

Company Registration No. 08153177 (England and Wales)

**NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

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NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mrs K Elen (resigned 14 January 2020)
Mr L Hampton-Whitehead
Mr D Hogg
Mr C Germaine (resigned 14 January 2020)
Mr C Rayfield (appointed 13 January 2020)
Mr G Spaul (appointed 13 January 2020)

Trustees

Mrs K Elen (Chair)
Mr L Hampton-Whitehead (Parent Trustee) (Resigned 14 January 2020)
Mr D Hogg (Trustee) (Resigned 14 January 2020)
Mr C Germaine (Trustee)
Mrs H Kelly (Parent Trustee) (Resigned 1 September 2020)
Mr A Johnson (Principal and Accounting Officer)
Mr G Spaul (Trustee) (Resigned 9 November 2019)
Mr G Bodger (Trustee) (Resigned 7 December 2020)
Mr D Pettit (Trustee) (Resigned 7 October 2019)
Mrs J Niland (Parent Trustee) (Resigned 9 November 2020)
Mrs C Spedding (Parent Trustee)
Mr M Lake (Trustee)
Mrs S Karunaratne (Staff Trustee)
Mr A Causon (Trustee) (Appointed 2 September 2020)
Mrs K Hancock (Trustee) (Appointed 30 March 2020)
Mr G Kelly (Trustee) (Appointed 2 September 2020)
Mrs N Gee (Trustee) (Appointed 14 December 2020)
Mr J Joyce (Trustee) (Appointed 14 December 2020)

Senior leadership team

Mr A Johnson (Principal)
Mr R Philips (Vice Principal)
Mrs J A Price (Business Manager)
Mr M John (Assistant Principal)
Miss L Rogers (Director - Sixth Form)
Miss K Gordelier (Senior Teacher)
Mr D Williams (Senior Teacher)

Company secretary

Mrs J Price

Company registration number

08153177 (England and Wales)

Principal and registered office

Watery Lane
Newent
Gloucestershire
GL18 1QF
England

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor	Azets Audit Services Pillar House 113-115 Bath Road Cheltenham Gloucestershire GL53 7LS
Bankers	Lloyds Bank Plc 19 Eastgate Street Gloucester Gloucestershire GL1 1NU
Solicitors	Browne Jacobson LLP Victoria Square House Victoria Square Birmingham B2 4BU

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 11-19 serving the town of Newent and surrounding villages, including a proportion of students travelling from the city of Gloucester by bus to attend the school. It has a capacity for 1,442 students but currently has a roll of 986 in the school census in October 2020.

We are a high achieving school at the very heart of our community. We have a strong tradition of academic success within a positive and caring learning environment based upon mutual trust and respect.

We continue to be a good school, as confirmed by Ofsted following their visit in March 2018, offering a high quality of education with recent observations recognising that our students are making strong progress in the majority of subjects.

In addition, it was rightly observed that our students feel safe, and are safe, in school. This is achieved by the school's culture of care and vigilance. All staff are firmly committed to ensuring that every student achieves their full potential.

Our fantastic report is a real vindication of our drive to develop confident, well informed and caring young adults who have self-belief and fully participate in their local, national and international communities; the academy provides a wealth of additional opportunities for students to achieve these aims.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

In April 2020 following agreement with the Charity Commission, the academy adopted new articles of association under the terms of the recovery plan with the ESFA. A condition was to fully separate the members and trustees which happened in January 2020.

The charitable company operates as Newent Community School and Sixth Form Centre.

The trustees of Newent Community School and Sixth Form Centre are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The academy trust provides indemnity insurance to cover the liability of trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the academy trust.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Method of recruitment and appointment or election of trustees

The number of trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The Academy Trust shall have up to 10 trustees appointed by the Members and a minimum of 2 parent trustees. A parent trustee must be a parent, or an individual exercising parental responsibility, of a registered pupil at the Academy at the time when (s)he is elected. The number of parent trustees required shall be made up by parent trustees appointed by the board of trustees if the number of parents standing for election is less than the number of vacancies. In appointing a parent trustee, the board of trustees shall appoint a person who is the parent of a registered student at the school; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age. The total number of trustees (including the Principal) who are employees of the academy trust shall not exceed one third of the total number of trustees. The trustees may appoint co-opted trustees. The trustees may not co-opt an employee of the Academy Trust as a co-opted trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of trustees including the Principal to the extent he or she is a trustee. The Secretary of State may also appoint additional trustees under certain circumstances.

The term of office for any trustee shall be 4 years, save that this time limit shall not apply to any post which is held ex officio. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected at a General Meeting.

Policies and procedures adopted for the induction and training of trustees

Trustees are appointed or elected based on the skills that they will bring to the board of trustees. On appointment, trustees receive information relating to the trust, their specific role and responsibility upon the board of trustees, and attend a briefing and receive an induction pack on the role and responsibilities of trustees. Trustees are given the opportunity and encouraged to attend training sessions on relevant issues and changes in legislation etc., including sessions which run before each full trustees' meeting. The topics covered are regularly reviewed to ensure that trustees are kept up to date as far as possible.

Organisational structure

The board of trustees is responsible for the strategic direction of the School; it meets at least 3 times per year.

The board of trustees and other trustees with specific duties/tasks make up the full governing body of the academy trust.

The full governing body and its delegated trustee Groups (Strategy, Finance & Resources and Standards & Pupil Welfare) review the academy trust's progress towards its educational objectives and results. It also approves major expenditure requests on the recommendation of the Finance and Resources Group, and sets, and makes the relevant recommendations regarding the budget for the following year to the board of trustees. The Finance and Resources Group meets at least 5 times per year.

During the year, as a direct consequence of the global pandemic and the need to appropriately respond to the challenging situation, the trustees discussed and approved a temporary change to the Governance structure. This introduced a Covid-19 response core committee, however, all trustees continued to receive all information and were notified of meetings. All meetings were moved to Zoom rather than face to face.

Other trustees carry out delegated responsibilities in particular areas including:

Child Protection Trustee
Children in Care Trustee
SEN Trustee
Pupil Premium Trustee
Health and Safety Trustee
Safeguarding Trustee

In addition, three trustees have been appointed to the Principal's Performance Management Review Panel.

Terms of reference, roles and responsibilities and training for each trustee are reviewed and agreed at the beginning of the year.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Principal is the designated Accounting Officer of the academy trust and has overall responsibility for the day-to-day financial management of the charitable company. The Principal has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own teams within the constraints of their allocated budgets. However, the Trust operates a zero based budgeting approach. All requested expenditure is required to obtain the Chief Financial Officer's (Business Manager) approval prior to the goods or services being committed to by the Finance Team. A system of financial controls is in place to manage this process.

The Principal manages the academy trust on a daily basis supported by a Senior Leadership Team. The Senior Leadership Team meets twice a week to discuss emerging matters and one extended meeting to develop strategies for future development to be put to the appropriate trustee group or the full governing body as appropriate and as required for approval. Each member of the Senior Leadership Team has specific responsibilities to assist the Principal to lead and manage key strategic and operational aspects of the academy trust.

Arrangements for setting pay and remuneration of key management personnel

The academy trust has a Pay Policy which is reviewed annually. The Policy sets out the arrangements and detailed procedure for the setting and reviewing of pay for all staff including key individuals.

The pay scale for each key position is reviewed as and when the post becomes vacant when thorough benchmarking is undertaken both on a regional and national basis. Reference is also made to the School Teachers' Pay and Conditions Document.

A robust Teacher Appraisal Protocol, underpinning the Pay Policy, is operated in full throughout the academy. The cycle of review meetings are completed by 31 October with recommendations for pay amendments made by the Principal to the relevant trustees' meeting as soon as possible after 31 October.

In addition, the Principal's Performance Management Review Panel, which is supported by an external consultant, provides recommendations to the Trustees in line with the School's Pay Policy.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	2
Full-time equivalent employee number	1.64

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Related parties and other connected charities and organisations

During the year the academy trust's wholly owned subsidiary trading company, Newent Community Sports Limited, continued to trade. This subsidiary trading company was created in May 2017. This company has an accounting period ending 31 August 2020. The purpose of the subsidiary is to facilitate the letting of the Astroturf, tennis courts and all external pitches. In addition, the management of the Clubhouse is included within the scope of the company's activities.

An area of work that has become established in this year is the Academy developing its partnership with Universities and Institutions delivering Trainee Teacher programmes. Trainees spend an extended period at the Academy as part of their programme of classroom experience.

The academy trust again took part in the Tujane project which links with St George's Secondary School near Kisumu in Kenya. This project also involves Dene Magna School and Lakers School. Students and staff visited Kisumu in July 2019 as part of the exchange programme. The Academy, for the first time, assumed responsibility of holding and administering the funds for this project in 2019.

The Friends of Newent Community School was registered on 13 September 1995. This was a parent, staff and friends of the academy association which raises funds to support the activities of the academy trust. This was a separate registered charity and maintained its own accounts. During this twelve month period the Friends Association have purchased a number of additional resources for curriculum departments with the academy. The largest and most expensive purchase committed to during the year was a branded Minibus which was delivered in February 2020 for the benefit of all students. The Association ceased to exist, following distribution of all remaining funds held, on 27 April 2020.

In 2017 the academy became the first standalone Cyber Schools Hub in Gloucestershire in partnership with the National Cyber Security Centre (part of GCHQ). The opportunities, technologies and expertise that this opportunity released enabled our school to move radically away from how computing is traditionally delivered in schools. It enabled us to be at the forefront of developing innovative solutions to tackle diversity through physical computing. Our curriculum departed from traditional structures and static systems that encourage a sedentary approach to a more dynamic and practical model with a greater emphasis on promoting relevance.

The school was awarded the National Cyber School of the Year during the year and our Head of Computing was awarded The National Cyber Hero award for his pioneering work in getting more girls interested in a career in IT.

Newent Community School, Rugged Interactive, Gloucestershire Health and Care NHS Foundation Trust and the Anna Freud National Centre for Children and Families are currently working together to evaluate the SmartGym Resilience Programme. The physical activity element was created by the Anna Freud National Centre and the gamified physical activities element uses Rugged Interactive's CardioWall® technology. This partnership is continuing in 2020 / 2021.

The Principal is an ex officio member of the Gloucestershire Association of Secondary Headteachers. The academy trust benefits from receiving information directly from the Gloucestershire Schools Forum via membership of this association. Our Principal has also continued to work as an Ofsted Inspector.

The Principal was invited by the Police and Crime Commissioner to be the new Priority Lead for Cyber Security in Gloucestershire. Gloucestershire's Police and Crime Commissioner (PCC), Martin Surl, was the first PCC in the country to make cyber security a police priority. Working in partnership with Gloucestershire Police, Newent Community School will help to ensure that everyone can begin to truly enjoy and utilise the amazing technologies and resources available to us all on the internet in a safe way.

In addition, the principal is also a trustee of The Cyber Trust, an organisation dedicated to helping all school age children be cyber safe.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Business Manager is currently the Chair of the Gloucestershire Association of School Business Management. The academy trust benefits from receiving information from leading departments in Local Authority and Education Funding Agency via membership of this association. She has continued to be involved in national working party linking with the Department for Education and Deloitte on a benchmarking tool which will be made available to all Schools, both maintained and Academy Schools. To ensure colleagues working within and looking to join the School Business Leader profession, the Business Manager has been approved by Serco to support the End of Point Assessment process for the SBL Apprenticeship. She is only a handful of assessors nationally to undertake this work.

In addition, the Business Manager was successfully accredited, following a rigorous process, to be a School Resource Management Adviser (SRMA) through the Institute of School Business Leaders (ISBL). SRMAs are sector experts, who provide impartial, professional advice to schools and academy trusts which includes how to make best use of their revenue and capital resources to deliver educational outcomes and contribute to whole-school improvement. As an SRMA the Business Manager is working closely with Department for Education and Education Skills and Funding Agency colleagues.

Objectives and activities

Objects and aims

Staffing at the Academy has been stable at a senior level during the year, however, two long serving Heads of Department left our employment in August 2020. Due to a further increase in Year 7 students for September 2020, the academy completed a comprehensive recruitment programme for Classroom staff to ensure our curriculum was fully staffed. During the year the levels of staffing within the Support Staff functions remained broadly steady, however, there was a requirement to undertake a recruitment programme for a small number of roles in preparation for August 2020. The Academy was fully staffed throughout the year.

The academy trust's objects are 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 offering a broad and balanced curriculum ("the academy"); and
- to promote for the benefit of the inhabitants of Newent and the surrounding area the provision of facilities for recreation or other 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 the object of improving the condition of life of the said inhabitants.

The academy trust is committed to creating a safe, engaging and vibrant learning environment which cultivates open-minded, aspirational global citizens through a lifelong love of learning, alongside partnerships which empower, inspire and achieve success within the School and the local, national and international communities which we are involved in.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The academy trust prioritises academic achievement and progress and we constantly strive to further improve teaching and learning. High quality teaching and learning goes on across all subjects, age groups and abilities, as evidenced through rigorous monitoring as well as examination results. Lessons are planned according to students' needs to ensure progress towards their individual targets. Students are challenged and stimulated - the more able and talented are extended and those with additional needs are supported.

The academy trust aims to develop its students as future global citizens and ensure that they have a wide range of opportunities: as well as House and whole School activities, the academy trust also offers a wide range of regular extra-curricular clubs during the day and after school, and students are encouraged to get involved.

The academy trust places a great deal of importance on inclusion and support. The quality of the pastoral care, guidance and the social inclusion of students are key features of the ethos and community of the School.

Due to the global pandemic some aspects of working life have dramatically changed but, it is important to say, that the School has been committed to working throughout the lockdown for the benefit of all students, particularly vulnerable students and those children of keyworkers. The Principal was able to continue to develop the parental engagement on all levels during the pandemic and lockdown period with sending out weekly updates to all families. These updates were incredibly important in maintaining our school community, ensuring that students and their families continued to feel connected to the staff in preparation for their return. The updates were not only informative but included a human perspective of the situation that everyone faced and continues to face.

Objectives, strategies and activities

This was the eighth year of operation for Newent Community School and Sixth Form Centre as an academy trust.

The Ofsted judgement in March 2018 awarded the Academy a "good" judgement. This was confirmation that the Academy had maintained the February 2014 judgement. Since March 2018 the Academy has worked to build on this judgement, working towards an "outstanding" outcome at the next scheduled inspection.

The Ofsted Report is very clear that the Principal has the ability to bring about positive change and demonstrates that the school has the capacity to improve further.

In particular, the commitment to supporting pupils' physical and mental health is demonstrated by the achievement of the Mental Health Champions Award in 2017. This work of the Academy being part of the NHS Trailblazer Pilot has continued although naturally disrupted by the pandemic. This work compliments the programme of mentoring and counselling that has been in place for a number of years and further confirms the view of the Academy being a safe, secure and supportive environment.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The academy enhanced its work to support the physical and mental wellbeing of students by entering into a partnership with Rugged Interactive, Gloucestershire Health and Care NHS Foundation Trust and the Anna Freud National Centre for Children and Families. We worked together to evaluate the SmartGym Resilience Programme. The programme combines physical and cognitive activities, gamification of physical activities (using game elements to solve problems and increase engagement) and a tailored support tool to embed and reinforce users' personal development. The physical activity element was created by the Anna Freud National Centre and the gamified physical activities element uses Rugged Interactive's CardioWall® technology.

The SmartGym Resilience Programme was piloted during the school year with a selected cohort of secondary school children. A group of Year 7 students undertook the SGR Programme (January to March 2020), while being supported by fellow Year 10 students. These students have been guided to understand and improve their executive functioning skills, motivation and resilience. This work continues with a further cohort in 2020 / 2021. The programme takes place over 10 sessions and resembles circuit training. Young people follow a set of weekly performance drills on the equipment and track their own progress. Trained staff work with participants to explore topics surrounding motivation and resilience, based on this progress.

The drills are designed to be fun and provide a way to build relationships between young people. They help participants start conversations about their experiences and emotions, and develop improved resilience to cope with the challenges of everyday life. This engagement may also highlight individuals who would benefit from more targeted or specialist support.

It was considered through the 2018 Ofsted visit that the academy trust has successfully halted a decline in outcomes for disadvantaged pupils through changes in leadership and partnership with a 'disadvantage pilot' project. This was seen as improving both the achievement and attendance of disadvantaged pupils currently at the school and this work continues to progress with the introduction, from the summer of 2019, the achievement for all programme. This programme will not only develop our provision for Pupil Premium students but "for All". While there was some incredibly positive early progress in this work, the lockdown period during the pandemic delayed progress.

The Ofsted Inspectors in 2018 considered that safeguarding is effective and that the safeguarding arrangements are fit for purpose. Records were noted as being detailed and of high quality. Pupils confirmed to Inspectors that they feel safe and are safe in the school. Pupils receive and understand the advice provided about potential risks and how to stay safe in various situations, including on the internet. Bullying is rare at the academy trust and, when it does occur, pupils are confident that it is dealt with swiftly and effectively. Finally, most parents believe that their children are safe, happy and well looked after at school.

During the lockdown period, a number of specific processes were implemented to ensure the on going safety of students who were vulnerable. This work ensured that students and their families felt supported during a challenging time and this has enabled students to return to school in a positive and optimistic manner.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Specific priorities in the new academic year are broadly unchanged from the previous year:

- To continue to work with the Education Skills and Funding Agency (ESFA) following the successful completion of the financial recovery plan. Confirmation has been received that the Academy has been successful with an in year funding application in the summer 2020 following a greater than 8% increase in student numbers. Work continues with providing the necessary documentation to the ESFA in this area.
- To ensure teachers are using data to ensure challenge in every lesson for all students and to improve the effectiveness of feedback given.
- To continue to increase numbers coming into Year 7 as happened in the past three years.
- To develop cross party working, with Trustees and members of the Senior Leadership Team, to investigate all aspects of soft or hard federations and forming or joining a Multi Academy Trust although work through the pandemic was minimal so that appropriate resources were focused on supporting students, families and staff during a challenging period.
- To continue to develop the Sixth Form including an increase of numbers within both Year 12 and Year 13 following the opening of our new build Sixth Form Centre.
- To carry on the work of developing the academy trust as a Hub of Excellence which started three years ago linking with external agencies and companies to benefit the students and wider school company.

Alongside the core objectives in terms of student progress and achievement, not only in the core subjects but across the curriculum and in extra-curricular areas, the academy trust is also committed to its role at the heart of the local community. The academy trust sees an active policy of engagement with the wider community, including our feeder primary schools and local secondary schools and FE colleges, as key to success in the medium and longer term.

The academy trust is committed to equal opportunities for all areas of its activities, including creating a working environment in which the contribution and needs of all people are fully valued.

The academy trust continues to be involved in a wide range of activities in support of local, national and international charities, including The Prime Minister's National Dementia Initiative, the Gloucestershire Healthy Living and Learning 'Pink Curriculum' and non-uniform days, tutorial charity fundraising events and whole School events to raise funds for Children in Need, Macmillan Cancer Nurses and a range of local charities.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the Charity's aims and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

Strategic report

Achievements and performance

During the five year period following the School's Ofsted "good" judgement in 2014 the focus has been on embedding progress and maintaining the judgement. This was successfully achieved in March 2018 when, following an Ofsted visit, the academy trust was deemed to have maintained the "good" judgement and comments that the academy trust has the capacity to improve further.

Our pupil admission number (PAN) remains at 239 and we achieved the highest Year 7 intake in September 2019 for eight years. This clearly demonstrates the work undertaken by the new Principal and Senior Leadership Team is making a real difference to the wider community and ensures that the academy will become the school of choice in the area. Due to the student intake in September 2019 meant the Academy had to increase capacity in its private transport arrangement with Stagecoach West, with four double deckers now travelling from Gloucester City and one bus travelling from the Forest of Dean area. In September 2020, the academy once again achieved close to the PAN which resulted in a fifth bus contracted to travel from Gloucester City.

There is a strategic target to continue to grow the student intake annually which is evidenced in the marketing campaigns that have been implemented. Further work has been completed through targeted FaceBook campaigns, creating a virtual tour of the building to allow young people and their parents the opportunity to view the school virtually in the comfort of their home and increased media activity and engagement.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

In the key areas of student progress and attainment at GCSE level the school continued to improve. There were successes at all grades which is evidence that the Academy's commitment to high quality teaching and learning is clear and obvious.

All students due to take examinations in GCSE and A Levels in Summer 2020 were unable to do following the cancellation by the Government. This resulted in Centre Assessed Grades to be awarded to students following a fully documented, rigorous and thorough process.

Key performance indicators

The academy trust achieved the following results with regard to its other key performance indicators:

- The overall attendance target for the academic year was 97%, however, the enforced lockdown due to the global pandemic prevented students attending education for the entire year. Therefore, the attendance to 20 March 2020 for all year groups was 94.2%. This was in line with the previous year's attendance levels for the similar period of 94.1%.
- The student recruitment data reflected an increase from 854 to 906 students in all year groups. The Year 7 numbers increased significantly from 147 to 216 students for September 2019. This is a clear vindication of the marketing strategy implemented during the year. This has continued into 2020 / 2021 with student numbers increasing by a further 97 in September 2020.
- The academy trust's financial year resulted in a revenue surplus of £231,235, compared with a budgeted position of £246,000. This positive outcome followed the previous year's deficit of £250,401 (before actuarial adjustments and transfers to fund capital expenditure). The academy concluded the work with ESFA in February, successfully completing all points raised within the required timeframe.

Additional highlights during the year included:

- The school being awarded the National Cyber School of the Year and our Head of Computing was awarded The National Cyber Hero award for his pioneering work in getting more girls interested in a career in IT.
- Sporting success at county, regional and national level for a number of individual students and teams.
- The Kenya exchange project continued to bring the whole School together to raise funds, support and awareness; in partnership with Lakers School and Dene Magna School the three schools very successfully undertook a joint student exchange visit to St George's School in July 2019 which is a life changing experience for all involved.
- A successful installation of a complete CCTV system as part of continuing programme to enhance the safeguarding provision around the facilities following an award of an ESFA Condition Improvement Fund application in April 2019.
- A complete refurbishment of a cookery classroom into a catering industry standard facility following a successful application to The Savoy Education Trust.

Going concern

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

The further in year funding application, approved in Summer 2020, will result in additional GAG funding being received in February 2021 following confirmation of the January census. This additional funding further supports the trustees' decision.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

Most of the academy trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The academy trust reported a restricted revenue surplus (before transfers and pension adjustments) of £200,633 in the year, which increased the restricted revenue reserves to carry forward to a deficit of £18,481 (excluding the pension reserve). Total Revenue income, including the General Annual Grant (GAG) as well as other income, was in line with budget. However, revenue expenditure was lower than budget as a result of effective management and strong financial controls. The Academy was supported, in August 2019 with a cash advance of £58,000 to support the ongoing work. This advance was repaid in February 2020 when the additional GAG funding was received as part of the in year funding application in the Summer of 2019. There were no further cashflow concerns through the year and this continues into 2020 / 2021.

Total capital income was £57,846 and is significantly lower than previous years due to the academy being unsuccessful with its Capital Improvement Fund applications despite the work being much needed. In accordance with the Academies Accounts Direction, such grants are shown in the Statement of Financial Activities as restricted income in the restricted fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

At 31 August 2020 the net book value of fixed assets was £19,268,203. Movements in tangible fixed assets are shown in the note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy trust.

As previously noted the academy trust opened a wholly own subsidiary company, Newent Community Sports Limited, which commenced trading 1 May 2017. The income and expenditure of this subsidiary company, for the twelve months to 31 August 2020 are incorporated within these financial statements. From incorporation of the company the progress has been significant both in terms of financial benefits and from a marketing aspect in the local community and wider afield.

Reserves policy

The Trustees review the reserve levels of the academy trust on a regular basis and have established a reserves policy in line with guidelines.

The Academy's policy states that the appropriate level of revenue reserves should be equivalent to one month's expenditure, currently estimated to be between £350,000 and £400,000. This being to provide sufficient working capital, in order to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. In addition, the changes and improvements required in line with the Development Plan, alongside the anticipated impact of a further increase in student numbers, will require adjustments to the Academy Trust's management and staffing structure and resources which will involve short term costs, including some one-off items, over and above the academy trust's normal revenue expenditure.

With this in mind the trustees believe that although the academy trust's current level of free reserves of £119,144 (total funds less the amount held in fixed assets and restricted funds) is lower than the level required by the reserves policy, it will be crucial to support the academy trust's activities in the coming years.

There are a number of restricted funds representing the residual unspent element of grants and other income received during the year totalling £156,748 which will be spent for the specific purposes concerned. There was also a negative pension reserve in respect of the Local Government Pension Scheme amounting to £2,758,000 at the year end and this deficit increased during the period ending 31 August 2020.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Investment policy

The academy trust considered options on its Investment Policy in 2014/2015 and having agreed roll out in 2015/2016 of using a 32 day notice investment account, Trustees continued with this strategic decision until the remaining funds were required as a direct result of the falling revenue reserves of the Academy early in the 2018/2019 academic year. Until the investment account was cleared it was successful in raising additional financial resources through interest payments.

As the additional GAG funding impacts on the financial position of the Academy, the investment policy will aim to ensure that any funds that the Academy does not immediately need to cover anticipated expenditure, are invested in such a way as to maximise the Academy's income but with minimal risk. The Academy does not consider the investment of surplus funds as a primary activity.

Principal risks and uncertainties

The academy trust operates a Risk Management and Assessment Protocol and has established a risk register and risk review process. This process will be further defined over the coming year to ensure effective control measures and action to mitigate risks are put in place.

The principal risks from last year's report remain in place, remain predominantly unchanged in the relevant period and will remain as priority actions. However, for the foreseeable future there are also additional risks and uncertainties relating to Covid-19 that in some cases exacerbate existing concerns. The original risk and control measures are detailed first followed by specific Covid-19 risk and mitigations. Although detailed in separate sections for ease of understanding given the magnitude of the challenge facing our country they should be seen as inter-related:

- Failure to maintain the momentum of change and improvement implemented to achieve the Ofsted's "Good" category.
- Unsatisfactory improvements to Governance including a failure to recruit trustees with the necessary skills and experience.
- A shortfall in funding as a result of falling rolls.
- Increased local competition for lower School and Sixth Form students leading to a reduction in student numbers.
- A failure of the academy trust's IT systems.

Key controls in place:

- The academy trust had worked with RM Education since September 2016 to deliver a Managed IT Service to provide greater security against any potential IT system failure. At the end of the contract, following a tendering exercise, the school has engaged with a local company System 15 to undertake this work.
- An organisational structure with defined roles, responsibilities and authorisation levels.
- Financial planning, budgeting and management reporting, highlighting areas of financial risk.
- A Marketing and PR programme.
- Formal written and published policies and protocols including a Business Continuity Plan.
- With regard to pension risks, the academy trust has recognised its share of the Local Government Pension Scheme (LGPS) deficit in accordance with Financial Reporting Standard 102.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Specific Covid-19 Risks:

- It is important to note that schools nationwide have struggled at times to keep up with the rapidly changing guidance from government. Although we have kept abreast of these changes thus far and have carefully considered how to apply government guidance to our own context there is always the danger that given the pace of change something will be missed.
- Societal anxiety and frustration with the current situation has led in some circumstances to greater tensions between children that is often manifested through an increase in off task behaviour in students; this may result in an increase in fixed term and even permanent exclusions.
- Previously very positive relationships between home and school have in a minority of cases become increasingly fractured due to the anxiety caused by misinformation shared on social media. This has also necessitated a significant amount of time that could be better deployed elsewhere devoted to correcting the myths that have taken hold with some parents, often fuelled by 'fake news' shared on social media. All of which may impact upon our ability to successfully recruit new students and staff.
- More parents than ever opting to home educate their children due to concerns about the safety of their children.
- The digital divide in Gloucestershire is a major concern to the school. Remote learning still presents considerable challenges that include problems of access – to technology, to broadband or to peace, quiet and space in the home. In addition there are other challenges that are experienced by many families, including how to motivate a child to engage outside of the classroom's structured regime and the very real struggle to get children to turn off the Xbox and pick up the textbook.
- Although we have revised and adapted our remote learning offer on a number of occasions, the nature of our diverse catchment necessitates a blended approach of technology supported where necessary with printed work. However, despite a blended offer there is a very real danger that given the requirement for specialist teaching facilities and equipment in many subjects, much of the content provided remotely will not fully align with the classroom curriculum.
- At the start of lockdown primary headteachers made a request of their secondary colleagues that all visits to and from secondary schools be suspended to enable them to protect the community they serve. This has severely damaged our opportunity to promote the school's ethos to families during the period when they would be selecting their preferred secondary school which could result in our September 2021 numbers dropping.
- Finally, despite the generally high levels of resilience among our staff, they are tired, anxious and exhausted. Without doubt their workload has increased significantly as a result of Covid-19. The impact of this may result in increased staff absence (including long term stress related absence) which may compromise our ability to provide a balanced education and compromise financial stability.

Key controls in place:

- Ongoing risk assessment in place.
- Daily 'sense checks' with members of the Senior Leadership Team to explore implications of changes to guidance.
- Senior leadership team signed up for all available email alerts from governmental and news organisations.
- Whole year group bubbles in place for curricular activities.
- Dedicated play spaces for students at break and lunch time.
- Enhanced cleaning in all areas of the school augmented by timetable changes that limit the movement of children around school.
- Regular weekly briefings to all parents and staff since the start of the original lockdown to dispel myths and reduce the impact of 'fake news' on school population.
- Home school contact has been successful in most instances of encouraging parents to reverse their decision to home school.
- Increased promotion and advertisement of the school through high quality promotional resources (including a professionally produced short film) and targeted advertising.
- Every opportunity is taken to promote and manage staff welfare. Feedback from staff throughout the pandemic has been very positive, as has the response from union representatives.

In addition to the risk and controls that have been identified above, the decision by trustees, given the opportunity that presented itself, to appoint an experienced Principal from September 2016 cannot be ignored. The Ofsted visit in March 2018 clearly commented on this appointment contributing to the Academy's current success.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

To ensure the academy trust's risk of fraud and management of funds is maintained we are committed to a programme of internal scrutiny, however, this has been a significant challenge through the lockdown period. As required within our ESFA recovery plan we were asked to recruit a trustee with relevant accounting qualifications. To date, we have been successful in recruiting three trustees with all in the Accounting profession and, therefore, have surpassed our recovery plan requirement. One of new trustees has fully committed to the internal scrutiny process becoming the scrutineer, reporting direct to the trustees on the programme undertaken and findings established. It is considered that this approach will ensure a thorough and comprehensive knowledge, understanding, attitude and reporting is maintained.

As part of Finance and Resources Governors Group's work they review the financial performance through the use of a Monthly Management Pack. This includes a review of cash flow together with actual income and expenditure against budget.

Furthermore, as part of the Academy's Recovery Plan with the Education Skills and Funding Agency it was required to submit a monthly Management Pack and attend follow-up conference calls until all action points had been successful achieved in February 2020. To date the outcome of the information submitted and discussed has been incredibly positive with the Academy being complimented on its ability to deliver high quality documentation.

Fundraising

The academy is involved in raising money for charities and each year has a programme of planned events. Events are split into three categories: whole school e.g. Children in Need, Poppy Appeal, etc; tutorial charity where each tutorial undertakes an activity and elects a charity to receive the money raised; and staff fundraising e.g. Macmillan Coffee Morning, etc. Depending on the nature of trips and events e.g. Kenya Community Trip, students may undertake fundraising such as bag packing in a local supermarket to raise additional funds. Any promotional material produced clearly states the nature of the fundraising and the destination. All monies raised are passed on to the charities and no funds are retained by the academy. The academy raises funds through parental, student and community donations.

In addition, The Friends of Newent Community School, a parent, staff and friends of the academy association, raised funds to support the activities of the academy trust until it ceased to exist in April 2020. This is a separate registered charity. Further details of the fundraising activities of this association are shown in the Related parties and other connected charities and organisations section of this report.

The academy maintains records to support the total sums raised and once monies have been collected the full amount is paid or transferred to the relevant charity.

The academy does not employ or work with professional fundraisers to carry out fundraising for local and national charities. However, where particular fundraising campaigns have been set up for raising funds for capital projects, external advice has been sought accordingly. This ensures that the academy is compliant with the recognised standards. All charities the academy raises funds for are carefully considered to ensure they too comply with the regulatory requirements and adhere to ethical standards.

The academy's fundraising complaints procedures are the standard complaints procedures documented within the academy's policies. The academy acknowledges that fundraising activities can create additional financial pressures on parents and therefore sets low contributions for fundraising activities for charities. The academy does not persistently approach or cause undue pressure on parents where contributions are not made.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The medium and long term plans which will provide the focus of the academy trust's activity during 2020/2021 are laid down in the Development Plan which has been discussed and agreed with the Trustees.

A number of organisational changes have taken place with effect from September 2016 which continued to be embedded. The academy does not expect significant changes in the coming period, however, there will also be the need to focus on the effects of the global pandemic and react as necessary to the ever-changing situation. The changes to date include:

- Further alterations to the curriculum to respond to the new National Curriculum.
- The continued roll out of the three year GCSE courses in response to the changes in specifications and at post 16 to reflect the changes to course organisation and specifications.
- The rise in the participation age and the continued emphasis on the core subjects of English, Maths and Science.
- A number of changes in the way the academy trust supports students with Special Education Needs and students that attract Pupil Premium Funding.
- Originally due to a reduction in student numbers, which is particularly evident in the junior years, it was necessary for the Academy to restructure in order to save costs in line with reduced income and to ensure that the organisational structure is appropriate and fit for purpose. However, this situation will be subject to continuous review due to the upturn in student numbers and the successful In Year Funding Application.
- The ongoing use and development of a safeguarding reporting system, My Concern, which was made available for all staff to report or update a student record if they are anxious about or have a specific concern for.

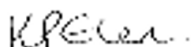
Auditor

On 7 September 2020, Group Audit Services Limited (trading as Baldwins Audit Services) changed its name to Azets Audit Services Limited. The name it practices under is Azets Audit Services and, accordingly, it has signed the Report of the Independent Auditors in its new name.

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 15 December 2020 and signed on its behalf by:



Mrs K Elen
Chair

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Newent Community School And Sixth Form Centre and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

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

During the year, as a direct consequence of the global pandemic and the need to appropriately respond to the challenging situation, the trustees discussed and approved a temporary change to the Governance structure. This introduced a Covid-19 response core committee, however, all trustees continued to receive all information and notified of meetings. All meetings were moved to Zoom rather than face to face.

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

Trustees	Meetings attended	Out of possible
Mrs K Elen (Chair)	5	5
Mr L Hampton-Whitehead (Parent Trustee) (Resigned 14 January 2020)	3	3
Mr D Hogg (Trustee) (Resigned 14 January 2020)	1	3
Mr C Germaine (Trustee)	4	5
Mrs H Kelly (Parent Trustee) (Resigned 1 September 2020)	5	5
Mr A Johnson (Principal and Accounting Officer)	5	5
Mr G Spaul (Trustee) (Resigned 9 November 2019)	0	1
Mr G Bodger (Trustee) (Resigned 7 December 2020)	3	5
Mr D Pettit (Trustee) (Resigned 7 October 2019)	0	1
Mrs J Niland (Parent Trustee) (Resigned 9 November 2020)	3	5
Mrs C Spedding (Parent Trustee)	5	5
Mr M Lake (Trustee)	4	5
Mrs S Karunaratne (Staff Trustee)	3	5
Mr A Causon (Trustee) (Appointed 2 September 2020)	0	0
Mrs K Hancock (Trustee) (Appointed 30 March 2020)	2	2
Mr G Kelly (Trustee) (Appointed 2 September 2020)	0	0
Mrs N Gee (Trustee) (Appointed 14 December 2020)	0	0
Mr J Joyce (Trustee) (Appointed 14 December 2020)	0	0

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Governance reviews

The Board are committed to undergoing regular reviews and this year the Board has undertaken a review with the support of an external NLG. This review led to the re-structure of the Board's committee structure from January 2020 onwards. The review took into account the strategic direction that the school is taking in forming a MAT. The separation of Trustees' and Members' Boards and the selection of appointees to the Members' Board were completed with reference to ESFA requirements and the strategic MAT process. The Board has also formed a temporary committee group (Covid response committee) in response to the pandemic situation.

While it is acknowledged the Full Board has not met the recommended six times in the year, the Board has continued to implement a full delegated Trustee Group structure. These Groups operated within the full Scheme of Delegation and have individual Terms of Reference. The financial oversight is undertaken by the Finance and Resources Group which normally meets seven times through the year. However, during this challenging period of the National pandemic, this group met five times. Each Trustee Group provides a report at each Full Board meeting on recent activity. In addition, all Trustees have full access to all financial documentation and monthly management accounts at all times and are able to raise any challenge should they wish to do so.

Finance and resources group

The Finance and Resources Group is a sub-committee of the main board of trustees. Its principal purpose is as follows along with the standard regularity, monitoring and reviewing aspects of any committee function:

- To assist the decision making of the governing body.
- To consider the academy trust's indicative funding and to assess its implications for the academy trust, in consultation with the Principal, drawing any matters of significance or concern to the attention of the governing body.
- To consider and recommend acceptance/non-acceptance of the academy trust's budget at the start of each financial year.
- To contribute to the formulation of the academy trust's development plan, in consultation with the Principal, with the stated and agreed aims and objective of the academy trust.

The biggest challenge that the committee has had to respond to and fully understand is the on going financial constraints due to the reduction in student numbers, however, in September 2019 the academy saw a significant increase in Year 7 students joining which has continued in September 2020. The trustees have undertaken this function with a good balance of challenge and support throughout the year.

During March 2020 Mrs K Hancock, who is a qualified accountant, joined the academy as a trustee and this group. In addition, Mr G Kelly and Mr A Causon, both qualified accountants, joined the academy Board on 2 September 2020.

Attendance at Finance and Resources Group meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mrs K Elen (Chair)	5	5
Mr L Hampton-Whitehead (Parent Trustee) (Resigned 14 January 2020)	2	2
Mr A Johnson (Principal and Accounting Officer)	5	5
Mrs C Spedding (Parent Trustee)	3	5
Mr M Lake (Trustee)	3	5
Mrs K Hancock (Trustee) (Appointed 30 March 2020)	2	2
 Mrs J A Price (Business Manager)	 5	 5

Furthermore there are four other sub-committee groups of the main Board of Trustees. Each in turn have a vital part to play in demonstrating standard regularity, monitoring and reviewing.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Attendance at meetings all sub committee meetings in the year was as follows:

Strategy group (September - December 2019)

Committee member	Meetings attended	Out of possible
Mrs K Elen (Chair, Trustee)	1	1
Mr C Germaine (Trustee)	1	1
Mr L Hampton-Whitehead (Parent Trustee)	1	1
Mr D Hogg (Trustee)	-	1
Mr G Bodger (Trustee)	1	1
Mr A Johnson (Principal and Accounting Officer)	1	1

Standards group (September - December 2019)

Committee member	Meetings attended	Out of possible
Mr D Hogg (Chair, Trustee)	3	3
Mr C Germaine (Trustee)	3	3
Mr S Karunaratne (Staff Trustee)	3	3
Mr L Hampton-Whitehead (Parent Trustee)	2	3
Mrs J Niland (Parent Trustee)	2	3
Mrs C Spedding (Parent Trustee)	3	3
Mr R Phillips (Vice Principal)	2	3
Miss L Rogers (Director of Sixth Form)	2	3

Community group (September - December 2019)

Committee member	Meetings attended	Out of possible
Mr C Germaine (Trustee)	1	1
Mr D Hogg (Trustee)	-	1
Mrs H Kelly (Parent Trustee)	1	1
Mr G Bodger (Trustee)	1	1
Mr M John (Assistant Principal)	1	1
Miss L Rogers (Director of Sixth Form)	-	1
Miss K Gordelier (Senior Teacher)	1	1

Standards & Pupil Welfare (January 2020 onward)

Committee member	Meetings attended	Out of possible
Mr G Bodger (Chair, Trustee)	1	1
Mr C Germaine (Trustee)	1	1
Mr S Karunaratne (Staff Trustee)	1	1
Mrs H Kelly (Parent Trustee)	-	1
Mrs J Niland (Parent Trustee)	-	1
Mrs C Spedding (Parent Trustee)	-	1
Mr R Phillips (Vice Principal)	1	1
Mr M John (Assistant Principal)	1	1
Miss L Rogers (Director of Sixth Form)	1	1
Miss K Gordelier (Senior Teacher)	1	1

Training of Trustees to have appropriate skills and expertise areas is ongoing based on analysis of the NGA skills audit that all Trustees have revisited.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Chair of Governors was successful with a recruitment process through Academy Ambassadors to source a Trustee with specific financial knowledge and experience which was a condition of the Recovery Plan. In fact, the academy secured two trustees with accounting qualifications through this route and a further independently.

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 academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Challenge - Is the School's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- Compare - How does the School's student performance and financial performance compare? How does it compare with other schools? How does it compare with similar schools?
- Consult - How does the School seek the views of stakeholders about the services the School provides?
- Compete - How does the School secure efficient and effective services? Are services of appropriate quality, economic?

Therefore, the trustees, and the Senior Leadership Team and Managers, will:

- make comparisons with other similar schools using data provided by GASH, GASBM and the Government, e.g. benchmarking tools, quality of teaching and learning, levels of expenditure.
- challenge proposals, examining them for effectiveness, efficiency, and cost, eg setting of annual student achievement targets.
- require suppliers to compete on grounds of cost, and quality/ suitability of services/ products/ backup.
- consult individuals and organisations on quality/ suitability of service we provide to parents and students,
- and services we receive from providers, e.g. sex and relationship education, student reports, assigned inspector, Ofsted, finance consultant.

The trustees and Senior Leadership Team and Managers apply the principles of value for money when making decisions to improve the educational outcomes of the school by:

- the allocation of resources to best promote the aims and values of the School;
- the targeting of resources to best improve standards and the quality of provision; and
- the use of resources to best support the various educational needs of all students.

The Governing Body is accountable for the way in which the School's resources are allocated to meet the objectives set out in the School Development Plan. Trustees need to secure the best possible outcome for students, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the School's achievements and services.

The Governing Body approves the budget each year and is mindful of the need to balance expenditure against income to ensure the Academy Trust remains a 'going concern'. The trustees of the Finance and Resources Group receive and approve the Annual Accounts and External Auditors' Management Letter. The governing body receive the signed Annual Accounts with all related documentation.

The Business Manager, supported by the Finance Office, is always striving to find value for money in terms of suitability, efficiency, time and cost. Measures already in place are detailed in the Financial Policy which is permanently available for all staff and trustees.

Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis and that long term contracts remain competitive.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Newent Community School And Sixth Form Centre for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The 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 period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Resources Group 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 decided not to appoint an auditor for this purpose. However, the trustees have appointed Mr G Kelly, a trustee, to carry out a programme of internal checks.

The internal scrutineer role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- A full review of the previous audit management letter and recommendations.
- A full review of the current Finance Policy, amended in May 2020.

Going forward, three times a year, the internal scrutineer will report to the board of trustees, through the finance and resources group on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and will annually prepare an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

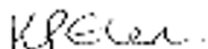
Review of effectiveness

As accounting officer the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal scrutineer;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on 15 December 2020 and signed on its behalf by:



Mrs K Elen
Chair



Mr A Johnson
Principal and Accounting Officer

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of Newent Community School and Sixth Form Centre, I have considered my responsibility to notify the academy trust board of trustees and the Education and 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 2019.

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 2019.

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



Mr A Johnson
Accounting Officer

15 December 2020

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Newent Community School and Sixth Form Centre for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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:

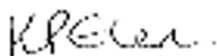
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 15 December 2020 and signed on its behalf by:



Mrs K Elen
Chair

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of Newent Community School and Sixth Form Centre for the year ended 31 August 2020 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 2019 to 2020 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 2020 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 2019 to 2020.

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.

Other information

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts 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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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.

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 accounts.

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.

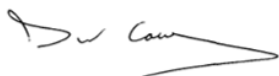
NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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.



David Cary LLB FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

22 January 2021

Pillar House
113-115 Bath Road
Cheltenham
Gloucestershire
GL53 7LS

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 15 November 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Newent Community School and Sixth Form Centre during the period 1 September 2019 to 31 August 2020 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 Newent Community School and Sixth Form Centre and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Newent Community School and Sixth Form Centre 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 Newent Community School and Sixth Form Centre and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Newent Community School and Sixth Form Centre's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Newent Community School and Sixth Form Centre's funding agreement with the Secretary of State for Education dated 31 August 2012 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Azets Audit Services

Reporting Accountant

Azets Audit Services

Dated: 22 January 2021

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2020 £	Total 2019 £
Income and endowments from:					
Donations and capital grants	3	-	14,601	57,846	72,447
Charitable activities:					
- Funding for educational operations	4	132,920	4,999,950	-	5,132,870
Other trading activities	5	56,493	27,625	-	84,118
Investments	6	218	-	-	218
Total		189,631	5,042,176	57,846	5,289,653
Expenditure on:					
Raising funds	7	53,681	27,649	-	81,330
Charitable activities:					
- Educational operations	8	155,006	4,931,236	545,904	5,632,146
Total	7	208,687	4,958,885	545,904	5,713,476
Net income/(expenditure)		(19,056)	83,291	(488,058)	(423,823)
Transfers between funds	17	-	(20,338)	20,338	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	24	-	(44,000)	-	(44,000)
Net movement in funds		(19,056)	18,953	(467,720)	(467,823)
Reconciliation of funds					
Total funds brought forward		138,200	(2,795,434)	19,805,808	17,148,574
Total funds carried forward		119,144	(2,776,481)	19,338,088	16,680,751

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted	Restricted funds:		Total
		funds £	General £	Fixed asset £	2019 £
Income and endowments from:					
Donations and capital grants	3	-	29,982	162,052	192,034
Charitable activities:					
- Funding for educational operations	4	195,387	4,425,790	-	4,621,177
Other trading activities	5	95,828	42,570	-	138,398
Investments	6	336	-	-	336
Total		291,551	4,498,342	162,052	4,951,945
Expenditure on:					
Raising funds	7	64,434	33,718	-	98,152
Charitable activities:					
- Educational operations	8	186,237	4,876,905	534,042	5,597,184
Total	7	250,671	4,910,623	534,042	5,695,336
Net income/(expenditure)		40,880	(412,281)	(371,990)	(743,391)
Transfers between funds	17	(21,723)	(3,588)	25,311	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	24	-	(743,000)	-	(743,000)
Net movement in funds		19,157	(1,158,869)	(346,679)	(1,486,391)
Reconciliation of funds					
Total funds brought forward		119,043	(1,636,565)	20,152,487	18,634,965
Total funds carried forward		138,200	(2,795,434)	19,805,808	17,148,574

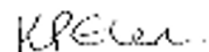
NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12		19,268,203		19,732,172
Current assets					
Debtors	14	190,962		162,449	
Cash at bank and in hand		334,932		257,917	
		525,894		420,366	
Current liabilities					
Creditors: amounts falling due within one year	15	(355,346)		(437,457)	
Net current assets/(liabilities)			170,548		(17,091)
Total assets less current liabilities			19,438,751		19,715,081
Creditors: amounts falling due after more than one year	16		-		(19,507)
Net assets excluding pension liability			19,438,751		19,695,574
Defined benefit pension liability	24		(2,758,000)		(2,547,000)
Net assets			16,680,751		17,148,574
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			19,338,088		19,805,808
- General funds			(18,481)		(248,434)
- Pension reserve			(2,758,000)		(2,547,000)
Total restricted funds			16,561,607		17,010,374
Unrestricted income funds	17		119,144		138,200
Total funds			16,680,751		17,148,574

The accounts were approved by order of the board of trustees and authorised for issue on 15 December 2020.



Mrs K Elen
Chair

Company Number 08153177

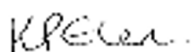
NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

BALANCE SHEET ACADEMY ONLY

AS AT 31 AUGUST 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	12	19,268,203	19,732,172
Investments	13	1	1
		<u>19,268,204</u>	<u>19,732,173</u>
Current assets			
Debtors	14	190,862	162,449
Cash at bank and in hand		331,653	232,496
		<u>522,515</u>	<u>394,945</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(352,071)	(434,234)
Net current assets/(liabilities)		<u>170,444</u>	<u>(39,289)</u>
Total assets less current liabilities		<u>19,438,648</u>	<u>19,692,884</u>
Creditors: amounts falling due after more than one year	16	-	(19,507)
Net assets excluding pension liability		<u>19,438,648</u>	<u>19,673,377</u>
Defined benefit pension liability	24	(2,758,000)	(2,547,000)
Net assets		<u>16,680,648</u>	<u>17,126,377</u>
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds		19,338,088	19,805,808
- General funds		(18,481)	(248,434)
- Pension reserve		(2,758,000)	(2,547,000)
Total restricted funds		<u>16,561,607</u>	<u>17,010,374</u>
Unrestricted income funds	17	<u>119,041</u>	<u>116,003</u>
Total funds		<u>16,680,648</u>	<u>17,126,377</u>

The accounts were approved by order of the board of trustees and authorised for issue on 15 December 2020.



Mrs K Elen
Chair

Company Number 08153177

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	21		253,887		(120,767)
Cash flows from investing activities					
Dividends, interest and rents from investments		218		336	
Capital grants from DfE Group		38,310		151,205	
Capital funding received from sponsors and others		38,900		-	
Purchase of tangible fixed assets		(175,962)		(250,358)	
Net cash used in investing activities			(98,534)		(98,817)
Cash flows from financing activities					
New ESFA loan		-		58,000	
Repayment of CIF loan		(20,338)		(20,340)	
Repayment of ESFA loan		(58,000)		-	
Net cash (used in)/provided by financing activities			(78,338)		37,660
Net increase/(decrease) in cash and cash equivalents in the reporting period			77,015		(181,924)
Cash and cash equivalents at beginning of the year			257,917		439,841
Cash and cash equivalents at end of the year			334,932		257,917

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The consolidated statement of financial activities and consolidated balance sheet consolidate the financial statements of the academy trust and its material subsidiary undertakings ('subsidiaries'). The results of subsidiaries are consolidated on a line-by-line basis.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events of 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. Following significant operating deficits in previous years, GAG reserves are still in deficit by £175,229 at the end of the year however the academy is now carrying forward a net revenue surplus of £100,663. The trustees have reviewed the situation and believe that they can continue to improve the position and will have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Newent Community School and Sixth Form Centre and its material subsidiaries. The results of subsidiaries acquired during the year are included from the effective date of acquisition.

The academy trust has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Statement of Financial Activities.

The income and expenditure account for the year dealt with in the accounts of the academy trust was £445,729 deficit (2019: £721,194 deficit).

1.4 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 consolidated 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 consolidated 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 consolidated 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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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 consolidated 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.

1.5 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.

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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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.

1.6 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. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities.

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

Freehold property	2%
Computer equipment	25%
Fixtures and fittings	10%-25%
Motor vehicles	33%

The academy owns the property it operates from. The valuation of the freehold buildings has been considered by Trustees and included at what they considered to be a reasonable estimate of current market value at the date of conversion.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 consolidated statement of financial activities.

1.7 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.

1.8 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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.9 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.10 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.

Amounts due from the academy trust's wholly owned subsidiary are held at face value less any impairment.

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.

Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

1.11 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.

1.12 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.

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit 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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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.

1.13 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, the Department for Education, private sponsors and the Local Authority.

The academy is carrying a deficit of £175,229 on the GAG fund and a net deficit of £56,085 on restricted GAG funds plus unrestricted funds, due to an excess of expenditure over available funding. The academy continues with its recovery plan to address the underlying causes.

1.14 Agency arrangements

The academy trust acts as an agent in distributing certain monies to students, for example 16-19 bursary funding from the ESFA in so far as these are not discretionary in nature.

The academy trust also acts as an agent in distributing school bus passes to students. Payments received from parents of students and subsequent payments to the provider of the school bus services are excluded from the consolidated statement of financial activities on the basis that the academy trust does not have control over the charitable application of the funds. The funds received and paid, and any balances held, are disclosed in the notes to the financial statements.

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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

(Continued)

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 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	18,946	18,946	162,052
Other donations	-	53,501	53,501	29,982
	-	72,447	72,447	192,034

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	4,328,970	4,328,970	3,954,009
Other DfE group grants	-	433,414	433,414	214,835
	-	4,762,384	4,762,384	4,168,844
Other government grants				
Local authority grants	-	123,696	123,696	58,773
Exceptional government funding				
Coronavirus exceptional support	-	23,660	23,660	-
Other funding				
Catering services	99,261	-	99,261	142,627
School funds	17,350	24,787	42,137	198,412
Other incoming resources	16,309	65,423	81,732	52,521
	132,920	90,210	223,130	393,560
Total funding	132,920	4,976,290	5,109,210	4,621,177

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

The funding received for coronavirus exceptional support covers £24k of cleaning materials, free school meal vouchers and educational equipment costs. These costs are included in notes 7 and 8 below as appropriate.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	7,230	27,625	34,855	104,775
Other income	49,263	-	49,263	33,623
	56,493	27,625	84,118	138,398

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Short term deposits	218	-	218	336

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2020 £	Total 2019 £
Expenditure on raising funds					
- Direct costs	27,291	-	-	27,291	28,020
- Allocated support costs	-	31,678	22,361	54,039	70,132
Academy's educational operations					
- Direct costs	3,475,995	-	322,390	3,798,385	3,733,094
- Allocated support costs	814,532	732,234	286,995	1,833,761	1,864,090
	4,317,818	763,912	631,746	5,713,476	5,695,336

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	12,120	14,580
- Other services	4,573	4,970
- Assurance services other than audit	2,445	2,295
Operating lease rentals	36,223	43,346
Depreciation of tangible fixed assets	545,904	534,042
Net interest on defined benefit pension liability	49,000	48,000

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Direct costs				
Educational operations	39,201	3,759,184	3,798,385	3,733,094
Support costs				
Educational operations	115,805	1,717,956	1,833,761	1,864,090
	155,006	5,477,140	5,632,146	5,597,184
			2020 £	2019 £
Analysis of support costs				
Support staff costs			814,532	793,563
Depreciation			545,904	534,042

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Charitable activities

(Continued)

Technology costs	15,199	8,693
Premises costs	186,330	188,991
Legal costs	8,276	-
Other support costs	245,765	321,481
Governance costs	17,755	17,320
	<u>1,833,761</u>	<u>1,864,090</u>

9 Staff

Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	3,142,461	3,051,317
Social security costs	297,559	279,638
Pension costs	864,259	632,705
	<u>4,304,279</u>	<u>3,963,660</u>
Amounts paid to employees	4,304,279	3,963,660
Agency staff costs	13,539	69,540
Staff restructuring costs	-	15,609
	<u>4,317,818</u>	<u>4,048,809</u>

Staff restructuring costs comprise:

Severance payments	-	15,609
	<u>-</u>	<u>15,609</u>

Staff numbers

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

	2020 Number	2019 Number
Teachers	54	54
Administration and support	113	114
Management	7	7
	<u>174</u>	<u>175</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

9 Staff

(Continued)

Higher paid staff

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

	2020 Number	2019 Number
In the band £60,001 - £70,000	2	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-
	<u> </u>	<u> </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 pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £656,852 (2019: £617,600).

10 Trustees' remuneration and expenses

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

The value of trustees' remuneration and other benefits was as follows:

Mr A Johnson (Principal):

- Remuneration £90,000- £95,000 (2019: £80,000 - £85,000)
- Employer's pension contributions £10,001- £15,000 (2019: £10,000 - £15,000)

Mr S Karunaratne (Staff Trustee):

- Remuneration £45,000 - £50,000 (2019: £45,000 - £50,000)
- Employer's pension contributions £10,000 - £15,000 (2019: £5,000 - £10,000)

During the year ended 31 August 2020, travel expenses reimbursed to trustees totalled £61 (2019 - £Nil).

Other related party transactions involving the trustees are set out within the Related party transactions note.

11 Insurance for trustees and officers

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 £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £250 (2019: £163). The cost of this insurance is included in the total insurance cost.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Tangible fixed assets Group and Academy

	Freehold property £	Computer equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2019	22,535,931	141,372	642,059	8,463	23,327,825
Additions	6,638	17,265	22,982	35,050	81,935
At 31 August 2020	22,542,569	158,637	665,041	43,513	23,409,760
Depreciation					
At 1 September 2019	2,996,014	108,762	482,414	8,463	3,595,653
Charge for the year	450,851	23,643	59,843	11,567	545,904
At 31 August 2020	3,446,865	132,405	542,257	20,030	4,141,557
Net book value					
At 31 August 2020	19,095,704	26,232	122,784	23,483	19,268,203
At 31 August 2019	19,539,917	32,610	159,645	-	19,732,172

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

13 Fixed asset investments

	Shares in group undertakings
Historical cost:	
At 31 August 2020	1
At 31 August 2019	1

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Newent Community Sports Limited	UK	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activities	Capital and reserves £	Profit/(loss) for the year £
Newent Community Sports Limited	Operation of clubhouse and sports related lettings	104	103
Registered company number: 10721584			

In the year Newent Community Sports Limited reported income of £35,521 (2019: £64,314) and expenditure totalling £35,418 (2019: £42,117).

14 Debtors

	2020 £ Group	2020 £ Academy	2019 £ Group	2019 £ Academy
Trade debtors	37,586	37,486	50,662	50,662
VAT recoverable	7,710	7,710	5,689	5,689
Other debtors	26,657	26,657	150	150
Prepayments and accrued income	119,009	119,009	105,948	105,948
	190,962	190,862	162,449	162,449

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Creditors: amounts falling due within one year

	2020 £	2020 £	2019 £	2019 £
	Group	Academy	Group	Academy
Government loans	19,093	19,093	77,924	77,924
Trade creditors	16,596	16,596	34,830	34,255
Other taxation and social security	70,728	70,350	71,174	70,771
Other creditors	215,403	215,320	124,934	124,934
Accruals and deferred income	33,526	30,712	128,595	126,350
	<u>355,346</u>	<u>352,071</u>	<u>437,457</u>	<u>434,234</u>

16 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Government loans	-	19,507
	<u>-</u>	<u>19,507</u>
Analysis of loans	2020 £	2019 £
Wholly repayable within five years	19,093	97,431
Less: included in current liabilities	(19,093)	(77,924)
	<u>-</u>	<u>19,507</u>
Amounts included above	-	19,507
	<u>-</u>	<u>19,507</u>
Loan maturity		
Debt due in one year or less	19,093	77,924
Due in more than one year but not more than two years	-	19,507
	<u>19,093</u>	<u>97,431</u>

The balance of £19,093 relates to a loan from ESFA received in 2018 under the Condition Improvement Fund which is repayable over 3 years at an interest rate of 1.04%.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	(413,532)	4,328,970	(4,070,329)	(20,338)	(175,229)
Other DfE / ESFA grants	12,134	457,074	(444,104)	-	25,104
Other government grants	15,357	123,696	(106,998)	-	32,055
School fund account	104,683	24,787	(51,914)	6,154	83,710
Other income	32,924	107,649	(118,540)	(6,154)	15,879
Pension reserve	(2,547,000)	-	(167,000)	(44,000)	(2,758,000)
	<u>(2,795,434)</u>	<u>5,042,176</u>	<u>(4,958,885)</u>	<u>(64,338)</u>	<u>(2,776,481)</u>
Restricted fixed asset funds					
DfE group capital grants	2,444,246	18,946	(89,948)	-	2,373,244
Capital expenditure from GAG	70,882	-	(6,045)	-	64,837
Predecessor school surplus	26,859	-	-	-	26,859
Transfer on conversion	17,230,000	-	(410,000)	-	16,820,000
Other donations	73,252	38,900	(39,911)	-	72,241
CIF loan	(39,431)	-	-	20,338	(19,093)
	<u>19,805,808</u>	<u>57,846</u>	<u>(545,904)</u>	<u>20,338</u>	<u>19,338,088</u>
Total restricted funds	<u>17,010,374</u>	<u>5,100,022</u>	<u>(5,504,789)</u>	<u>(44,000)</u>	<u>16,561,607</u>
Unrestricted funds					
General funds	<u>138,200</u>	<u>189,631</u>	<u>(208,687)</u>	<u>-</u>	<u>119,144</u>
Total funds	<u>17,148,574</u>	<u>5,289,653</u>	<u>(5,713,476)</u>	<u>(44,000)</u>	<u>16,680,751</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

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

Restricted funds include GAG and other grants receivable from the Education & Skills Funding Agency, Department for Education and Local Authority towards the group and academy's educational activities. School funds held in respect of educational visits and events are included in restricted funds.

Restricted fixed asset funds include amounts receivable from the Education & Skills Funding Agency, Department for Education and other sources in respect of tangible fixed assets held for use by the group and academy. Transfers from restricted and unrestricted funds to restricted fixed asset funds relate to fixed assets purchased from these funds.

The pension reserve relates to the group and academy's share of the deficit of the Local Government Pension Scheme, as overseen by the Local Authority.

The academy trust is not subject to GAG carried forward limits.

The academy trust is carrying a deficit of £175,229 on the GAG fund and a net deficit of £56,085 on restricted GAG funds plus unrestricted funds due to an excess of expenditure over available funding. The academy trust continues to implement its recovery plan to address the underlying causes.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	(119,072)	3,954,009	(4,274,929)	26,460	(413,532)
Other DfE / ESFA grants	7,227	214,835	(209,928)	-	12,134
Other government grants	8,074	58,773	(30,902)	(20,588)	15,357
School fund account	94,379	161,470	(151,166)	-	104,683
Other income	55,827	109,255	(122,698)	(9,460)	32,924
Pension reserve	(1,683,000)	-	(121,000)	(743,000)	(2,547,000)
	<u>(1,636,565)</u>	<u>4,498,342</u>	<u>(4,910,623)</u>	<u>(746,588)</u>	<u>(2,795,434)</u>
Restricted fixed asset funds					
DfE group capital grants	2,375,585	162,052	(80,129)	(13,262)	2,444,246
Capital expenditure from GAG	78,010	-	(12,908)	5,780	70,882
Predecessor school surplus	26,859	-	-	-	26,859
Transfer on conversion	17,640,000	-	(410,000)	-	17,230,000
Other donations	91,804	-	(31,005)	12,453	73,252
CIF loan	(59,771)	-	-	20,340	(39,431)
	<u>20,152,487</u>	<u>162,052</u>	<u>(534,042)</u>	<u>25,311</u>	<u>19,805,808</u>
Total restricted funds	<u>18,515,922</u>	<u>4,660,394</u>	<u>(5,444,665)</u>	<u>(721,277)</u>	<u>17,010,374</u>
Unrestricted funds					
General funds	<u>119,043</u>	<u>291,551</u>	<u>(250,671)</u>	<u>(21,723)</u>	<u>138,200</u>
Total funds	<u>18,634,965</u>	<u>4,951,945</u>	<u>(5,695,336)</u>	<u>(743,000)</u>	<u>17,148,574</u>

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	19,268,203	19,268,203
Current assets	122,419	304,997	98,478	525,894
Creditors falling due within one year	(3,275)	(323,478)	(28,593)	(355,346)
Defined benefit pension liability	-	(2,758,000)	-	(2,758,000)
Total net assets	<u>119,144</u>	<u>(2,776,481)</u>	<u>19,338,088</u>	<u>16,680,751</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	19,732,172	19,732,172
Current assets	201,747	2,025	216,594	420,366
Creditors falling due within one year	(63,547)	(250,459)	(123,451)	(437,457)
Creditors falling due after one year	-	-	(19,507)	(19,507)
Defined benefit pension liability	-	(2,547,000)	-	(2,547,000)
Total net assets	138,200	(2,795,434)	19,805,808	17,148,574

19 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	36,545	20,224
Amounts due in two and five years	68,721	38,602
	105,266	58,826

20 Capital commitments

	2020 £	2019 £
Expenditure contracted for but not provided in the accounts	-	-

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020 £	2019 £
Net expenditure for the reporting period (as per the statement of financial activities)	(423,823)	(743,391)
Adjusted for:		
Capital grants from DfE and other capital income	(57,846)	(162,052)
Investment income receivable	(218)	(336)
Defined benefit pension costs less contributions payable	118,000	73,000
Defined benefit pension scheme finance cost	49,000	48,000
Depreciation of tangible fixed assets	545,904	534,042
(Increase)/decrease in debtors	(47,877)	83,420
Increase in creditors	70,747	46,550
Net cash provided by/(used in) operating activities	253,887	(120,767)

22 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	Other non- cash changes £	31 August 2020 £
Cash	257,917	77,015	-	334,932
Loans falling due within one year	(77,924)	58,831	-	(19,093)
Loans falling due after more than one year	(19,507)	77,507	(58,000)	-
	<u>160,486</u>	<u>213,353</u>	<u>(58,000)</u>	<u>315,839</u>

23 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

24 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 Gloucestershire County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £62,724 (TPS) and £20,943 (LGPS) were payable to the schemes at 31 August 2020 (2019: £44,892 (TPS) and £21,630 (LGPS)) and are included within creditors.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

24 Pension and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

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

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

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% employer administration charge)
- 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £531,269 (2019: £354,493).

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 pension 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 30.0% for employers and 5.5 to 12.5% for employees.

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

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Pension and similar obligations

(Continued)

Total contributions made	2020 £	2019 £
Employer's contributions	207,000	210,000
Employees' contributions	42,000	46,000
Total contributions	249,000	256,000

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	2.5	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.2	2.3
Commutation of pensions to lump sums pre-April 2008	35	35.0
Commutation of pensions to lump sums post-April 2008	68	68.0

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

	2020 Years	2019 Years
Retiring today		
- Males	21.7	21.5
- Females	23.9	23.7
Retiring in 20 years		
- Males	22.4	22.3
- Females	25.3	25.0

Scheme liabilities would have been affected by changes in assumptions as follows:

	2020	2019
Discount rate + 0.1%	(137,000)	(144,000)
Discount rate -0.1%	137,000	144,000
Mortality assumption + 1 year	236,000	217,000
Mortality assumption - 1 year	(236,000)	(217,000)
CPI rate + 0.1%	123,000	122,000
CPI rate - 0.1%	(123,000)	(122,000)

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

24 Pension and similar obligations

(Continued)

The academy trust's share of the assets in the scheme

	2020 Fair value £	2019 Fair value £
Equities	2,066,000	1,867,000
Bonds	720,000	718,000
Cash and other liquid assets	94,000	58,000
Property	251,000	230,000
Total market value of assets	3,131,000	2,873,000

The actual return on scheme assets was £41,000 (2019: £167,000).

Amount recognised in the Statement of Financial Activities

	2020 £	2019 £
Current service cost	325,000	274,000
Past service cost	-	9,000
Interest income	(57,000)	(73,000)
Interest cost	106,000	121,000
Total operating charge	374,000	331,000

Changes in the present value of defined benefit obligations

	2020 £	2019 £
At 1 September 2019	5,420,000	4,168,000
Current service cost	325,000	274,000
Interest cost	106,000	121,000
Employee contributions	42,000	46,000
Actuarial loss	28,000	837,000
Benefits paid	(32,000)	(35,000)
Past service cost	-	9,000
At 31 August 2020	5,889,000	5,420,000

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

24 Pension and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

	2020 £	2019 £
At 1 September 2019	2,873,000	2,485,000
Interest income	57,000	73,000
Actuarial loss/(gain)	(16,000)	94,000
Employer contributions	207,000	210,000
Employee contributions	42,000	46,000
Benefits paid	(32,000)	(35,000)
At 31 August 2020	3,131,000	2,873,000

25 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. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

During the current year, the academy received a restricted donation of £Nil (2019: £320) from Gooch Sports, a partnership in which Mrs J Gooch, a trustee who resigned during the year, is a partner. The academy purchased items with a value of £Nil (2019: £320) with this restricted donation.

During the year the academy received a gift aid distribution of £22,197 (2019: £Nil) from its subsidiary, Newent Community Sports Limited.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook.

26 Agency arrangements

The academy acts as an agent in distributing school bus passes to students. In the year ended 31 August 2020, the academy received £238,640 (2019: £183,776) from parents and paid £210,835 (2019: £213,957) to the operator of the bus service. An amount of £86,160 (2019: £58,055) is included within other creditors in relation to monies received in advance from parents for the year ending 31 August 2021.