash at bank and in hand		**359,215**		*355,128*	
		441,945		*494,065*	
Creditors: amounts falling due within one year	14	**(243,486)**		*(199,482)*	
Net current assets			**198,459**		*294,583*
Total assets less current liabilities			**9,135,114**		*9,102,999*
Creditors: amounts falling due after more than one year	15		**(113,150)**		*(162,355)*
Net assets excluding pension liability			**9,021,964**		*8,940,644*
Defined benefit pension scheme liability	21		**(1,047,000)**		*(593,000)*
Total net assets			**7,974,964**		*8,347,644*

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

	Note		2019 £		*2018 £*
Funds of the Trust					
Restricted funds:					
Fixed asset funds	16	**8,936,655**		*8,808,416*	
Restricted income funds	16	**47,309**		*94,228*	
Restricted funds excluding pension asset	16	**8,983,964**		*8,902,644*	
Pension reserve	16	**(1,047,000)**		*(593,000)*	
Total restricted funds	16		**7,936,964**		*8,309,644*
Unrestricted income funds	16		**38,000**		*38,000*
Total funds			**7,974,964**		*8,347,644*

The financial statements on pages 22 to 47 were approved by the Trustees, and authorised for issue on 09 December 2019 and are signed on their behalf, by:

.....
Mr E Lewis (Chair), Community Govenor
(Chair of Trustees)

The notes on pages 26 to 47 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	18	**232,117**	*219,571*
Cash flows from investing activities	19	**(228,030)**	*(1,116,312)*
Change in cash and cash equivalents in the year		**4,087**	*(896,741)*
Cash and cash equivalents at the beginning of the year		**355,128**	*1,251,869*
Cash and cash equivalents at the end of the year	20	**359,215**	*355,128*

The notes on pages 26 to 47 form part of these financial statements

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Newport Girls' High School Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the 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. Accounting policies (continued)

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.

- **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. Accounting policies (continued)

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 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 basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- 125 years
Furniture and equipment	- 5-15 years

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

1.6 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. Accounting policies (continued)

1.7 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.

1.8 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.

1.9 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 13. 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 14 and 15. 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.

1.10 Operating leases

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

1. Accounting policies (continued)

1.11 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.

1.12 Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Trustees 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.

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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Restricted fixed asset funds 2019 £	**Total funds 2019** £	*Total funds 2018* £
Donations	55,091	**55,091**	*152,138*
Grants	81,694	**81,694**	*173,765*
	136,785	**136,785**	*325,903*

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

	Restricted funds 2019 £	Total funds 2019 £	*Total funds 2018 £*
DfE/ESFA grants			
General Annual Grant (GAG)	2,567,433	**2,567,433**	*2,366,706*
Other Grants	61,182	**61,182**	*24,196*
School Fund Income	252,872	**252,872**	*335,019*
Local Authority Income	4,523	**4,523**	*4,427*
Other Income	20,766	**20,766**	*2,687*
	2,906,776	**2,906,776**	*2,733,035*

5. Expenditure

	Staff Costs 2019 £	Other 2019 £	Total 2019 £	*Total 2018 £*
Academy's Educational Operations:				
Direct costs	1,776,735	305,919	**2,082,654**	*1,898,441*
Allocated support costs	361,258	624,329	**985,587**	*1,018,834*
	2,137,993	930,248	**3,068,241**	*2,917,275*
Total 2018	*1,989,257*	*928,018*	*2,917,275*	

6. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2019 £	Total funds 2019 £	*Total funds 2018 £*
Academy's Educational Operations	3,068,241	**3,068,241**	*2,917,275*

7. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	*Total funds 2018 £*
Academy's Educational Operations	2,082,654	985,587	**3,068,241**	*2,917,275*
Total 2018	*1,898,441*	*1,018,834*	*2,917,275*	

Analysis of direct costs

	Academy's Educational Ope 2019 £	Total funds 2019 £	*Total funds 2018 £*
Staff costs	1,776,735	**1,776,735**	*1,695,467*
Depreciation	99,791	**99,791**	*87,755*
Educational Supplies	45,380	**45,380**	*45,359*
Examination Fees	84,522	**84,522**	*57,284*
Technology Costs	19,499	**19,499**	*793*
Other Staff Costs	46,928	**46,928**	-
Other Costs	9,799	**9,799**	*11,783*
	2,082,654	**2,082,654**	*1,898,441*

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Academy's Educational Ope 2019 £	Total funds 2019 £	*Total funds 2018 £*
Staff costs	361,258	**361,258**	*293,790*
Other Staff Costs	9,218	**9,218**	*9,303*
Other Costs	301,691	**301,691**	*504,904*
Rates	24,635	**24,635**	*18,039*
Energy	46,490	**46,490**	*42,171*
Risk Protection Arrangement Fees	15,253	**15,253**	*14,325*
Cleaning and Catering	69,723	**69,723**	*62,455*
Security	2,616	**2,616**	*3,760*
Transport	6,733	**6,733**	*4,958*
Catering	439	**439**	*5,657*
Other Premises Costs	130,717	**130,717**	*41,681*
Legal and Professional	6,864	**6,864**	*7,291*
Auditor Costs	9,950	**9,950**	*10,500*
	985,587	**985,587**	*1,018,834*

8. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2019 £	*2018 £*
Depreciation of tangible fixed assets	**101,014**	*87,755*
Fees paid to auditors for:		
- audit	**8,350**	*8,200*
- other services	**1,350**	*1,300*

9. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	**1,607,640**	*1,512,182*
Social security costs	**156,973**	*150,093*
Pension costs	**364,748**	*294,631*
	2,129,361	*1,956,906*
Agency staff costs	**8,632**	*22,851*
Staff restructuring costs	**-**	*9,500*
	2,137,993	*1,989,257*

Included within staff restructuring cost is a severence payment to one employee totalling £nil (2018: 9,500)

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	**29**	*32*
Administration and support	**15**	*18*
Management	**4**	*2*
	48	*52*

9. Staff costs (continued)

c. Higher paid staff

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

	2019 No.	*2018 No.*
In the band £60,001 - £70,000	**1**	*1*
In the band £70,001 - £80,000	**-**	*1*
In the band £80,001 - £90,000	**1**	*-*

d. Key management personnel

The key management personnel of the Trust compromise the Governers 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 £283,031 (2018: £219,506).

10. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The principal and other staff Trustees 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 Trustees' remuneration and other benefits was as follows:

		2019 £	*2018 £*
Mr S Hennessey, Staff Governor (resigned 31 August 2019)	Remuneration	**45,000 - 50,000**	*45,000 - 50,000*
	Pension contributions paid	**5,000 - 10,000**	*5,000 - 10,000*
Mr M J Scott, Headteacher and Accounting Officer	Remuneration	**80,000 - 85,000**	*50,000 - 55,000*
	Pension contributions paid	**10,000 - 15,000**	*5,000 - 10,000*
Mrs A Seys, Staff Governor	Remuneration	**35,000 - 40,000**	*35,000 - 40,000*
	Pension contributions paid	**5,000 - 10,000**	*5,000 - 10,000*

During the year ended 31 August 2019, expenses totalling £191 were reimbursed or paid directly to 1 Trustee *(2018 - £NIL)*. The expenses related to mileage and travel claims of which were reimbursed.

11. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,343,692 on any one claim and the cost for the year ended 31 August 2019 was £155 *(2018 - £150)*. The cost of this insurance is included in the total insurance cost.

12. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Other fixed assets £	Total £
Cost or valuation						
At 1 September 2018	**8,972,963**	**213,606**	**441,024**	**20,893**	**50,069**	**9,698,555**
Additions	**18,320**	**148,300**	**61,410**	**-**	**-**	**228,030**
At 31 August 2019	**8,991,283**	**361,906**	**502,434**	**20,893**	**50,069**	**9,926,585**
Depreciation						
At 1 September 2018	**360,694**	**96,594**	**411,958**	**20,893**	**-**	**890,139**
Charge for the year	**53,646**	**13,503**	**32,642**	**-**	**-**	**99,791**
At 31 August 2019	**414,340**	**110,097**	**444,600**	**20,893**	**-**	**989,930**
Net book value						
At 31 August 2019	**8,576,943**	**251,809**	**57,834**	**-**	**50,069**	**8,936,655**
At 31 August 2018	*8,612,269*	*117,012*	*29,066*	*-*	*50,069*	*8,808,416*

13. Debtors

	2019 £	*2018 £*
Due within one year		
Prepayments and accrued income	**64,187**	*119,311*
Tax recoverable	**18,543**	*19,626*
	82,730	*138,937*

14. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	**47,262**	*44,959*
Trade creditors	**16,905**	*28,210*
Other taxation and social security	**39,569**	*69,379*
Other creditors	**32,594**	-
Accruals and deferred income	**107,156**	*56,934*
	243,486	*199,482*

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

	2019 £	2018 £
Other loans	**113,150**	*162,355*

Included within other loans is a CIF loan totalling £125,926 which is being repaid through monthly repayments. Interest is charged at 1.65%.

Included within other loans are two interest free salix loans totalling £34,486 (2018: 39,412). The loans are repayable by installments over an 8 year period.

16. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
Contingencies on new build	**38,000**	**-**	**-**	**-**	**-**	**38,000**
Restricted general funds						
General Annual Grant(GAG)	**94,228**	**2,567,433**	**(2,661,661)**	**-**	**-**	**-**
Voluntary Income	**-**	**339,343**	**(200,789)**	**(91,245)**	**-**	**47,309**
Pension reserve	**(593,000)**	**-**	**(106,000)**	**-**	**(348,000)**	**(1,047,000)**
	(498,772)	**2,906,776**	**(2,968,450)**	**(91,245)**	**(348,000)**	**(999,691)**
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	**8,808,416**	**136,785**	**(99,791)**	**91,245**	**-**	**8,936,655**
Total Restricted funds	**8,309,644**	**3,043,561**	**(3,068,241)**	**-**	**(348,000)**	**7,936,964**
Total funds	**8,347,644**	**3,043,561**	**(3,068,241)**	**-**	**(348,000)**	**7,974,964**

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

Designated funds
Designated funds were for contigencies on the new build.

Restricted funds
Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset aquired or created is held for a specific purpose. Restricted funds include the School Fund Current Account - Reciepts 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 2019.

16. Statement of funds (continued)

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

	Balance at 1 September 2017 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2018* £
Unrestricted funds						
Designated funds						
Contingencies on new build	*105,000*	-	-	*(67,000)*	-	*38,000*
General funds						
General Funds - all funds	*(1,766)*	-	-	*1,766*	-	-
Total Unrestricted funds	103,234	-	-	*(65,234)*	-	*38,000*
Restricted general funds						
General Annual Grant (GAG)	*341,814*	*2,733,035*	*(2,773,520)*	*(207,101)*	-	*94,228*
Voluntary Income	*99,455*	-	-	*(99,455)*	-	-
Pension Reserve	*(696,000)*	-	*(56,000)*	-	*159,000*	*(593,000)*
	(254,731)	2,733,035	(2,829,520)	*(306,556)*	*159,000*	*(498,772)*
Restricted fixed asset funds						
Restricted Fixed Asset Funds	*8,198,478*	*325,903*	*(87,755)*	*371,790*	-	*8,808,416*
Total Restricted funds	*7,943,747*	*3,058,938*	*(2,917,275)*	*65,234*	*159,000*	*8,309,644*
Total funds	*8,046,981*	*3,058,938*	*(2,917,275)*	-	*159,000*	*8,347,644*

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	8,936,655	**8,936,655**
Current assets	38,000	403,945	-	**441,945**
Creditors due within one year	-	(243,486)	-	**(243,486)**
Creditors due in more than one year	-	(113,150)	-	**(113,150)**
Provisions for liabilities and charges	-	(1,047,000)	-	**(1,047,000)**
Total	38,000	(999,691)	8,936,655	**7,974,964**

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	*Restricted funds 2018 £*	*Restricted fixed asset funds 2018 £*	*Total funds 2018 £*
Tangible fixed assets	-	-	8,808,416	*8,808,416*
Current assets	38,002	456,063	-	*494,065*
Creditors due within one year	-	(199,482)	-	*(199,482)*
Creditors due in more than one year	-	(162,355)	-	*(162,355)*
Provisions for liabilities and charges	-	(593,000)	-	*(593,000)*
Total	38,002	(498,774)	8,808,416	*8,347,644*

18. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2019 £	2018 £
Net (expenditure)/income for the year (as per Statement of financial activities)	**(24,680)**	*141,663*
Adjustments for:		
Depreciation	**99,791**	*87,755*
Defined benefit pension scheme cost less contributions payable	**(60,000)**	*(56,000)*
Defined benefit pension scheme finance cost	**166,000**	*112,000*
Decrease in debtors	**56,205**	*97,987*
Decrease in creditors	**(5,199)**	*(163,834)*
Net cash provided by operating activities	**232,117**	*219,571*

19. Cash flows from investing activities

	2019 £	2018 £
Purchase of tangible fixed assets	**(228,030)**	*(1,116,312)*
Net cash used in investing activities	**(228,030)**	*(1,116,312)*

20. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	**359,215**	*355,128*
Total cash and cash equivalents	**359,215**	*355,128*

21. Pension commitments

The Trust's employees belong to two principal pension schemes: the Teachers' 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 schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

21. Pension commitments (continued)

Contributions amounting to £32,594 were payable to the schemes at 31 August 2019 *(2018 - £31,099)* and are included within creditors.

Teachers' Pension Scheme

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

The Teachers' Pension Budgeting and Valuation Account

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

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

Valuation of the Teachers' Pension Scheme

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

21. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £211,681 *(2018 - £200,727)*.

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

Scheme Changes

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

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

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

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 2019 was £58,862 *(2018 - £73,190)*, of which employer's contributions totalled £42,106 *(2018 - £56,000)* and employees' contributions totalled £ 16,756 *(2018 - £17,190)*. The agreed contribution rates for future years are 20 per cent for employers and 5.5-12.5 per cent for employees.

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

Principal actuarial assumptions

	2019	*2018*
	%	*%*
Rate of increase in salaries	**3.60**	*3.60*
Rate of increase for pensions in payment/inflation	**2.20**	*2.20*
Discount rate for scheme liabilities	**2.80**	*2.80*
Inflation assumption (CPI)	**2.10**	*2.10*

21. Pension commitments (continued)

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

	2019 Years	*2018 Years*
Retiring today		
Males	**23.2**	*23.1*
Females	**26.4**	*26.3*
Retiring in 20 years		
Males	**25.4**	*25.3*
Females	**28.7**	*28.6*

Sensitivity analysis

	2019 £000	*2018 £000*
Discount rate +0.1%	**1,007**	*565*
Mortality assumption - 1 year increase	**1,081**	*617*
CPI rate +0.1%	**1,088**	*622*
Pay Growth +0.1%	**1,058**	*601*

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

	At 31 August 2019 £	*At 31 August 2018 £*
Equities	**436,000**	*391,000*
Corporate bonds	**181,000**	*171,000*
Property	**41,000**	*38,000*
Cash and other liquid assets	**16,000**	*18,000*
Other	**197,000**	*150,000*
Total market value of assets	**871,000**	*768,000*

The actual return on scheme assets was £30,000 *(2018 - £38,000)*.

21. Pension commitments (continued)

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

	2019 £	2018 £
Current service cost	**(90,000)**	*(93,000)*
Past service cost	**(59,000)**	-
Interest income	**23,000**	*17,000*
Interest cost	**(38,000)**	*(34,000)*
Administrative expenses	**(2,000)**	*(2,000)*
Total amount recognised in the Statement of financial activities	**(166,000)**	*(112,000)*

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

	2019 £	2018 £
At 1 September	**1,361,000**	*1,359,000*
Past service cost	**59,000**	-
Current service cost	**90,000**	*93,000*
Interest cost	**38,000**	*34,000*
Employee contributions	**18,000**	*17,000*
Actuarial losses/(gains)	**356,000**	*(137,000)*
Benefits paid	**(4,000)**	*(5,000)*
At 31 August	**1,918,000**	*1,361,000*

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

	2019 £	2018 £
At 1 September	**768,000**	*663,000*
Interest income	**23,000**	*17,000*
Actuarial gains	**8,000**	*22,000*
Employer contributions	**60,000**	*56,000*
Employee contributions	**18,000**	*17,000*
Benefits paid	**(4,000)**	*(5,000)*
Administration expenses	**(2,000)**	*(2,000)*
At 31 August	**871,000**	*768,000*

22. Operating lease commitments

At 31 August 2019 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	*2018 £*
Not later than 1 year	**35,301**	*8,151*
Later than 1 year and not later than 5 years	**82,416**	*29,451*
	117,717	*37,602*

23. 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.

24. Related party transactions

Owing to the nature of the Trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustees has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.