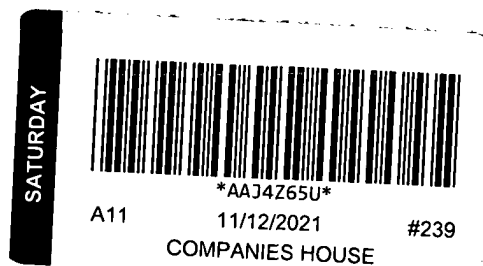


Company Registration No. 07963778 (England and Wales)

**NEW GENERATION SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021**



NEW GENERATION SCHOOLS TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 17
Governance statement	18 - 21
Statement on regularity, propriety and compliance	22
Statement of Trustees' responsibilities	23
Independent auditor's report on the accounts	24 - 28
Independent reporting accountant's report on regularity	29 - 30
Statement of financial activities including income and expenditure account	31 - 32
Balance sheet	33
Statement of cash flows	34
Notes to the accounts including accounting policies	35 - 56

NEW GENERATION SCHOOLS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr Paul Weston
Mr Matthew Green
Mr Andrew McGee
Mrs Yvonne Au
Mr David Ryan

Trustees

Mr Paul Weston (Chair of Trustees)
Mr Terry Millar
Mr Gary Carvosso (Resigned 17 June 2021)
Mr George Feyita (Resigned 17 June 2021)
Mr Paul Williams (Chair of Finance Committee)
Mrs Reena Narula (Resigned 10 September 2021)
Mrs Zoe Roder
Mr Adam Reed
Mrs Denise Gibbs-Naguar
Mr Daniel Rouse (Appointed 28 May 2021)

Senior management team

- Principal (Sidcup) & Accounting Officer
- Principal (Southampton)

Mrs Anne Wood
Mr Steve Wright

Company registration number

07963778 (England and Wales)

Principal address

New Generation Centre
Birkbeck Road
Sidcup
Kent
DA14 4DJ

Registered office

New Generation Centre
Birkbeck Road
Sidcup
Kent
DA14 4DJ

Academies operated

Hope Community School Sidcup
Hope Community School Southampton

Location

Sidcup
Southampton

Principal

Mrs Anne Wood
Mr Steve Wright

Independent auditor

UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

NEW GENERATION SCHOOLS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank
130 The Broadway
Bexleyheath
Kent
DA6 7DP

Solicitors

Hill Dickinson
1 St Pauls Square
Liverpool
L3 9SJ

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the consolidated financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the company's Memorandum and Articles of Association, applicable laws and 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 published on 16 July 2014 (FRS 102).

The New Generation Schools Trust operates two Free Schools for pupils age 5-11: Sidcup, serving the Footscray area of Sidcup, Kent, and Southampton, serving the inner-city area of Southampton. The New Generation Schools Trust in Sidcup has space for 210 pupils and Southampton 420, when full. The school census Spring 2021 showed that there were 148 pupils in Sidcup and 127 in Southampton.

Structure, governance and management

Constitution

The New Generation Schools Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the New Generation Schools Trust. New Generation Schools Trust was incorporated on 24th February 2012, in the name of New Generation Schools Trust, and Hope Community School in Sidcup opened as the first New Generation Schools Trust school on 1st September 2013. The New Generation Schools Trust has entered into a funding agreement with the Department for Education which provides the framework within which the New Generation Schools Trust must operate.

The Trustees of New Generation Schools Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as New Generation Schools Trust.

The Trust now operates as New Generation Schools Trust under the standard Multi –New Generation Schools Trust model. The Multi Academy New Generation Schools Trust is constituted under a Memorandum of Association dated 9th February 2016. This is the primary governing document of the Trust.

Details of the Trustees who served throughout the year are included in the Reference and Administrative details on page 1 and 2.

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, as required in the New Generation Schools Trust's funding agreement/memorandum and articles of association, for the debts and liabilities contracted before they ceased to be a member.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trustees' indemnities

In accordance with the Articles of Association, subject to the provisions of the Companies Act 2006 and Article 6.3 every Trustee or other officer or auditor of the Company and every member of any Local Governing Body and/or Advisory Body (in so far as necessary) shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

The Trust is a member of the Government RPA scheme which includes Governors' liability insurance to £10 million.

Principal Activities

The New Generation Schools Trust's objects are specifically restricted to the following:

- a. 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 schools with a designated Christian religious character offering a broad and balanced curriculum ("the New Generation Schools Trust"); and conducted in accordance with the principles, practices and tenets of the Pioneer Charity, a national denomination of the Christian faith, both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to the advice of the NGCT Trustees and Pioneer Trustees;
- b. To promote for the benefit of the inhabitants of the area in which the Academies are situated the provision of facilities for recreation or the leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants;
- c. To operate bank accounts in the name of the New Generation Schools Trust;
- d. To raise funds and to invite and receive contributions provided that in raising funds the New Generation Schools Trust shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations;
- e. To acquire, alter, improve and (subject to such consents as may be required by law) to charge or otherwise dispose of property;
- f. To employ such staff, as are necessary for the proper pursuit of the objects and to make all reasonable and necessary provision for the payments of pensions and superannuation to the staff and their dependants;
- g. To establish, maintain, carry on, manage and develop the Academies at locations determined by the Trustees.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Method of recruitment and appointment or election of Trustees

Our approach to appointing governors is to use our broad community connections to appoint governors with relevant experience. All governors would have a strong sympathy to the vision, values, ethos and faith foundations of the school. The method of recruitment as laid out in our memorandum and articles, and funding agreement, is as follows:

- The members shall appoint up to 10 Trustees with a minimum of 6 Governors on each Hope Council, provided that the members may at any time appoint such number of additional Trustees/Governors who, when combined with any existing Trustee/Governors/Councils under Article 50, shall constitute a majority of the Trustees/Governors/Councils of the New Generation Schools Trust and may similarly require the removal from office of any such person and nominate another person in his place provided always that the Church Leader shall be an ex-officio Governor under Article 50.
- The members may appoint Staff Councils through such process as they may determine, provided that the total number of Councils (including the Principal) who are employees of the New Generation Schools Trust does not exceed one third of the total number of Governors/Councils.
- The Local Authority ("LA") may appoint the LA Governor/Council.
- The Principal shall be treated for all purposes as being an ex officio Governor/Council.
- Subject to Article 57, the Parent Governors/Council shall be elected by parents of registered pupils at the New Generation Schools Trust. A Parent Council must be a parent of a pupil at the New Generation Schools Trust at the time when he is elected.
- The Trustees/Governing/Council Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Council, including any question of whether a person is a parent of a registered pupil at the New Generation Schools Trust. Any election of Parent Councils which is contested shall be held by secret ballot.
- The arrangements made for the election of a Parent Council shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the New Generation Schools Trust by a registered pupil at the New Generation Schools Trust.
- Where a vacancy for a Parent Council is required to be filled by election, the Trustees/Governing/Council Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the New Generation Schools Trust is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.
- The number of Parent Council members required shall be made up by Parent Council appointed by the Trustee/Governing/Council body if the number of parents standing for election is less than the number of vacancies.
- In appointing a Parent Governor/Council the Trustee/Governing/Council Body shall appoint a person who is the parent of a registered pupil at the New Generation Schools Trust; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The subsequent members of the New Generation Schools Trust shall comprise:

- 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
- Members as required as the Trust expands its number of Academies

When required, new trustees are recruited through skills needs by the members.

The Secretary of State for Education may appoint Trustees in certain circumstances; no such appointments were made in the year under review.

The term of office for any trustee shall be 4 years, save that this time limit shall not apply to either the Principal or the staff trustee. Subject to remaining eligible to be a particular type of trustee, any Trustee may be re-appointed or re-elected.

A trustee shall cease to hold office if they resign the office by notice to the New Generation Schools Trust (but only if at least a quorate of Trustees will remain in office when the notice of resignation is to take effect).

A Trustee shall cease to hold office if he is removed by the person or persons who appointed him. The Article does not apply in respect of a Parent trustee.

Co-opted Trustee/Governors/Council Members

The trustee/Governors/Council may appoint up to 3 co-opted Trustee/Governors/Council members. A Co-opted Governor means a person who is appointed to be a Governor/Council Member by being co-opted by Governors/Counsellors who have not themselves been so appointed. The Governors/Council may not co-op.

An employee of the New Generation Schools Trust as a co-opted Trustee/Counsellor if thereby the number of Trustees/Counsellors who are employees of the New Generation Schools Trust would exceed one third of the total number of Trustees/Counsellors (including the Principal).

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees are provided with copies of all essential documentation needed to undertake their role, including the memorandum and articles of association, Academies Financial Handbook and New Generation Schools Trust's Funding Agreement.

A Trustee Handbook with key information is available for all Trustees. This includes such aspects as:

- the structure of the New Generation Schools Trust and the relationship with the board of trustees
- a statement of values and expectations
- key elements of effective governance and the link to the Ofsted Handbook
- the committee structure of the board of trustees
- a brief description of the role of the chair and the role of the clerk/company secretary
- terms of reference for committees

The board of trustees subscribes to National Governors' Association e-learning (GEL) provision and in-house training is organised as and when required. Trustees are informed of external training opportunities.

New Trustees are mentored by existing Trustees.

Following their appointment/election all Trustees/Governors/Council Members receive an introduction to their role from the Principal and Chair of Trust. This introduction includes a tour of the school and the opportunity to meet the School Leadership Team.

Trustee/Governors/Council Members are encouraged to undertake a variety of trainings including induction training within the first three months of appointment. There is also the opportunity for e-learning through GEL training and in house training as well as training through Bexley Council Governor Services. Regular skills training is undertaken by both the Chair and Vice Chair to ensure Trustees/Governors/Counsellors are aware of their statutory duties.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

The board of trustees of New Generation Schools Trust is constituted under the memorandum and articles of association. The board of trustees is responsible for ensuring high standards of corporate governance are maintained.

The Trustees are responsible for the strategic direction of the New Generation Schools Trust, setting policy and agreeing the annual budget. Trustees are also responsible for monitoring the work of the New Generation Schools Trust and ensuring the objectives of the New Generation Schools Trust are achieved.

In addition to the full board of trustees meetings, New Generation Schools Trust has a committee structure: the main committees are Finance and Education & Standards.

The Chair of the Board meets regularly with the Principals and all Trustees visit both Hope Community Schools to make first hand observations of the work of the New Generation Schools Trust. Reports of these visits are shared with all Trustees.

The Principals are required to provide strategic leadership and management of Hope Community Schools; they are assisted by the SENCO advisor and the EYFS Phase Leader (when in post, dependent on the stage of development of each school). Each school also has a Business Manager. In addition, the New Generation Schools Trust has a Trust Head of Finance. Currently the Principal at Hope Community School Sidcup acts as Accounting Officer as the Trust does not have a CEO.

The Management Structure of New Generation Schools Trust consists of the following:

Members of the Trust

Board of Directors

Central Services

Hope Sidcup, Hope Southampton Local Council

The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The local School Councils are responsible for agreeing local policies, adopting an annual plan and budget, monitoring the schools across a variety of areas and making strategic decisions about the direction of the school collaboratively with the Senior Leadership Team.

The Principal and Senior Leadership Team undertake the day to day management of the schools at an executive level implementing the policies laid down by the Trust and reporting back to them via local Hope Council. The Principal at Hope Community School Sidcup is the accounting officer and is responsible for the authorisation of spending within agreed budgets. The Principals are responsible for the appointment of staff and all appointment processes will include a member of the Trust/Council Body to ensure openness and transparency.

The Trust's Scheme of Delegation sets out responsibilities and levels of decision making. This is reviewed as required.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Arrangements for setting pay and remuneration of key management personnel

The Trust, in setting pay, takes due regard to the DFE Teachers Pay and Conditions document in working out the basis of the New Generation Schools Trust pay scales and grading for the Principal and Leadership Team. The Trust uses the pay scales currently set out in the DFE Teachers Pay and Conditions document and the Local Government National pay rates. Pay and Appraisal Policies approved in 2020/21 set out the criteria by which cost of living and (if applicable) performance-pay related increases will be awarded. Performance reviews are undertaken during the Autumn Term of each academic year and any remuneration changes are agreed by the Trust taking into consideration the budgets and educational targets of each school.

Related parties and other connected charities and organisations

As a Trust with a Christian Designation we have a close working link with the New Generation Church in Sidcup and New Community Church in Southampton. Both these churches are the founding organisations that set up the schools in each of their local areas. Both of the churches have invested in our staff and children and always go the extra mile to support the growth and work of Hope Schools.

Our local business Community links include Stephen James BMW (business education for parents and pupils), Ruxley Manor Garden Centre (outdoor activities), Morrisons Supermarket Sidcup Ltd (business, mathematics and enterprise), Coolings Garden Centre (outdoor activities).

Objectives and activities

Objects and aims

The objectives of the Trust in summary is to establish schools for the benefit of the public and especially, although not exclusively, schools with a Christian Religious Character.

The New Generation Schools Trust's object ("the Object") is specifically restricted to the following: 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 with a designated Christian religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Christian Faith both generally and in particular in relation to arranging for religious education and daily acts of worship ("the New Generation Schools Trust").

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The main objectives of New Generation Schools Trust during the year ended 31 August 2021 are summarised below:

- to enable every student to fulfil their potential;
- to focus on raising standards and progression of all students;
- to improve effectiveness by regular review of all aspects of educational provision and the organisational structure of the New Generation Schools Trust;
- to improve the quality of teaching and learning;
- to provide good value for money in the use of delegated funds; and
- to conduct all business of the New Generation Schools Trust in accordance with the highest standards of integrity, probity and openness.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives, strategies and activities

The strategies and activities that have allowed us to fulfil our objectives are:

- To successfully open Hope Community School Sidcup and Southampton and keep expanding the schools until they are full;
- Sidcup School has done the full cycle this year with our very first class (Pioneers) leaving for secondary school. With some passing the 11+ exam and some going on to elite schools like Dulwich College;
- To recruit and appoint appropriately qualified staff into both teaching and non-teaching posts in line with the needs of the schools;
- Training and development opportunities for all staff;
- Outstanding professional development for teaching staff including new initiatives and quality monitoring and feedback to improve teaching and learning;
- To provide a varied and challenging curriculum for our pupils enabling good progress to be made in all areas;
- Programme of enrichment activities for all students;
- To prepare and report accurate data and information to the DFE/EFA for the purposes of monitoring;
- To build excellent local partnerships with other local schools, MP, Councillors, Mayor and local authority education department to build positive local support for the schools;
- To build strong relationships with school families to support their needs and ensure they feel part of the school community;
- To successfully work with the ESFA on planning the permanent building for Southampton;
- To make sure our school is compliant with COVID-19 safety and procedures to keep the school open;
- To procure services and equipment for the schools and Trust in accordance with procurement guidelines.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Public benefit

The New Generation Schools Trust's trustees have complied with their duty to have due regard to the guidance on public benefit and to its public benefit guidance on advancing education.

The activities undertaken to further the New Generation Schools Trust's purposes for the public benefit are:

- New Generation Schools Trust has provided education to all registered students.
- Restrictions put in place as a result of the COVID-19 pandemic severely altered how the school could engage with established partnerships. However, links with the Bexley Food Bank and the local Care Home continued as part of the desire to support the local community. In addition to this new links were established with several organisations established to support the needs of local families in the COVID-19 pandemic.
- Working within the Government restrictions pupils had the opportunity to experience learning outside the class room in the local area. This supported the development of the children's subject specific knowledge, cultural capital, physical and mental wellbeing. Younger children participated in Forest School sessions. The school curriculum was enhanced through live music and activity days. Induction programmes for new intakes continued on site whilst parent workshops moved online.
- Community partnership activities such as practising the gift of hospitality to our neighbours continued in a COVID-19 safe way, when hampers, cards and gifts were delivered to those in the adjacent area. Christmas Carols sung by the school gate brought cheer to local people.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

The success of the activities and achievements of the previous year has enabled both Hope Community Schools to develop further Community. Visits from local councillors and our local MPs James Brokenshire and Royston Smith have enabled the trust to show our achievements.

SIDCUP:

Pupil's attendance is good with the overall percentage being maintained at 97.1% with 20% of pupils achieving 100% attendance.

There were no Year 1 phonics tests this year due to COVID-19. (Results from 2019 were 75% against national average of 81%).

Similarly, no GLD took place this year. (Last year's GLD at EYFS for 2019 was 72.4% against National Average of 71.5%)

SOUTHAMPTON:

Pupil's attendance is improving with the overall percentage at 95.1% with 7.48% of pupils achieved 100% attendance.

There were no Year 1 phonics tests this year due to COVID-19. (Results from 2019 were 93% against national average of 81%)

Similarly, no GLD took place this year. (GLD at EYFS for 2019 was 72.4% against National Average of 71.5%)

The Trustees regularly review both Hope Community Schools' actual income and expenditure against the authorised budget. Changes to the budget to reflect new information with regard to income or expenditure are approved in line with the authorisation limits established in the New Generation Schools Trust Financial Policy.

Key performance indicators

Key Performance Indicators – Hope Community School Sidcup

Staff costs as a percentage of total costs: 76% (2020: 65%)

Liquidity: cash in bank and cash in hand at 31 August 2021 was £150,273 (2020: £124,734).

Key Performance Indicators – Hope Community School Southampton

Staff costs as a percentage of total costs: 58% (2020: 57%)

Liquidity: cash in bank and cash in hand at 31 August 2021 was £275,373 (2020: £132,067).

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Going concern

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

Financial review

The majority of New Generation Schools Trust's income is derived from the Education & Skills Funding Agency (ESFA), an agent of the Department for Education (DfE), in the form of recurrent grants, the use of which is limited to specific purposes. The grants received from the EFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust maintains a reasonable level of reserves and the cancellation of the Northfleet project reduces the risk on the ongoing finances. The Trust is exempt from Corporation Tax.

Reserves policy

Purpose

Academies are expected to hold contingency reserves from their annual GAG funding or other income. The Board require a revenue reserve to be created to fund future expenditure related to the New Generation Schools Trust Development Plan's strategic long-term aims and developments.

Procedure

The policy of the Trust is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the DfE. The total cash held by the MAT central funds and the schools combined at 31 August 2021 were £470,300 (2020: £280,296).

There were overall in-year deficits of £110,287 (2020: £198,911) before accounting for actuarial gains and losses on the defined benefit pension scheme. There are no other restricted funds.

Restricted funds at year-end shown a deficit of £330,615 (2020: £252,951). Unrestricted funds at year-end show a surplus of £125,555 (2020: £113,190).

The budget for 2021/22 shows a reasonable surplus (before depreciation). Low pupil numbers in Sidcup remain a challenge although the Trustees and Principal are well aware and steps continue to be taken to address this.

The Trust invests any spare cash into instant access deposit accounts in order to preserve liquidity. Any change to this policy, should the reserves enable longer term investments to be made, would be decided by all Trustees at a Board meeting.

Investment policy

The Trust does not have any Investments. Any spare cash is kept in instant access deposit accounts in order to preserve liquidity. Any change to this policy should the reserves enable longer term investments to be made would be decided by all Trustees at a Board meeting.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

Financial and Risk Management Objectives and Policies

The New Generation Schools Trust has a formal risk management process in place to identify and assess all risks associated with the organisation; this enables the instigation of risk mitigation strategies. A Risk Register is in place which is subject to regular review and made available to key staff. Key members of staff and Trustees are involved in the preparation of the Risk Register, overseen by the Finance Committee. All members of staff are aware of the risk management policy and the controls in place to limit exposure to risk. The Risk Register identifies the types of risk the New Generation Schools Trust might encounter and rates the risks in terms of likelihood and impact. This ensures that the most significant risks are highlighted, appropriate strategies to be implemented and the allocation of resources.

As the majority of the New Generation Schools Trust's funding is derived from the ESFA, the Trustees consider this element of funding to be reasonably secure. The most significant risks relating to this income result from changing government policy on school funding, the effect of increasing contribution rates for teachers' and support staff pensions and NI, and the effect of changing pupil numbers. The Trustees have laid out their strategies for dealing with these risks within the New Generation Schools Trust's risk register.

The education sector is one in which there is constant change and therefore there is continual need to identify and address risks and uncertainty. The responsibility to identify and react to risk rests with the Trustees and Senior Leadership Teams.

The Trust has adopted a policy whereby risks are monitored on a likelihood and impact basis. As such, the key risks facing the Trust are detailed below:

Pupil numbers

Pupil numbers have increased overall in the last academic year. Although Sidcup numbers for September 2020 were lower than expected due to a smaller intake across the Bexley area and several families moving away from the area, the intake into year R for September 2021 was nonetheless 50% greater than September 2020, which was encouraging. It is hoped that Lark in the Park and other marketing opportunities will attract more children into the school for 2022. Southampton numbers are increasing steadily as the school becomes fuller. Now that a permanent site for the school has been agreed, the school will become a two form entry school in September 2024.

Reserve balances

Reserves are in line with the planned budget agreed by the Trust & the DFE.

Other risks

The New Generation Schools Trust's risk register also considers the operational and reputational risks involved in the running of the school within the risk register. Whilst it has been identified that the likely occurrence of these risks is low, it is also accepted that the impact if they were to occur is potentially high, therefore the trustees seek professional advice whenever necessary to mitigate against these risks.

Fundraising

In 2020/21 The Trust had no fund-raising activities other than the continuance of a small fund called Gift of Hope to enable parents to donate a small annual sum (suggested £10 per child per annum) to enable the schools to provide additional resources not funded by core funding. This is entirely voluntary, and Gift Aid will be claimed where we are able from donations.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial Instruments

Credit Risk

The Trust currently has no bad debts but has implemented policy and procedures to deal with any such bad debt.

Cash flow and liquidity

The Trust has a planned monthly cash flow and expenditure plan that is profiled to ensure its liquidity risks are minimised. Members of the Finance Committee receive regular updates on cash flow.

Equal Opportunities and Disabled persons policies (Equalities Policy)

The New Generation Schools Trust's policy on equal opportunities outlines the commitment of the staff and Governors of New Generation Schools Trust to ensure that equality of opportunity is available to all members of the Trust community. For our Trust this means, not simply treating everybody the same but understanding and tackling the different barriers which could lead to unequal outcomes for different groups of students in the schools. It also means celebrating and valuing the equal opportunity achievements and strengths of all members of the school communities. These include:

- Students
- Teaching staff
- Support staff
- Parents/carers
- Community governors
- Multi-agency staff linked to the Trust
- Visitors to the Trust and academies
- Students on placement

The trustees believe that equality at the Trust should permeate all aspects of Trust life and is the responsibility of every member of the Trust and wider community. Every member of the Trust community should feel safe, secure, valued and of equal worth.

At New Generation Schools Trust, equality is a key principle for treating all people the same irrespective of their gender, ethnicity, disability, religious beliefs, sexual orientations, age or any other recognised area of discrimination.

New Generation Schools Trust is an Equal Opportunities Employer and is committed to the employment of people with disabilities and guarantees an interview for those who meet minimum selection criteria. New Generation Schools Trust provides training and development for all its employees, including people with disabilities, tailored where appropriate, to ensure they can achieve their potential. If a New Generation Schools Trust employee becomes disabled while in our employment, New Generation Schools Trust will do its best to retain them, including consulting them about their requirements, making reasonable and appropriate adjustments, and providing alternative suitable provisions.

NEW GENERATION SCHOOLS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Employee Information Policy

New Generation Schools Trust can include one staff Council member and has the Principal as ex-officio Council member. This ensures that:

- employees' views are taken into account on decisions affecting their interests; and
- there is a common awareness on the part of all employees of all factors that affect the New Generation Schools Trust's performance

Plans for future periods

The Trust continues to work towards expanding the Trust through working with partner church groups and plans to open more schools in the future should relevant opportunities present themselves and resources allow.

Funds held as custodian trustee on behalf of others

Neither the New Generation Schools Trust nor any of its Trustees act as a custodian trustee.

Auditor

In so far as the Trustees are aware:

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

Approved by order of the members of the governing body and signed on its behalf on 3 December 2021 by:



Mr Paul Weston
Chair of Trustees

NEW GENERATION SCHOOLS TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

The Trust became a Multi Academy Trust in February 2016. Our Members of the Trust appoint and remove Trustees and hold them to account. The members of our existing Trust are: Paul Weston – current Chair of the Trust, Matthew Green , Andrew McGee , Yvonne Au and David Ryan. These members have overseen the transition to a Multi Academy Trust and the appointment of a Trust Board.

As the Board of Trustees, we acknowledge we have overall responsibility for ensuring New Generation Schools Multi 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 via the principal of Hope Community School Sidcup, as accounting officer, assisted by the Trust Business Manager. This will ensure 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 New Generation Schools Multi Academy Trust and the Secretary of State for Education. As at 31 August 2021 there were two open schools in the MAT (Hope Community School Sidcup & Southampton). The local governors (known as ‘Hope Council Members’) at each school are responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

As a Multi Academy trust we have Chairs of our Hope Councils in Sidcup and Southampton.

The Sidcup School Hope Council body formally meets seven times a year. The School Development plan priorities were used as a basis of review and assessment by the Local Council for the schools’ progress.

- Teaching and Learning
- Attainment and Assessment
- Behaviour and Safety/personal development and welfare
- Leadership and management

NEW GENERATION SCHOOLS TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

MAT Board

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr Paul Weston (Chair of Trustees)	4	4
Mr Terry Millar	3	4
Mr Gary Carvosso (Resigned 17 June 2021)	2	4
Mr George Feyita (Resigned 17 June 2021)	1	4
Mr Paul Williams (Chair of Finance Committee)	4	4
Mrs Reena Narula (Resigned 10 September 2021)	0	4
Mrs Zoe Roder	4	4
Mr Adam Reed	0	4
Mrs Denise Gibbs-Naguar	3	4
Mr Daniel Rouse	1	1
Sidcup Council Members	Meetings attended	Out of possible
Mrs Anne Wood (Principal)	8	8
Miss Mary Campbell	6	8
Mr Paul Weston	8	8
Mrs Lynn Mason (Chair)	8	8
Mr Andrew McGee	5	8
Miss Tersia Louw	8	8
Mr Daniel Champion	4	8
Southampton Council Members	Meetings attended	Out of possible
Mr Billy Kennedy (Chair)	6	6
Mr Steve Wright (Principal)	6	6
Mr Paul Woodman	5	6
Mrs Sarah Amer	5	6
Dr Joy Chalke	5	6
Mr Dave Barclay	1	1
Mr Kudzai Chikodzore	4	6
Mr Jamie Harding	2	2
Ms Zipporah Akello	3	3
Ms Sue Boniface	3	3
Ms Katherine Hill	3	3
Ms Ruth Hofmeyr	3	3

NEW GENERATION SCHOOLS TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of value for money

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees via the Hope Council, where value for money can be improved including the use of benchmarking data where available. The day-to-day functions of this role have been delegated to the Trust Business Manager. The accounting officer for the Academy Trust has delivered improved value for money during the year through:

- Evaluation of all major contracts to streamline both schools where feasible
- Renegotiating contract for IT
- Continued scrutiny and co-ordination of budget-setting processes
- Review of finance management procedures to further support VFM practices

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. A revised system of internal control has been in place in New Generation Schools Multi Academy Trust for the year 1 September 2020 to 31 August 2021.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Multi Academy 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 Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021.

NEW GENERATION SCHOOLS TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The risk and control framework

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

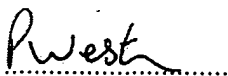
The board of trustees has appointed an internal auditor during the year. Internal audits take place on an annual basis.

Review of effectiveness

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

- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the internal auditor; and
- the work of the Trust Head of Finance and Finance Committee within the New Generation Schools Trust who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the members of the governing body and signed on its behalf on 3 December 2021, by:



Mr Paul Weston
Chair of Trustees

NEW GENERATION SCHOOLS TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2021

As Accounting Officer of New Generation Schools Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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.



Mrs Anne Wood
Accounting Officer

3 December 2021.....

NEW GENERATION SCHOOLS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also the governors of New Generation Schools Trust and the directors of New Generation Schools Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 3 December 2021..... and signed on its behalf by:



Mr Paul Weston
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW GENERATION SCHOOLS TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW GENERATION
SCHOOLS TRUST (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2021

Other information

The other information comprises the information included in the annual report other than the financial statements and or auditor's report thereon. The trustees are responsible for the other information contained within the financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 AUDITOR'S REPORT TO THE MEMBERS OF NEW GENERATION SCHOOLS TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

Based on our understanding of the academy trust and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Trust which were contrary to applicable laws and regulations including fraud and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated income and the academy trust's net income for the year.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW GENERATION
SCHOOLS TRUST (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2021

Audit procedures performed included:

- reviewing the financial statement disclosures to underlying supporting documentation
- enquiry of trust staff in compliance functions to identify any instances of non-compliance with laws and regulations
- review of correspondence with and reports to the regulators, including correspondence with the ESFA
- enquiries of management, those charged with governance and the trust's legal advisors and the review of relevant correspondence around actual and potential litigation and claims
- reviewing minutes of meetings with those charged with governance
- review of internal audit reports during the year and discussion and consideration of any significant matters raised
- assessing the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

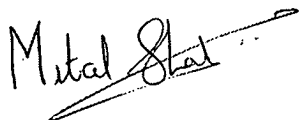
A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW GENERATION
SCHOOLS TRUST (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2021

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 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 auditor's 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mital Shah (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

3 December 2021

Chartered Accountants
Statutory Auditor

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO NEW GENERATION SCHOOLS TRUST AND THE EDUCATION AND
SKILLS FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2021**

In accordance with the terms of our engagement letter dated 6 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by New Generation Schools Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of New Generation Schools Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of New Generation Schools Trust's funding agreement with the Secretary of State for Education dated 24 April 2013 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO NEW GENERATION SCHOOLS TRUST AND THE EDUCATION AND
SKILLS FUNDING AGENCY (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

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

The work undertaken to draw to our conclusion includes:

- evaluation of the general control environment;
- confirmation that the internal delegations have been approved by the trustees, and conform to the limits set by the Department for Education;
- review of the declaration of interests to ensure completeness;
- review of minutes for evidence of declarations of interest;
- consideration of whether prior approval has been sought from the Secretary of State for transactions where approval is required;
- consideration of whether special payments and certain transactions have been made in line with ESFA requirements;
- consideration of whether any related party transactions have been made in accordance with the ESFA's limits and requirements;
- consideration of whether the Academies Trust Handbook's governance requirements have been met;
- a sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the Academy Trust's delegated authorities and its funding agreement;
- a sample of cash payments were reviewed for unusual transactions;
- a sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement;
- enquiry and testing of procurement with regard to limits and required tendering policies and procedures;
- consideration of whether specialist grant income has been spent on the purposes intended; and
- formal representations have been obtained from the trustees and the accounting officer acknowledging their responsibilities for matters related to regularity and propriety.

Conclusion

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

UHY Hacker Young

Reporting Accountant

Dated: 03 December 2021

NEW GENERATION SCHOOLS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds £	Restricted funds: General Fixed asset £ £		Total 2021 £	Total 2020 £
	Notes					
Income and endowments from:						
Donations and capital grants	3	5,276	5,500	53,724	64,500	63,398
Charitable activities:						
- Funding for educational operations	4	-	2,094,090	-	2,094,090	1,764,369
Other trading activities	5	16,367	-	-	16,367	15,406
Investments	6	45	-	-	45	167
Total		21,688	2,099,590	53,724	2,175,002	1,843,340
Expenditure on:						
Charitable activities:						
- Educational operations	8	9,323	2,097,186	178,780	2,285,289	2,042,251
Total	7	9,323	2,097,186	178,780	2,285,289	2,042,251
Net income/(expenditure)						
		12,365	2,404	(125,056)	(110,287)	(198,911)
Transfers between funds						
	17	-	(68)	68	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	16	-	(80,000)	-	(80,000)	58,000
Net movement in funds		12,365	(77,664)	(124,988)	(190,287)	(140,911)
Reconciliation of funds						
Total funds brought forward		113,190	(252,951)	4,027,302	3,887,541	4,028,452
Total funds carried forward		125,555	(330,615)	3,902,314	3,697,254	3,887,541

NEW GENERATION SCHOOLS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £ £		Total 2020 £
Income and endowments from:					
Donations and capital grants	3	3,123	-	60,275	63,398
Charitable activities:					
- Funding for educational operations	4	-	1,764,369	-	1,764,369
Other trading activities	5	15,406	-	-	15,406
Investments	6	167	-	-	167
Total		<u>18,696</u>	<u>1,764,369</u>	<u>60,275</u>	<u>1,843,340</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	21,698	1,828,704	191,849	2,042,251
Total	7	<u>21,698</u>	<u>1,828,704</u>	<u>191,849</u>	<u>2,042,251</u>
Net expenditure		(3,002)	(64,335)	(131,574)	(198,911)
Transfers between funds	17	-	46,225	(46,225)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	16	-	58,000	-	58,000
Net movement in funds		(3,002)	39,890	(177,799)	(140,911)
Reconciliation of funds					
Total funds brought forward		116,192	(292,841)	4,205,101	4,028,452
Total funds carried forward		<u>113,190</u>	<u>(252,951)</u>	<u>4,027,302</u>	<u>3,887,541</u>

NEW GENERATION SCHOOLS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021	2020
	Notes	£	£
Fixed assets			
Tangible assets	12	3,902,314	4,027,302
Current assets			
Debtors	13	81,512	96,474
Cash at bank and in hand		470,300	280,296
		551,812	376,770
Current liabilities			
Creditors: amounts falling due within one year	14	(177,872)	(129,531)
Net current assets		373,940	247,239
Net assets excluding pension liability		4,276,254	4,274,541
Defined benefit pension scheme liability	16	(579,000)	(387,000)
Total net assets		3,697,254	3,887,541
Funds of the Academy Trust:			
Restricted funds	17		
- Fixed asset funds		3,902,314	4,027,302
- Restricted income funds		248,385	134,049
- Pension reserve		(579,000)	(387,000)
Total restricted funds		3,571,699	3,774,351
Unrestricted income funds	17	125,555	113,190
Total funds		3,697,254	3,887,541

The accounts on pages 31 to 56 were approved by the Trustees and authorised for issue on 3 December 2021 and are signed on their behalf by:



Mr Paul Weston
Chair of Trustees

Company Number 07963778

NEW GENERATION SCHOOLS TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		181,438		(135,847)
Cash flows from investing activities					
Dividends, interest and rents from investments		45		167	
Capital grants from DfE Group		53,724		60,275	
Purchase of tangible fixed assets		(45,203)		(14,050)	
Net cash provided by investing activities			8,566		46,392
Net increase/(decrease) in cash and cash equivalents in the reporting period			190,004		(89,455)
Cash and cash equivalents at beginning of the year			280,296		369,751
Cash and cash equivalents at end of the year			470,300		280,296

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

New Generation Schools Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

1.1 Basis of preparation

The accounts 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

The Trustees have taken into account the impact of COVID-19 and do not consider that this will impact the going concern status of the Trust. Taking into account the above, they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants

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

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

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £2,000 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. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Land & building	30 years
Building improvement	30 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 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 Liabilities

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

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.7 Provisions

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

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

1.8 Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

1.9 Financial instruments

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

Financial assets

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

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

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

1.11 Pensions benefits

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

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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 projected unit method. The 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 are 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 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

(Continued)

The main critical accounting estimates that would apply to academy trusts is the estimates used in the valuing the local government pension scheme.

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 17, 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The Trustees must establish which areas of judgement are critical to the Academy Trust's financial statements. There are no judgements critical to the academy trust's financial statements.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	53,724	53,724	60,275
Other donations	5,276	5,500	10,776	3,123
	<u>5,276</u>	<u>59,224</u>	<u>64,500</u>	<u>63,398</u>

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	1,484,355	1,484,355	1,609,445
Other DfE / ESFA grants:				
Others	-	369,443	369,443	154,924
	-	1,853,798	1,853,798	1,764,369
Other government grants				
Local authority grants	-	211,272	211,272	-
Exceptional government funding				
Coronavirus exceptional support	-	29,020	29,020	-
Total funding	-	2,094,090	2,094,090	1,764,369

The academy trust has been eligible to claim additional funding in the current year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'exceptional government funding'.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Catering income	9,125	-	9,125	4,775
Other income	7,242	-	7,242	10,631
	16,367	-	16,367	15,406

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Other investment income	45	-	45	167

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Expenditure

	Staff costs	Non-pay expenditure		Total	Total
	£	Premises	Other	2021	2020
	£	£	£	£	£
Academy's educational operations					
- Direct costs	1,139,642	-	98,668	1,238,310	1,114,888
- Allocated support costs	367,436	449,760	229,783	1,046,979	927,363
	<u>1,507,078</u>	<u>449,760</u>	<u>328,451</u>	<u>2,285,289</u>	<u>2,042,251</u>

Net income/(expenditure) for the year includes:

	2021	2020
	£	£
Fees payable to auditor for audit services	16,000	15,000
Operating lease rentals	169,047	103,200
Depreciation of tangible fixed assets	170,191	191,849
Net interest on defined benefit pension liability	9,000	5,500
	<u>16,000</u>	<u>15,000</u>

8 Charitable activities

	Unrestricted funds	Restricted funds	Total	Total
	£	£	2021	2020
	£	£	£	£
Direct costs				
Educational operations	4,176	1,234,134	1,238,310	1,114,888
Support costs				
Educational operations	5,147	1,041,832	1,046,979	927,363
	<u>9,323</u>	<u>2,275,966</u>	<u>2,285,289</u>	<u>2,042,251</u>

	2021	2020
	£	£
Analysis of support costs		
Support staff costs	377,601	284,789
Depreciation	170,191	191,849
Premises costs	279,569	215,363
Legal costs	29,815	59,587
Other support costs	155,995	122,730
Governance costs	33,808	53,045
	<u>1,046,979</u>	<u>927,363</u>

NEW GENERATION SCHOOLS TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2021**9 Staff****Staff costs**

Staff costs during the year were:

	2021	2020
	£	£
Wages and salaries	1,087,272	957,068
Social security costs	77,348	58,076
Pension costs	329,572	278,216
Staff costs - employees	1,494,192	1,293,360
Agency staff costs	12,886	28,374
Staff restructuring costs	-	6,857
	1,507,078	1,328,591
Staff development and other staff costs	10,165	12,652
Total staff expenditure	1,517,243	1,341,243
Staff restructuring costs comprise:		
Redundancy payments	-	6,857

Staff numbers

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

	2021	2020
	Number	Number
Teachers	20	21
Administration and support	33	41
Management	3	3
	56	65

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

(Continued)

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	-	1
£70,001-£80,000	2	1
	<u>2</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance contributions and employer pension contributions) received by key management personnel for their services to the Academy Trust was £228,146 (2020: £188,264).

10 Trustees' remuneration and expenses

The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking of principal and staff, and not in respect of their services as Trustees. During the year, the trust paid £5,814 (2020: £9,736) to a trustee in respect of accountancy services. The same trustee was later on appointed as Head of Finance and received remuneration of £34,548. During the year, travel and subsistence payments of £364 (2020: £495) were reimbursed to 2 Trustees (2020: 2 Trustee).

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 (2020: £2,000,000) on any one claim and the cost for the year ended 31 August 2021 was £nil (2020: £nil).

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

	Land & building	Building improvement	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2020	1,238,816	3,440,982	309,818	168,832	5,158,448
Additions	-	4,950	31,318	8,935	45,203
At 31 August 2021	1,238,816	3,445,932	341,136	177,767	5,203,651
Depreciation					
At 1 September 2020	240,047	467,747	299,985	123,367	1,131,146
Charge for the year	19,033	114,864	16,349	19,945	170,191
At 31 August 2021	259,080	582,611	316,334	143,312	1,301,337
Net book value					
At 31 August 2021	979,736	2,863,321	24,802	34,455	3,902,314
At 31 August 2020	998,769	2,973,235	9,833	45,465	4,027,302

The Secretary of State for Education has a legal charge over the Trust's land.

13 Debtors

	2021 £	2020 £
Other debtors	18,014	22,648
Prepayments and accrued income	63,498	73,826
	81,512	96,474

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	35,306	17,643
Other taxation and social security	19,015	15,644
EFA creditors	32,280	1,743
Other creditors	26,465	23,772
Accruals and deferred income	64,806	70,729
	<u>177,872</u>	<u>129,531</u>

15 Deferred income

	2021 £	2020 £
Deferred income is included within:		
Creditors due within one year	<u>30,331</u>	<u>38,589</u>
Deferred income at 1 September 2020	38,589	49,408
Released from previous years	(38,589)	(49,408)
Resources deferred in the year	<u>30,331</u>	<u>38,589</u>
Deferred income at 31 August 2021	<u>30,331</u>	<u>38,589</u>

16 Pension and similar obligations

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

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

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

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Pension and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

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

The Teachers' pension budgeting and valuation account

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

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

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £151,461 (2020: £131,771).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are per cent for employers and 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.

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Pension and similar obligations (Continued)

Total contributions made	2021 £	2020 £
Employer's contributions	83,000	63,000
Employees' contributions	23,000	20,000
Total contributions	106,000	83,000

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	4.0	3.6
Rate of increase for pensions in payment/inflation	2.7	2.3
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.7	2.3

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

	2021 Years	2020 Years
Retiring today		
- Males	22.7	22.6
- Females	25.3	25.1
Retiring in 20 years		
- Males	24.3	24.2
- Females	27.2	27.1

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

	2021 Fair value £	2020 Fair value £
Equities	151,000	126,000
Cash	27,000	3,000
Government bonds	58,000	34,000
Other bonds	49,000	31,000
Property	35,000	22,000
Other assets	64,000	28,000
Total market value of assets	384,000	244,000

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Pension and similar obligations

(Continued)

The actual return on scheme assets was £42,000 (2020: £6,200).

Amount recognised in the Statement of Financial Activities	2021 £	2020 £
Current service cost	103,000	87,000
Interest income	(5,000)	(4,200)
Interest cost	14,000	9,700
Total operating charge	112,000	92,500

Changes in the present value of defined benefit obligations	2021 £	2020 £
At 1 September 2020	631,000	568,300
Current service cost	184,000	148,000
Interest cost	14,000	9,700
Employee contributions	23,000	20,000
Actuarial loss/(gain)	117,000	(56,000)
Benefits paid	(6,000)	(59,000)
At 31 August 2021	963,000	631,000

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

	2021 £	2020 £
At 1 September 2020	244,000	215,800
Interest income	5,000	4,200
Actuarial gain	37,000	2,000
Employer contributions	83,000	63,000
Employee contributions	23,000	20,000
Benefits paid	(6,000)	(59,000)
Effect of non-routine settlements	(2,000)	(2,000)
At 31 August 2021	384,000	244,000

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	134,049	1,484,355	(1,422,666)	(68)	195,670
Other DfE / ESFA grants	-	369,443	(318,115)	-	51,328
Other government grants	-	240,292	(238,905)	-	1,387
Other restricted funds		5,500	(5,500)	-	-
Pension reserve	(387,000)	-	(112,000)	(80,000)	(579,000)
	<u>(252,951)</u>	<u>2,099,590</u>	<u>(2,097,186)</u>	<u>(80,068)</u>	<u>(330,615)</u>
Restricted fixed asset funds					
DfE group capital grants	4,027,302	53,724	(178,780)	68	3,902,314
	<u>4,027,302</u>	<u>53,724</u>	<u>(178,780)</u>	<u>68</u>	<u>3,902,314</u>
Total restricted funds	<u>3,774,351</u>	<u>2,153,314</u>	<u>(2,275,966)</u>	<u>(80,000)</u>	<u>3,571,699</u>
Unrestricted funds					
General funds	113,190	21,688	(9,323)	-	125,555
	<u>113,190</u>	<u>21,688</u>	<u>(9,323)</u>	<u>-</u>	<u>125,555</u>
Total funds	<u>3,887,541</u>	<u>2,175,002</u>	<u>(2,285,289)</u>	<u>(80,000)</u>	<u>3,697,254</u>

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Start-Up Grants

Start-Up Grants relate to funds received and expended pursuant to successful applications to the Secretary of State to establish new free school's in accordance with the Trust's objectives. Under the funding agreement with the Secretary of State the trust was not subject to a limit of the amount of start-up grant that it could carry forward as at each year-end.

Other DfE/ESFA and government grants

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets, including unspent capital funding to be utilised in future periods. A transfer from GAG has been made in the year to finance additional capital expenditure.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the Academy.

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	59,659	1,609,445	(1,581,280)	46,225	134,049
Other DfE / ESFA grants	-	154,924	(154,924)	-	-
Pension reserve	(352,500)	-	(92,500)	58,000	(387,000)
	<u>(292,841)</u>	<u>1,764,369</u>	<u>(1,828,704)</u>	<u>104,225</u>	<u>(252,951)</u>
Restricted fixed asset funds					
DfE group capital grants	<u>4,205,101</u>	<u>60,275</u>	<u>(191,849)</u>	<u>(46,225)</u>	<u>4,027,302</u>
Total restricted funds	<u>3,912,260</u>	<u>1,824,644</u>	<u>(2,020,553)</u>	<u>58,000</u>	<u>3,774,351</u>
Unrestricted funds					
General funds	<u>116,192</u>	<u>18,696</u>	<u>(21,698)</u>	<u>-</u>	<u>113,190</u>
Total funds	<u>4,028,452</u>	<u>1,843,340</u>	<u>(2,042,251)</u>	<u>58,000</u>	<u>3,887,541</u>

Total funds analysis by academy

	2021 £	2020 £
Fund balances at 31 August 2021 were allocated as follows:		
Hope Community School Sidcup	119,906	120,353
Hope Community School Southampton	212,478	142,894
Central services	41,556	(16,008)
Total before fixed assets fund and pension reserve	<u>373,940</u>	<u>247,239</u>
Restricted fixed asset fund	3,902,314	4,027,302
Pension reserve	(579,000)	(387,000)
Total funds	<u>3,697,254</u>	<u>3,887,541</u>

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Hope Community School Sidcup	695,163	78,990	23,618	223,765	1,021,536	982,526
Hope Community School Southampton	532,829	61,597	60,252	371,230	1,025,908	762,311
Central services		52,138		15,518	67,656	105,566
	<u>1,227,992</u>	<u>192,725</u>	<u>83,870</u>	<u>610,513</u>	<u>2,115,100</u>	<u>1,850,403</u>

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	3,902,314	3,902,314
Current assets	125,555	426,257	-	551,812
Creditors falling due within one year	-	(177,872)	-	(177,872)
Defined benefit pension liability	-	(579,000)	-	(579,000)
Total net assets	<u>125,555</u>	<u>(330,615)</u>	<u>3,902,314</u>	<u>3,697,254</u>

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	4,027,302	4,027,302
Current assets	113,190	263,580	-	376,770
Creditors falling due within one year	-	(129,531)	-	(129,531)
Defined benefit pension liability	-	(387,000)	-	(387,000)
Total net assets	113,190	(252,951)	4,027,302	3,887,541

19 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the reporting period (as per the statement of financial activities)	(110,287)	(198,911)
Adjusted for:		
Capital grants from DfE and other capital income	(53,724)	(60,275)
Investment income receivable	(45)	(167)
Defined benefit pension costs less contributions payable	103,000	87,000
Defined benefit pension scheme finance cost	9,000	5,500
Depreciation of tangible fixed assets	170,191	191,849
Decrease/(increase) in debtors	14,962	(56,772)
Increase in creditors	48,341	1,551
(Decrease) in provisions	-	(105,622)
Net cash provided by/(used in) operating activities	181,438	(135,847)

20 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	280,296	190,004	470,300

NEW GENERATION SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Commitments under operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	222,405	102,144
Amounts due in two and five years	226,853	210,251
	<u>449,258</u>	<u>312,395</u>

22 Capital commitments

There were no capital commitments outstanding as at the year end (2020: £nil).

23 Related party transactions

Owing to the nature of the Academy 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 the Academy Trust has an interest. During the year, the trust paid £5,814 (2020: £9,736) to a trustee in respect of accountancy services. The same trustee was later on appointed as Head of Finance and received remuneration of £34,548. No other related party transaction took place during the year other than certain remuneration and expenses already disclosed in note 9 and 10.

24 Members' liability

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