

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 2022**

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

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NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr L Hampton-Whitehead
Mr D Hogg
Mr C Rayfield
Mr G Spaul
Mrs K Elen (Appointed 2 August 2022)

Trustees

Mrs K Elen (Chair) (Resigned 31 July 2022)
Mr C Germaine (Chair from 1 August 2022)
Mrs C Spedding (Resigned 25 March 2022)
Mr M Lake
Mrs S Karunaratne
Mr A Causon (Resigned 16 October 2021)
Mrs K Hancock
Mr G Kelly (Resigned 20 September 2021)
Mrs N Gee
Mr J Joyce
Mr R Phillips (Principal and Accounting Officer) (Resigned 24 April 2022)
Mrs D Burke (Principal and Accounting Officer) (Appointed 9 May 2022)
Mr A Barr (Appointed 17 January 2022)
Mr Z Mitchelmore (Appointed 23 March 2022)
Mr G Wood (Appointed 9 May 2022)

Senior leadership team

- Vice Principal, Acting Principal until 24 April 2022 Mr R Phillips
- Principal Mrs D Burke (Appointed 25 April 2022)
- Vice Principal Mr R Nicklin (Appointed 1 September 2022)
- Assistant Principal Mr M John
- Acting Assistant Principal until 31 August 2022 Miss K Gordelier
- Acting Assistant Principal until 31 August 2022 Mr D Williams
- Assistant Principal Mr M Santos (Appointed 1 September 2022)
- Director - Sixth Form Miss L Rogers
- Business Manager Mrs J A Price
- Acting Senior Teacher Mrs J Wells
- Acting Senior Teacher Mrs E Harvey
- Acting Senior Teacher Mrs V Taylor

Company secretary

Mrs J A Price

Company registration number

08153177 (England and Wales)

Principal and registered office

Watery Lane
Newent
Gloucestershire
GL18 1QF
United Kingdom

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Azets Audit Services
Epsilon House
The Square
Gloucester Business Park
Gloucester
GL3 4AD
United Kingdom

Bankers

Lloyds Bank Plc
19 Eastgate Street
Gloucester
Gloucestershire
GL1 1NU
United Kingdom

Solicitors

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU
United Kingdom

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. 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 1,047 in the school census in October 2021.

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.

In Autumn 2017 we became the first Secondary School in Gloucestershire to be awarded the Mental Health Champion Award by GHLL. An award we are particularly proud of!

In September 2020 the National Cyber Security Centre (part of GCHQ) made us a Gold Standard school for Cyber Security. This prestigious award is built on the success of our ground-breaking work as a CyberHub School and demonstrates our ongoing commitment to Cyber Security Education.

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. The trustees of Newent Community School and Sixth Form Centre are also the directors of the charitable company for the purposes of company law.

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

In April 2020 following agreement with the ESFA the academy trust fully separated the members and trustees in January 2020. The Members operate under an agreed Handbook which sets out the vision, values and strategic goals of the trust, and the role and responsibilities. The handbook details the meeting and reporting structure that is adhered to.

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.

Newent Community School and Sixth Form Centre is a school about individuals and it is our vision that everybody feels that they have a voice which can be heard within the school and a personalised experience which enables them to succeed both personally and academically.

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 2022

Method of recruitment and appointment or election of trustees

The number of trustees shall be not less than three, and shall include the Principal. The members of the trust are responsible for the appointment of up to 8 trustees. Up to 7, and at least 2, parent trustees are elected by parents of registered students at the school.

A parent trustee must be a parent of a student at the School 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.

Up to 4 staff trustees may be appointed through such process as the members of the trust may determine, provided that the total number of trustees (including the Principal) who are employees of the academy trust does not exceed one third of the total number of trustees.

The trustees may appoint up to 3 co-opted trustees. The Secretary of State may also appoint additional trustees under certain circumstances.

The term of office for any trustee shall be 4 years, except for the Principal. Subject to remaining eligible, trustees may be re-appointed or re-elected.

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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Organisational structure

The board of trustees is responsible for the strategic direction of the School; it meets at least 3 times per year. An extra ordinary meeting is able to be booked to discuss a specific agenda item depending on the emerging needs of the school.

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 (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 6 times per year.

The school continued to respond to the changing situation of the global pandemic throughout 2021/2022, this included the decision to continue with the majority of the Trustee and Group meetings being held on Microsoft Teams 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.

The Principal/Acting 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 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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	1.00

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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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 2022. The purpose of the subsidiary is to facilitate the letting of the Astro turf, 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 continues to be involved in the active partnership with the Tujuane 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. This project will be reconnected with when it is appropriate to do so given the impact of the global pandemic.

In July 2021, the School was pleased to accept the offer made by a small group of parents to create a new Parents' Teacher Association. The Newent Community School Parents' Association was formed at a meeting on 1 July 2021 and has been proactive in setting out its fundraising strategy raising funds throughout 2021/2022.

The Association has partnered with the Gloucester School Lottery and Forest School Lottery offering parents and the wider school community to purchase tickets in one or both lottery schemes. In addition, members of the Association were present at the first Parents' Information Evening in September 2021 to raise their profile and secure additional support. This work continued with attending events through 2021/2022, subject to Covid-19 restrictions, including Nativity! The Musical production in July.

The school was awarded the National Cyber School in 2019/2020 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. 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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Newent Community School, Rugged Interactive, Gloucestershire Health and Care NHS Foundation Trust and the Anna Freud National Centre for Children and Families continue to work together to evaluate the SmartGym Resilience Programme although it is recognised that the challenge of the global pandemic has impacted the outcome of this evaluation somewhat. The physical activity element was created by the Anna Freud National Centre and the gamified physical activities element uses Rugged Interactive's CardioWall® technology. Again, while this work was paused through the global pandemic, it is expected to recommence as all restrictions are lifted.

The Principal / Acting Principal (until 24 April 2022) 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.

The Business Manager remains 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. 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. There are 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. Unfortunately, as a direct consequence on workload during the global pandemic, resignation of the SRMA role was tendered in the Summer of 2022.

Objectives and activities

Objects and aims

In April 2021 the Principal took the decision to retire. Following extensive discussion the Trustees took the decision to offer an Acting Principal position to the Vice Principal for a period of time pending an appropriate recruitment process to be undertaken. To ensure appropriate levels of capacity within the Leadership Team a number of internal Acting positions were appointed, all of which ceased by 31 August 2022. These include Acting roles for Assistant Principals and Senior Teachers with specific responsibilities.

The recruitment for the new Principal took place in January and February 2022. An appointment was made which commenced on 25 April 2022.

At the end of August 2022, a number of staff left our employment to retire from teaching or to take up alternative teaching positions. Due to a further increase in Year 7 students for September 2022, the academy completed a comprehensive recruitment programme for Classroom staff to ensure our curriculum was fully staffed. This increased our staff by approximately 3FTE for September 2022. During the year the levels of staffing within the Support Staff functions remained broadly steady, however, a recruitment programme for a small number of General Assistant roles was undertaken during the year. The Academy was fully staffed for teaching staff throughout the year, however, as experienced by many educational institutions, the recruitment to Teaching Assistant positions has been a challenge.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 trust"); 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 interest 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.

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 various lockdowns for the benefit of all students, particularly vulnerable students and those children of keyworkers. The Acting 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. This weekly communication was appreciated by families and, as a result, the new Principal has introduced Newent News from September 2022, a newsletter dedicated to highlight the previous week's activities as well as looking forward to future events.

Objectives, strategies and activities

This was the tenth 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 had 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. However, as well documented following the global pandemic, the mental wellbeing of students will continue to be of significant importance over the coming months and years.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

While impacted by the global pandemic, the partnership with Rugged Interactive, Gloucestershire Health and Care NHS Foundation Trust and the Anna Freud National Centre for Children and Families will be reinstated. 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.

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. An Assistant Principal is the Pupil Premium Champion and will continue to develop, enhance and monitor systems for the benefit of all disadvantaged and vulnerable students.

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.

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

- 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 four years and 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 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 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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Achievements and performance

The school successfully maintained a “good” Ofsted judgement in March 2018, following an Ofsted visit. The Inspectors comments confirmed that the academy trust has the capacity to improve further.

Our pupil admission number (PAN) remains at 239 and we maintained a consecutive increase in our Year 7 intake in September 2020, 2021 and 2022. In September 2022, the academy trust operated a waiting list for Year 7 which clearly demonstrates the work undertaken by the 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. The increase in student numbers has seen the school increase in size by c.300 students in the past three years.

In September 2021, the academy once again achieved close to the PAN which resulted in a further need to increase capacity of a fifth bus contracted to travel from Gloucester City. Due to the sustained increase in student numbers in September 2022, this fifth bus has increased to a double decker. The academy now has five double decker buses travelling from Gloucester City under a partnership agreement with Stagecoach for the benefit of our families.

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, increased use of targeted editorial pieces both online and in the papers. These pieces highlight the excellent facilities and opportunities given to the young people at the school. Families are able to tour virtually through the building allowing the opportunity to view the school in the comfort of their home. This virtual tour has the additional benefit of supporting students who are more anxious about joining the school each year which has been welcomed by parents.

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.

Following two years of students not taking external examinations due to the global pandemic, students in the summer of 2022 sat examinations in all subject areas.

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% as in previous years. It is recognised that the global pandemic has impacted on the attendance of some students and, therefore, this target was a challenge and remains a clear focus.
- The student recruitment data reflected an increase from 990 to 1,047 students in all year groups. The Year 7 students in September 2021 remained broadly the same as the previous year, September 2020. This is a clear vindication of the marketing strategy implemented during the year. This has continued into 2022 / 2023 with student numbers increasing by a further 108 in September 2022. The academy achieving PAN in September 2023 will see off year groups in KS3 and KS4 being close or at PAN.
- The academy trust's financial year resulted in a revenue surplus of £628,438 compared with a budgeted position of £427,000. The continuation in the positive outcome built on the previous year's surplus of £241,751 (before actuarial adjustments and transfers to fund capital expenditure).

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

While the use of “learning bubbles” throughout the 2020/2021 academic year limited students’ curriculum opportunities, the school returned to more near-normal operations. However, additional highlights during the year were somewhat limited due to the global pandemic with minimal trips, visits or events being held for students.

A positive outcome of having to work through the recovery of the global pandemic and maintain a high level of teaching and learning was the school’s ability to respond to the changing landscape. For example, the following changes were implemented which will continue going forward:

- Move to a cloud based system of file storage
- Move to online, remote Parents’ Evening appointments as opposed to inviting parents to individual meetings at school
- More telephone calls made home as part of an increased package of support for families
- How information is collected from Primary Schools

However, some changes e.g. to the transition programme for Y6 students has been reinstated to pre-pandemic practices as the benefits widely for the young people are clearly recognised.

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.

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 2022 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 £596,413 in the year, which increased the restricted revenue reserves to carry forward to a surplus of £722,859 (excluding the pension reserve). Total revenue income, including the General Annual Grant (GAG) as well as other income, was slightly lower than budget predominantly due to minimum school trips and events as a result of the ongoing impact of the global pandemic. We are pleased to see that from September 2022, trips / visits and school events are nearer to pre-pandemic levels which is encouraging. Furthermore, revenue expenditure was lower than budget as a result of effective management and strong financial controls but also due to lack of trips and visits during the year.

There were no cashflow concerns through the year and this continues into 2022 / 2023.

Total capital income was £14,276, which was lower than the previous year due to the academy’s Capital Improvement Fund applications being unsuccessful. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

At 31 August 2022 the net book value of fixed assets was £18,434,769. 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 2022 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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 £500,000 and £550,000. 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 £115,336 (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 £722,859 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 £681,000 at the year end, however, this deficit significantly decreased during the period ending 31 August 2022.

Investment policy

The academy trust considered options on its Reserves and Investment Protocol 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. Due to the financial recovery of the academy, it was expected that the 32 day notice investment account would be reintroduced during the 2021 / 2022 academic year, however, due to uncertainty as a result of the pandemic this reintroduction was delayed into the 2022/2023 academic year.

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, as part of the ongoing recovery related to the global pandemic, it is no longer considered relevant to have specific Covid-19 risks and mitigations. This situation will be kept under continuous review and, if relevant, the identified risks will be considered and appropriate mitigations put in place.

- 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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key controls in place:

- The academy trust have continued to work with System 15 to deliver a Managed IT Service to provide greater security against any potential IT system failure.
- 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.
- 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.

To ensure the academy trust's risk of fraud and management of funds is maintained we are committed to a programme of internal scrutiny. Through 2021 / 2022 one of our trustees, with appropriate and current qualifications, was fully committed to the internal scrutiny process becoming a scrutineer. They reported directly 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 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.

Fundraising

In a typical year, the academy is involved in raising money for charities and each year has a programme of planned events, however, this has had to be altered following the global pandemic. While the programme has been reintroduced this year, it is the intention of the trustees that this important learning experience is fully re-established through the 2022/2023 academic year.

Typically events are split into three categories: whole school e.g. Children in Need, Poppy Appeal, etc.; house charity where activities and the nominated, normally local charity, are collectively agreed; 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 Newent Community School Parents' Association (NCSPA) was formed in July 2021. This followed a period of 15 months without a Parents' Association. No fundraising was performed by the NCSPA in 2020 / 2021, however, their programme commenced in September 2021. This is a separate registered charity. Further details of the fundraising activities of this association are outlined above.

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, carers and families, and therefore sets low contributions for fundraising activities for charities. The academy does not persistently approach or cause undue pressure on families where contributions are not made.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

The medium and long term plans which will provide the focus of the academy trust's activity during 2022/2023 are being drafted and reviewed in the Development Plan by our Principal who joined the school in April 2022. This Development Plan is currently being discussed and agreed with the Trustees.

A number of organisational changes have taken place during the 2021/2022 due to the period of an Acting Principal, the Trustees appointment of the Principal and the subsequent process of review and planning. In addition, the longstanding Chair of Trustees stood down with their successor being the Vice Chair. Their appointment commenced on 1 August 2022. The academy does not expect significant changes in the coming period, however, there will be the need to continue to focus on the recovery from the global pandemic and react as necessary to the situation. The changes to date include:

- Further alterations to the curriculum to respond to the new National Curriculum.
- Monitoring and improving, where necessary, the quality of teaching and learning in the school following the appointment of an Assistant Principal with oversight for this area.
- 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 following the appointment of an Assistant Principal with oversight for this funding stream.
- The ongoing use and development of the academy's reporting systems e.g. SIMS, 4Matrix, My Concern, etc. which enable all staff to have access to relevant information on students.

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12 December 2022 and signed on its behalf by:



Mr C Germaine

Chair from 1 August 2022

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

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.

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

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 full board of trustees has formally met 8 times during the year with 7 meetings of the Finance and Resources Group being held.

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

Trustees	Meetings attended	Out of possible
Mrs K Elen (Chair) (Resigned 31 July 2022)	8	8
Mr C Germaine (Chair from 1 August 2022)	8	8
Mrs C Spedding (Resigned 25 March 2022)	5	6
Mr M Lake	8	8
Mrs S Karunaratne	8	8
Mr A Causon (Resigned 16 October 2021)	1	2
Mrs K Hancock	8	8
Mr G Kelly (Resigned 20 September 2021)	0	0
Mrs N Gee	7	8
Mr J Joyce	8	8
Mr R Phillips (Principal and Accounting Officer) (Resigned 24 April 2022)	5	5
Mrs D Burke (Principal and Accounting Officer) (Appointed 9 May 2022)	2	2
Mr A Barr (Appointed 17 January 2022)	6	6
Mr Z Mitchelmore (Appointed 23 March 2022)	1	2
Mr G Wood (Appointed 9 May 2022)	2	2

The most significant change in the composition of the Board is the resignation of the longstanding Chair of Trustees on 31st July 2022. They were replaced by the current Vice Chair as part of a planned succession plan.

Conflicts of interest

The Clerk to the Trustees and the Chief Financial Officer work in partnership to maintain and manage the register of conflicts of interest. The information is shared with the financial team to ensure full compliance on a day to day basis. At the start of each Trustee or group meeting, an agenda items requests Trustees to declare an interest in any point to be discussed.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Governance reviews

The Board are committed to undergoing regular reviews.

The separation of Trustees' and Members' Boards and the selection of appointees to the Members' Board were completed with reference to ESFA requirements. The academy has been compliant with its Articles, however, it now has five members which is in line with DFE guidance.

The Full Board exceeded the recommendation of meeting six times in the year with the attendance at the meetings provided above. The Board has continued to implement a full delegated Trustee Group structure of two distinct groups:

Standards and Student Welfare

Finance and Resource

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 six times through the year. 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 ongoing 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, 2021 and 2022. There is expectation that this increase in student numbers will increase in September 2023 which will ensure each KS3 and KS4 year group will be in excess of 200. 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 2 September 2020, however, both Mr Kelly and Mr Causon have subsequently resigned early in 2021 / 2022 due to work constraints. Following their resignations, Mr Z Mitchelmore also a qualified accountant was recruited on 23 March 2022 to further support the board of Trustees.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

Trustees	Meetings attended	Out of possible
Mrs K Elen (Chair) (Resigned 31 July 2022)	4	7
Mr C Germaine (Chair from 1 August 2022)	1	2
Mr M Lake	7	7
Mrs K Hancock	6	7
Mr R Phillips (Principal and Accounting Officer) (Resigned 24 April 2022)	4	4
Mrs D Burke (Principal and Accounting Officer) (Appointed 9 May 2022)	3	3
Mr A Barr (Appointed 17 January 2022)	4	4
Mr Z Mitchelmore (Appointed 23 March 2022)	3	3

Standards and Student Welfare Group

The Standards and Students Welfare Group is a sub-committee of the main board of trustees.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mr C Germaine (Chair from 1 August 2022)	6	6
Mrs C Spedding (Resigned 25 March 2022)	2	3
Mrs S Karunaratne	6	6
Mrs N Gee	6	6
Mr J Joyce	5	6
Mr R Phillips (Principal and Accounting Officer) (Resigned 24 April 2022)	5	6
Mr G Wood (Appointed 9 May 2022)	1	1
Miss L Rogers (Director of Sixth Form)	4	5
Mr M John (Assistant Principal)	5	5
Miss K Gordelier (Senior Teacher)	6	6

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?

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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.

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 2021 to 31 August 2022 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 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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;
- identification and management of risks.

The board of trustees has decided not to appoint an auditor to deliver its internal scrutiny function. However, the trustees have appointed Mrs K Hancock, a qualified accountant, to undertake this service. In addition, following the early resignation of Mr A Causon and Mr G Kelly, a second qualified account, Mr Z Mitchelmore has been appointed who will support Mrs K Hancock throughout 2022/2023.

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.
- Testing of recruitment and safeguarding processes
- Testing of payroll processes
- Testing of all relevant financial policies, protocols and processes

Going forward, two 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.

In addition to this internal scrutiny work, the Trustees have confirmed a peer to peer review partnership with Severn Vale School. The Business Managers will undertake appropriate reviews and report to their relevant Boards of Trustee.

Review of effectiveness

As accounting officer the principal / acting 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.
- correspondence from the ESFA.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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, if relevant and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 12 December 2022 and signed on its behalf by:



Mr C Germaine
Chair from 1 August 2022



Mrs D Burke
Principal and Accounting Officer

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

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 Academy Trust Handbook 2021.

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 Academy Trust Handbook 2021.

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



Mrs D Burke
Accounting Officer

12 December 2022

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 2022 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 2021 to 2022;
- 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 12 December 2022 and signed on its behalf by:



Mr C Germaine
Chair from 1 August 2022

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 2022

Opinion

We have audited the accounts of Newent Community School and Sixth Form Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the statement of financial activities, the group balance sheet, the charitable company 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 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2022 and of the group's 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 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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.

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 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 group's and 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 group or the parent 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 2022

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 2022

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.

Azets Audit Services

**Katherine Parkin (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

20 December 2022
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**Chartered Accountants
Statutory Auditor**

Epsilon House
The Square
Gloucester Business Park
Gloucester
United Kingdom
GL3 4AD

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 2022

In accordance with the terms of our engagement letter dated 13 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, 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 2021 to 31 August 2022 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 Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

Our work 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 2022

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 2021 to 31 August 2022 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: 20 December 2022

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and capital grants	3	-	1,162	14,276	15,438	151,418
Charitable activities:						
- Funding for educational operations	4	211,809	5,914,444	-	6,126,253	5,412,033
Other trading activities	5	59,058	44,358	-	103,416	54,769
Investments	6	113	-	-	113	75
Total		<u>270,980</u>	<u>5,959,964</u>	<u>14,276</u>	<u>6,245,220</u>	<u>5,618,295</u>
Expenditure on:						
Raising funds	7	35,369	44,358	-	79,727	47,319
Charitable activities:						
- Educational operations	8	203,586	5,607,193	551,661	6,362,440	5,902,676
Total	7	<u>238,955</u>	<u>5,651,551</u>	<u>551,661</u>	<u>6,442,167</u>	<u>5,949,995</u>
Net income/(expenditure)		32,025	308,413	(537,385)	(196,947)	(331,700)
Transfers between funds	17	(3,750)	(89,139)	92,889	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	3,117,000	-	3,117,000	(578,000)
Net movement in funds		28,275	3,336,274	(444,496)	2,920,053	(909,700)
Reconciliation of funds						
Total funds brought forward		87,061	(3,294,415)	18,978,405	15,771,051	16,680,751
Total funds carried forward		<u>115,336</u>	<u>41,859</u>	<u>18,533,909</u>	<u>18,691,104</u>	<u>15,771,051</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2021 £
Income and endowments from:					
Donations and capital grants	3	3,000	1,304	147,114	151,418
Charitable activities:					
- Funding for educational operations	4	150,612	5,261,421	-	5,412,033
Other trading activities	5	42,758	12,011	-	54,769
Investments	6	75	-	-	75
Total		<u>196,445</u>	<u>5,274,736</u>	<u>147,114</u>	<u>5,618,295</u>
Expenditure on:					
Raising funds	7	35,308	12,011	-	47,319
Charitable activities:					
- Educational operations	8	187,497	5,168,614	546,565	5,902,676
Total	7	<u>222,805</u>	<u>5,180,625</u>	<u>546,565</u>	<u>5,949,995</u>
Net income/(expenditure)		(26,360)	94,111	(399,451)	(331,700)
Transfers between funds	17	(5,723)	(34,045)	39,768	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	24	-	(578,000)	-	(578,000)
Net movement in funds		(32,083)	(517,934)	(359,683)	(909,700)
Reconciliation of funds					
Total funds brought forward		119,144	(2,776,481)	19,338,088	16,680,751
Total funds carried forward		<u>87,061</u>	<u>(3,294,415)</u>	<u>18,978,405</u>	<u>15,771,051</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		18,434,769		18,883,837
Current assets					
Debtors	14	124,598		260,309	
Cash at bank and in hand		1,223,040		484,801	
		<u>1,347,638</u>		<u>745,110</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(410,303)		(347,896)	
Net current assets			937,335		397,214
Net assets excluding pension liability			19,372,104		19,281,051
Defined benefit pension liability	24		(681,000)		(3,510,000)
Net assets			<u>18,691,104</u>		<u>15,771,051</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			18,533,909		18,978,405
- General funds			722,859		215,585
- Pension reserve			(681,000)		(3,510,000)
Total restricted funds			<u>18,575,768</u>		<u>15,683,990</u>
Unrestricted income funds	17		115,336		87,061
Total funds			<u>18,691,104</u>		<u>15,771,051</u>

The accounts were approved by order of the board of trustees and authorised for issue on 12 December 2022.



Mr C Germaine
Chair from 1 August 2022

Company Number 08153177

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

BALANCE SHEET ACADEMY ONLY

AS AT 31 AUGUST 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		18,434,769		18,883,837
Investments	13		1		1
			<u>18,434,770</u>		<u>18,883,838</u>
Current assets					
Debtors	14	124,498		260,209	
Cash at bank and in hand		1,211,368		480,167	
		<u>1,335,866</u>		<u>740,376</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(406,987)		(344,623)	
		<u>928,879</u>		<u>395,753</u>	
Net current assets			928,879		395,753
Net assets excluding pension liability			19,363,649		19,279,591
Defined benefit pension liability	24		(681,000)		(3,510,000)
Net assets			<u>18,682,649</u>		<u>15,769,591</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			18,533,909		18,978,405
- General funds			722,859		215,585
- Pension reserve			(681,000)		(3,510,000)
Total restricted funds			<u>18,575,768</u>		<u>15,683,990</u>
Unrestricted income funds	17		106,881		85,601
Total funds			<u>18,682,649</u>		<u>15,769,591</u>

The accounts were approved by order of the board of trustees and authorised for issue on 12 December 2022.



Mr C Germaine
Chair from 1 August 2022

Company Number 08153177

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	21		756,971		231,747
Cash flows from investing activities					
Dividends, interest and rents from investments		113		75	
Capital grants from DfE Group		141,584		19,806	
Purchase of tangible fixed assets		(160,429)		(82,666)	
Net cash used in investing activities			(18,732)		(62,785)
Cash flows from financing activities					
Repayment of CIF loan		-		(19,093)	
Net cash used in financing activities			-		(19,093)
Net increase in cash and cash equivalents in the reporting period			738,239		149,869
Cash and cash equivalents at beginning of the year			484,801		334,932
Cash and cash equivalents at end of the year			1,223,040		484,801

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 2022 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, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

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 £2,929,833 surplus (2021: £911,057 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 2022

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.

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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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%

On conversion the trustees agreed to base their valuation of land and buildings on insurance valuation. This was chosen in favour of having a formal valuation done as the cost of a formal valuation was considered onerous compared with the additional benefit derived by the users of the accounts.

Due to the academy trust's buildings being deemed specialist in nature and therefore not traded in an open market, insurance valuation was deemed to be a reasonable estimate of depreciated replacement cost for recognition purposes.

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 2022

1 Accounting policies

(Continued)

1.9 Leased assets

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

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 2022

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.

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 2022

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 2022. 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 2022 £	Total 2021 £
Capital grants	-	14,276	14,276	147,114
Other donations	-	1,162	1,162	4,304
	<u>-</u>	<u>15,438</u>	<u>15,438</u>	<u>151,418</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	5,363,873	5,363,873	4,546,564
Other DfE/ESFA grants:				
Pupil premium	-	194,804	194,804	158,532
Supplementary grant	-	67,678	67,678	-
Teachers pension grants	-	20,975	20,975	185,213
Teachers pay grants	-	7,423	7,423	65,545
Others	-	102,268	102,268	136,870
	-	5,757,021	5,757,021	5,092,724
Other government grants				
Local authority grants	-	80,770	80,770	69,000
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	17,184	17,184	70,970
Other funding				
Catering services	152,953	-	152,953	112,647
School funds	-	18,954	18,954	(7,061)
Other incoming resources	58,856	40,515	99,371	73,753
	211,809	59,469	271,278	179,339
Total funding	211,809	5,914,444	6,126,253	5,412,033

The academy received £17,184 (2021: £70,970) of funding for catch-up premium and costs incurred in respect of this funding totalled £39,494 (2021: £13,679), with the remaining £34,981 to be spent in 2022/23 (2021: £57,291).

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	52,131	44,358	96,489	14,077
Other income	6,927	-	6,927	40,692
	59,058	44,358	103,416	54,769

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	113	-	113	75

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2022 £	Total 2021 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	24,413	-	4,185	28,598	24,425
- Allocated support costs	2,204	42,650	6,275	51,129	22,894
Academy's educational operations					
- Direct costs	3,798,463	-	340,099	4,138,562	3,947,908
- Allocated support costs	1,073,753	806,706	343,419	2,223,878	1,954,768
	<u>4,898,833</u>	<u>849,356</u>	<u>693,978</u>	<u>6,442,167</u>	<u>5,949,995</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	13,680	11,990
- Other services	3,617	5,340
- Assurance services other than audit	2,115	2,910
Operating lease rentals	41,470	41,070
Depreciation of tangible fixed assets	551,661	546,565
Net interest on defined benefit pension liability	60,000	48,000

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	33,928	4,104,634	4,138,562	3,947,908
Support costs				
Educational operations	169,658	2,054,220	2,223,878	1,954,768
	<u>203,586</u>	<u>6,158,854</u>	<u>6,362,440</u>	<u>5,902,676</u>

	2022 £	2021 £
Analysis of support costs		
Support staff costs	1,073,753	883,344
Depreciation	551,661	546,565
Technology costs	15,804	6,163
Premises costs	255,045	221,170
Legal costs	5,450	7,530
Other support costs	304,625	271,085
Governance costs	17,540	18,911
	<u>2,223,878</u>	<u>1,954,768</u>

9 Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	3,460,785	3,303,431
Social security costs	334,037	315,375
Pension costs	1,043,408	921,278
	<u>4,838,230</u>	<u>4,540,084</u>
Staff costs - employees	4,838,230	4,540,084
Agency staff costs	60,603	43,012
	<u>4,898,833</u>	<u>4,583,096</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

(Continued)

Staff numbers

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

	2022	2021
	Number	Number
Teachers	56	56
Administration and support	107	118
Management	10	7
	<u>173</u>	<u>181</u>

Higher paid staff

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

	2022	2021
	Number	Number
In the band £60,001 - £70,000	1	3
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	2	-
	<u>4</u>	<u>4</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 £777,490 (2021: £649,820).

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 to 30/04/2021):

- Remuneration £N/A (2021: £60,000 - £65,000)
- Employer's pension contributions £N/A (2021: £15,000 - £20,000)

Mr R Phillips (Principal from 01/05/2021 to 24/04/2022, resigned as trustee 24 April 2022):

- Remuneration £55,000 - £60,000 (2021: £25,000 - £30,000)
- Employer's pension contributions £10,000 - £15,000 (2021: £10,000 - £15,000)

Mr S Karunaratne (Staff Trustee):

- Remuneration £45,000 - £50,000 (2021: £45,000 - £50,000)
- Employer's pension contributions £10,000 - £15,000 (2021: £10,000 - £15,000)

Mrs D Burke (Principal from 25 April 2022, appointed as trustee 9 May 2022):

- Remuneration £25,000 - £30,000 (2021: £N/A)
- Employer's pension contributions £5,000 - £10,000 (2021: £N/A)

During the year ended 31 August 2022, travel expenses reimbursed to trustees totalled £Nil (2021 - £Nil).

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

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £38 (2021: £46). 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 2022

12 Tangible fixed assets Group and Academy

	Freehold property £	Computer equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2021	22,686,685	170,997	670,764	43,513	23,571,959
Additions	27,649	59,757	15,187	-	102,593
Disposals	-	(6,741)	-	-	(6,741)
At 31 August 2022	22,714,334	224,013	685,951	43,513	23,667,811
Depreciation					
At 1 September 2021	3,900,599	153,099	602,827	31,597	4,688,122
On disposals	-	(6,741)	-	-	(6,741)
Charge for the year	454,287	22,346	63,112	11,916	551,661
At 31 August 2022	4,354,886	168,704	665,939	43,513	5,233,042
Net book value					
At 31 August 2022	18,359,448	55,309	20,012	-	18,434,769
At 31 August 2021	18,786,086	17,898	67,937	11,916	18,883,837

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

13 Fixed asset investments

	Shares in group undertakings
Historical cost:	
At 31 August 2022	1
	<u>1</u>
At 31 August 2021	1
	<u>1</u>

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	8,456	8,352
Registered company number: 10721584		<u>8,456</u>	<u>8,352</u>

In the year Newent Community Sports Limited reported income of £36,950 (2021: £28,826) and expenditure totalling £28,598 (2021: £27,366).

14 Debtors	2022	2022	2021	2021
	£	£	£	£
	Group	Academy	Group	Academy
Trade debtors	22,352	22,252	20,540	20,440
Other debtors	19,404	19,404	23,660	23,660
Prepayments and accrued income	82,842	82,842	216,109	216,109
	<u>124,598</u>	<u>124,498</u>	<u>260,309</u>	<u>260,209</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Creditors: amounts falling due within one year

	2022 £ Group	2022 £ Academy	2021 £ Group	2021 £ Academy
Trade creditors	70,680	70,680	4,153	4,153
Other taxation and social security	85,578	85,215	81,414	81,038
Other creditors	193,020	192,881	148,936	148,853
Accruals and deferred income	61,025	58,211	113,393	110,579
	<u>410,303</u>	<u>406,987</u>	<u>347,896</u>	<u>344,623</u>

16 Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	<u>34,098</u>	<u>-</u>
Deferred income at 1 September 2021	-	-
Resources deferred in the year	<u>34,098</u>	<u>-</u>
Deferred income at 31 August 2022	<u>34,098</u>	<u>-</u>

At the balance sheet date the Academy was holding funds received in advance in relation to trips and rates relief (2021: £nil funds received in advance).

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	(17,843)	5,363,873	(4,724,854)	(78,752)	542,424
Pupil premium	-	194,804	(194,804)	-	-
Catch-up premium	57,291	17,184	(39,494)	-	34,981
Other DfE/ESFA grants	35,657	130,666	(143,076)	-	23,247
Other government grants	47,706	80,770	(88,426)	(10,387)	29,663
School fund account	76,649	18,954	(18,954)	-	76,649
Supplementary grant	-	67,678	(67,678)	-	-
Other income	16,125	86,035	(86,265)	-	15,895
Pension reserve	(3,510,000)	-	(288,000)	3,117,000	(681,000)
	<u>(3,294,415)</u>	<u>5,959,964</u>	<u>(5,651,551)</u>	<u>3,027,861</u>	<u>41,859</u>
Restricted fixed asset funds					
DfE group capital grants	2,428,074	14,276	(87,971)	(6,377)	2,348,002
Capital expenditure from GAG	74,107	-	(21,221)	88,747	141,633
Predecessor school surplus	26,859	-	-	-	26,859
Transfer on conversion	16,410,000	-	(410,000)	-	16,000,000
Other donations	39,365	-	(32,469)	10,519	17,415
	<u>18,978,405</u>	<u>14,276</u>	<u>(551,661)</u>	<u>92,889</u>	<u>18,533,909</u>
Total restricted funds	<u>15,683,990</u>	<u>5,974,240</u>	<u>(6,203,212)</u>	<u>3,120,750</u>	<u>18,575,768</u>
Unrestricted funds					
General funds	<u>87,061</u>	<u>270,980</u>	<u>(238,955)</u>	<u>(3,750)</u>	<u>115,336</u>
Total funds	<u>15,771,051</u>	<u>6,245,220</u>	<u>(6,442,167)</u>	<u>3,117,000</u>	<u>18,691,104</u>

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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	(175,229)	4,546,564	(4,364,738)	(24,440)	(17,843)
Pupil premium	-	158,532	(158,532)	-	-
Teachers pension grants	-	185,213	(185,213)	-	-
Teachers pay grants	-	65,545	(65,545)	-	-
Covid-19 catch up premium	-	70,970	(13,679)	-	57,291
Other DfE/ESFA grants	25,104	136,870	(116,712)	(9,605)	35,657
Other government grants	32,055	69,000	(53,349)	-	47,706
School fund account	83,710	(7,061)	-	-	76,649
Other income	15,879	49,103	(48,857)	-	16,125
Pension reserve	(2,758,000)	-	(174,000)	(578,000)	(3,510,000)
	<u>(2,776,481)</u>	<u>5,274,736</u>	<u>(5,180,625)</u>	<u>(612,045)</u>	<u>(3,294,415)</u>
Restricted fixed asset funds					
DfE group capital grants	2,373,244	147,114	(92,284)	-	2,428,074
Capital expenditure from GAG	64,837	-	(3,090)	12,360	74,107
Predecessor school surplus	26,859	-	-	-	26,859
Transfer on conversion	16,820,000	-	(410,000)	-	16,410,000
Other donations	72,241	-	(41,191)	8,315	39,365
CIF loan	(19,093)	-	-	19,093	-
	<u>19,338,088</u>	<u>147,114</u>	<u>(546,565)</u>	<u>39,768</u>	<u>18,978,405</u>
Total restricted funds	<u>16,561,607</u>	<u>5,421,850</u>	<u>(5,727,190)</u>	<u>(572,277)</u>	<u>15,683,990</u>
Unrestricted funds					
General funds	<u>119,144</u>	<u>196,445</u>	<u>(222,805)</u>	<u>(5,723)</u>	<u>87,061</u>
Total funds	<u>16,680,751</u>	<u>5,618,295</u>	<u>(5,949,995)</u>	<u>(578,000)</u>	<u>15,771,051</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	18,434,769	18,434,769
Current assets	115,336	1,101,965	130,337	1,347,638
Creditors falling due within one year	-	(379,106)	(31,197)	(410,303)
Defined benefit pension liability	-	(681,000)	-	(681,000)
Total net assets	<u>115,336</u>	<u>41,859</u>	<u>18,533,909</u>	<u>18,691,104</u>

	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	18,883,837	18,883,837
Current assets	90,334	471,175	183,601	745,110
Creditors falling due within one year	(3,273)	(255,590)	(89,033)	(347,896)
Defined benefit pension liability	-	(3,510,000)	-	(3,510,000)
Total net assets	<u>87,061</u>	<u>(3,294,415)</u>	<u>18,978,405</u>	<u>15,771,051</u>

19 Capital commitments

At 31 August 2022 the academy trust had capital commitments totalling £Nil (2021: £Nil).

20 Long-term commitments, including operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	32,771	35,865
Amounts due in two and five years	360	32,841
	<u>33,131</u>	<u>68,706</u>

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Reconciliation of net expenditure to net cash flow from operating activities	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)	(196,947)	(331,700)
Adjusted for:		
Capital grants from DfE and other capital income	(14,276)	(147,114)
Investment income receivable	(113)	(75)
Defined benefit pension costs less contributions payable	228,000	126,000
Defined benefit pension scheme finance cost	60,000	48,000
Depreciation of tangible fixed assets	551,661	546,565
Decrease in debtors	8,403	57,961
Increase/(decrease) in creditors	120,243	(67,890)
Net cash provided by operating activities	<u>756,971</u>	<u>231,747</u>

22 Analysis of changes in net funds	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	484,801	738,239	1,223,040

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 £69,184 (TPS) and £24,446 (LGPS) were payable to the schemes at 31 August 2022 (2021: £67,208 (TPS) and £23,669 (LGPS)) and are included within creditors.

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.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

24 Pension and similar obligations

(Continued)

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 2024.

The employer's pension costs paid to the TPS in the period amounted to £573,286 (2021: £556,873).

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 29.93% 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.

Total contributions made	2022 £	2021 £
Employer's contributions	241,000	229,000
Employees' contributions	51,000	46,000
Total contributions	292,000	275,000

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

24 Pension and similar obligations (Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.35	3.2
Rate of increase for pensions in payment/inflation	3.05	2.9
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	3.2	2.9
Commutation of pensions to lump sums pre-April 2008	35	35
Commutation of pensions to lump sums post-April 2008	68	68

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

	2022 Years	2021 Years
Retiring today		
- Males	21.7	21.9
- Females	24.1	24.3
Retiring in 20 years		
- Males	22.6	22.9
- Females	25.8	26.0

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

	2022	2021
Discount rate + 0.1%	(102,000)	(167,000)
Discount rate -0.1%	102,000	167,000
Mortality assumption + 1 year	185,000	299,000
Mortality assumption - 1 year	(185,000)	(299,000)
CPI rate + 0.1%	95,000	151,000
CPI rate - 0.1%	(95,000)	(151,000)

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

	2022 Fair value £	2021 Fair value £
Equities	2,689,000	2,770,000
Bonds	752,000	831,000
Cash and other liquid assets	79,000	79,000
Property	435,000	277,000
Total market value of assets	3,955,000	3,957,000

The actual return on scheme assets was £(220,000) (2021: £613,000).

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

24 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2022	2021
	£	£
Current service cost	469,000	355,000
Interest income	(67,000)	(55,000)
Interest cost	127,000	103,000
	<u> </u>	<u> </u>
Total operating charge	529,000	403,000
	<u> </u>	<u> </u>
Changes in the present value of defined benefit obligations	2022	2021
	£	£
At 1 September 2021	7,467,000	5,889,000
Current service cost	469,000	355,000
Interest cost	127,000	103,000
Employee contributions	51,000	46,000
Actuarial (gain)/loss	(3,404,000)	1,136,000
Benefits paid	(74,000)	(62,000)
	<u> </u>	<u> </u>
At 31 August 2022	4,636,000	7,467,000
	<u> </u>	<u> </u>
Changes in the fair value of the academy trust's share of scheme assets	2022	2021
	£	£
At 1 September 2021	3,957,000	3,131,000
Interest income	67,000	55,000
Actuarial loss/(gain)	(287,000)	558,000
Employer contributions	241,000	229,000
Employee contributions	51,000	46,000
Benefits paid	(74,000)	(62,000)
	<u> </u>	<u> </u>
At 31 August 2022	3,955,000	3,957,000
	<u> </u>	<u> </u>

25 Agency arrangements

The academy acts as an agent in distributing school bus passes to students. In the year ended 31 August 2022, the academy received £317,691 (2021: £237,893) from parents and paid £335,097 (2021: £282,912) to the operator of the bus service. An amount of £80,557 (2021: £58,313) is included within other creditors in relation to monies received in advance from parents for the year ending 31 August 2022.

NEWENT COMMUNITY SCHOOL AND SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

26 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 year the academy trust received a gift aid distribution of £1,357 (2021: £103) from its subsidiary, Newent Community Sports Limited.

One of the trustees is Chairman at Newent Cricket Club. During the year, the academy trust paid Newent Cricket Club for advertising services totalling £150 (2021: £Nil).

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