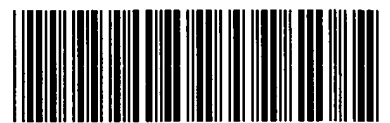


REGISTERED COMPANY NUMBER: 07635510 (England and Wales)

Report of the Trustees and
Financial Statements For The Year Ended 31 August 2022
for
Nova Education Trust

Kingswood Allotts Limited, Statutory Auditor
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

THURSDAY



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COMPANIES HOUSE

Nova Education Trust

Contents of the Financial Statements
For The Year Ended 31 August 2022

	Page
Reference and Administrative Details	1 to 2
Report of the Trustees	3 to 12
Governance Statement	13 to 16
Statement on Regularity, Propriety and Compliance	17
Statement of Trustees' Responsibilities	18
Report of the Independent Auditors	19 to 20
Independent Accountant's Report on Regularity	21
Statement of Financial Activities	22
Balance Sheet	23
Cash Flow Statement	24
Notes to the Cash Flow Statement	25
Notes to the Financial Statements	26 to 45

Nova Education Trust

Reference and Administrative Details
For The Year Ended 31 August 2022

MEMBERS:

N Ndiweni (appointed 5.7.2022)
G Brown (appointed 5.7.2022)
N Plummer
N Morrison
J Sims
S O'Hara (resigned 9.2.2022)

TRUSTEES

B Thomas (resigned 7.2.2022)
R Flewitt (Chair)
J White
B Stein (resigned 1.9.2021)
R Dowling
A M Stephenson
L Burrow
M Monckton
F A McKee (resigned 19.4.2022)
A J Glover
K Riley (appointed 20.1.2022)
N O Gasson-Mckinley (appointed 17.1.2022) (resigned 4.11.2022)
E M Fleming (appointed 3.2.2022) (resigned 1.12.2022)
S P Crawford (appointed 1.9.2021)
J Jepson (appointed 11.8.2022)
J Thondhlana (appointed 11.8.2022)
S Howells (appointed 8.8.2022)

COMPANY SECRETARY

A J Ingram

SENIOR MANAGEMENT TEAM:

S Orton (Chief Finance Officer)
S Paley
R Hawley (Director of School Improvement)
A Seymour (Director of School Improvement)
A Ingram (Director of Strategy & Engagement)
A Rahman (Chief Executive Officer)

REGISTERED OFFICE

Room C09-C11 The Sir Colin Campbell Building
University of Nottingham Innovation Park
Triumph Road
NOTTINGHAM
Nottinghamshire
NG7 2TU

REGISTERED COMPANY NUMBER 07635510 (England and Wales)

AUDITORS

Kingswood Allotts Limited, Statutory Auditor
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

SOLICITORS

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham NG2 1BJ

Nova Education Trust
Reference and Administrative Details
For The Year Ended 31 August 2022

BANKERS

Royal Bank of Scotland

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 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 a total of 15 schools across Derbyshire, Nottinghamshire and Leicestershire. Its academies have a combined pupil capacity of 11,591 and had a roll of 10,270 as recorded in the school census in October 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity 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 Nova Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Nova Education Trust.

Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice, the academy trust has purchased insurance underwritten by Zurich Municipal to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim. There were no third-party indemnity provisions during the year ended 31 August 2022.

Method of Recruitment and Appointment or Election of Trustees (Directors)

In accordance with the articles of association the directors were appointed as follows:

Type	Name	Number/Proportion	Elected By	Article
Directors	E Fleming	Up to 10 Trustees	Appointed by Members	50
	J Jepson			
	J White			
	K Riley			
	N Gasson-McKinley			
	R Flewitt			
	S Howells			
Co-opted Trustee	A Stephenson		Co-opted	58
	L Burrow			
	R Dowling			
	T Glover			
Other Directors	J Thondhlana	Each of University of Nottingham (UoN) and Samworth Foundation (SF) may appoint trustees. UoN may appoint up to 2 trustees and SF may appoint 1 trustee.	Appointed by UoN and SF	50A
	M Monckton			
	S Crawford			

New trustees are recruited from a variety of backgrounds and have the necessary skills to support, enhance and develop the Academy Trust.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Chair of the Board along with the Director of Strategy & Engagement ensure that new trustees receive an effective induction to the both the Trust and their roles following their appointment to the board.

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

Organisational Structure

The Members are not directors of the trust.

The Nova Education Trust is established as a standard multi-academy trust according to DfE models, with standard MAT Master Funding Agreement and Objects/Articles of Association and the following governance structure:

- Members of Nova Education Trust
 - Directors (who are also Trustees) and operate as a Board of Directors
 - Committees of the Nova Education Trust Board, including Local Governing Bodies

Day to day trust operations are delegated to the Chief Executive Officer (CEO), and executive management functions are delivered through the Executive Management Team which is led by the CEO.

Governance Structure: Roles & Responsibilities

The academy trust is a charitable company limited by guarantee (the liability of the members is set at £10 in the model Articles of Association). The trust has three layers of governance:

The Members:

The functions of the members of the academy trust include:

- Overseeing the achievement of the objectives of the company.
- Taking part in Annual and Extraordinary General Meetings.
- Appointing some of the directors.
- Power to amend the Articles of the company and, ultimately, to remove the directors.

The Trustees (The Directors):

- Legally responsible and accountable for all statutory functions.
- Ensure clarity of vision, ethos and strategic direction.
- Hold the executive to account for the educational performance of the trust's schools and pupils, and the performance management of staff.
- Oversee the financial performance of the trust and ensure that money is well spent.
- Operate the trust academies in accordance with the funding agreement that has been signed with the Secretary of State.

The Executive Management Team:

Most day-to-day management decisions will be made collectively through the Executive Management Team including:

- Management of the staff.
- Setting and monitoring the budgets of each academy.
- Overseeing the quality of teaching and learning.
- Ensuring the safety and welfare of the pupils.
- Minutes of formal Executive Management Team meetings are circulated to the trustees.
- All strategic and financial decisions delegated to the Executive Management Team are ratified by the trustees.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Performance Management of the Executive Management Team is conducted by the CEO. The Performance Management of the CEO is conducted by a delegated sub-committee of the Trustees, their recommendations for pay increase and bonus is subject to the approval of the full board.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, Nova Education Trust are required to report details regarding the time spend on trade union activities during the period 1st April 2021 to 31st March 2022.

The Nova Education Trust recognise the value of Trade Unions to the organisation and will always work with Trade Unions to manage risk in a balance way.

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

Table 1 – Relevant Union Officials

Number of employees who were relevant union officials during the period	6
Full-time equivalent employee number	5.612

Table 2 – Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	4
1-50%	2
51-99%	0
100%	0

Table 3 – Percentage of pay bill spent on facility time

Total cost of facility time	£1,776
Total Pay bill	£47.1million
Percentage of total pay bill spent on facility time	0.004%

Table 4 – Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
---	----

Related Parties and Other Connected Charities and Organisations

The trust has provided educational support services through and educational partnership with Madani Schools Federation.

Engagement with employees (including disabled persons)

Effective employee engagement is viewed by Nova Education Trust as an integral part of successful recruitment and retention. The trust also recognises the positive impact that employee engagement also has on trusts ability to ensure staff wellbeing.

The trust ensures effective employee engagement through the following initiatives:

- Annual staff wellbeing surveys
- Employee Engagement working groups and associated action plans
- Regular staff meetings (line management, departmental and management)
- Staff representation on all schools' Local Governing Bodies to allow engagement and involvement in the decision-making process and the setting of strategic direction for schools
- Regular communication and engagement with trade unions and professional associations
- A common framework for performance management which allows all employees to access professional and career development opportunities

Nova Education Trust is committed to providing equal opportunities for all individuals. The trust welcomes applications for employment from disabled persons.

Where, or if a member of staff becomes disabled during the course of their employment, reasonable adjustments will be made, and support given both by the school and trust.

The trust equal opportunities policies highlight the commitment to ensuring that fair practices are followed in relation to recruitment and development opportunities of disabled staff.

Engagement with suppliers, customers and others in a business relationship with the trust

As a charitable company, funded from public funds, Nova Education Trust fully recognises the requirement to act in both a professional and ethical manner with all stakeholders.

The trust recognises its responsibility to all stakeholders including parents, staff, pupils and the wider community and seeks to work in partnership with schools using a range of approaches depending on the individual nature of each community they serve. Parent and pupil feedback is sought in a variety of ways and is used influences decision making across the trust.

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

OBJECTIVES AND ACTIVITIES

Objects and aims

The objects of the multi-academy trust, as set out in its articles of association, are specifically restricted to:

(a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the mainstream Academies") offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the need of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies"); and

(b) to promote for the benefit of the public in the United Kingdom the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Given the stated object of the trust, the trustees have made clear their strategic intent to develop the educational effectiveness of the trust so as to extend the opportunities for young people to receive an outstanding education. This strategy takes due cognisance of the capacity that the trust holds and the impact of such work on the academy.

Principal Activities

The principal activity of the Charitable Company in the year ended 31 August 2022 was to provide education for students of different abilities between the ages of 3 and 19, with an emphasis on high academic achievement. The multi-academy trust has an excellent academic and pastoral reputation for preparing primary students for transition to secondary education and secondary students for transition to work, vocational training, university and adult life. This activity was discharged through the operation of; Birklands Primary School, Firbeck Academy, Kirk Hallam Community Academy, Meden School, Melton Vale Sixth Form College, Nottingham Free School, Nottingham University Academy of Science & Technology, Nottingham University Samworth Academy, Robert Miles Infant School, The Garibaldi School, The Newark Academy, The Suthers School, Toot Hill School, Victoria Primary School and Westdale Junior School,

Objectives, Strategies and Activities

The key objectives for the year have been:

- Support the wellbeing of pupils, school-based staff and central team members.
- Develop a Trust School Improvement Strategy for Primary and Secondary.
- Develop the Central Team function including an effective Trust communications/marketing strategy.
- Revisit the Trusts, mission, vision and values. Ensure it is a shared one that all stakeholders buy into.
- Engage with external stakeholders; LA, Local business, DfE, ESFA other Trusts(local and National) etc.
- Continue to implement financial sustainability strategies
- Develop and Implement a Diversity and Inclusion Strategy and engage with Trustees to prioritise and agree way forward.
- Develop stakeholder consultation processes to include children, parents, schools-based staff, Governors, Non-Executive Directors and Trustees
- Refine the risk framework to bring greater consistency in reporting and agree the 'Trust level' strategic risks.
- Develop a digital strategy to ensure that schools can deliver a remote/blended curriculum and the Trust's technological infrastructure is fit for purpose.

Public Benefit

In setting their objectives the trustees have had due regard to guidance published by the Charity Commission on public benefit with particular reference to the advancement of education. The principal public benefit delivered by the Trust is the provision of a high-quality education to students in line with the articles of association.

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

STRATEGIC REPORT

Achievement and performance

The main charitable activity undertaken by the school is the delivery of high-quality education to its students. The results during 2021/22 were as follows:

	Attainment 8	%4+E&M	%5+E&M
	GCSE	GCSE	GCSE
Garibaldi	47.10	64%	49%
Kirk Hallam	44.10	65%	49%
Meden	46.10	65%	43%
Newark	49.30	74%	47%
Nottingham Free School	54.10	79%	61%
NUAST	50.60	76%	61%
NUSA	44.00	64%	49%
Suthers School	47.10	73%	52%
Toot Hill	55.60	83%	66%

Birklands	Result
Achieved standard in Reading, Writing and Maths	58%

Firbeck	Result
Achieved standard in Reading, Writing and Maths	58%

Westdale	Result
Achieved standard in Reading, Writing and Maths	72%

Victoria	Result
Achieved standard in Reading, Writing and Maths	22%

- The trust has not engaged in any significant fundraising activities.
- There are no material investment performance matters to report.
- The trust continues to secure a high regard for its work in the immediate and extended community. This is reflected in the high number of applications and staying-on rates. Staff in the academies consider themselves valued, well-supported and recognised for their contribution to securing the objects of the Trust.

Going Concern

After making appropriate enquiries, the trustees have 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.

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

Promoting the success of the company

The trustees are acutely aware the impact that the Trust's success has on the life chances and opportunities for the children educated by the trust.

The trustees recognise that it must act in a way that is most likely to promote the success of the trust, and in doing so must have regard to:

- The likely consequences of any decision in the long term - by ensuring that accurate financial forecasts are maintained, and that sustainability, value for money and succession planning are considered when making all decisions.
- The interests of the company's employees - by ensuring that staff wellbeing is considered when making all decisions.
- The need to foster the company's business relationships with suppliers, customers and others - by ensuring that the trust operates in a professional and ethical manner with all stakeholders.
- The impact of the company's operations on the community and the environment - by ensuring that the local communities in which we serve has a voice and being environmentally responsible.
- The desirability of the company maintaining a reputation for high standards of business conduct - by ensuring all staff work to the professional standards.
- The need to act fairly as between members of the company - by ensuring that the trust operates in a fair, open and transparent manner.

Financial Review

Funding sources: Most of the academy's income was obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received in the year and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The results for the year are shown in the Statement of Financial Activities on page 22.

Reserves Policy

The Board of Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors take into consideration future redevelopment of the building and infrastructure requirements, the uncertainty over future income streams and other key risks identified during the risk review. The Board of Trustees has determined that the appropriate level of reserves should be equivalent to 7.5% of GAG Income. The reason for this is to provide sufficient working capital to enable the Trust to manage its cash flow efficiently thus to cover delays between spending and receipt of grants, to manage annual variations in student numbers and to provide a cushion to deal with unexpected expenditure.

As at 31 August 2022 reserves were £169,224K, consistency of fixed asset fund £171,001K, pension reserve £8,702K deficit, restricted general funds (GAG) £4,662K and unrestricted funds £2,263K. The fixed asset fund represents the net book value of assets as at 31 August 2022 less unspent capital grants. This fund can only be realised from the sale of the assets as recorded within the asset register. The deficit in the Local Government Pension Scheme (LGPS) is recognised in the balance sheet as per the requirements of FRS102. The pension deficit is not expected to have any material impact on the financial viability of the organisation.

The level of funds available for general purposes consisted of the unrestricted funds of £2,263K and restricted GAG funds of £4,662, total £6,925K, equivalent to 12.3% of GAG income. This is above the target level of reserves, but the Board note the increased pressure on budgets due to inflationary costs in future years.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses may be placed on deposit, at the most favorable rate available, from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Executive Office and Chief Finance Officer

Principal risks and uncertainties

The trustees have assessed the major risks to which the academy trust is exposed, in particular those relating to teaching, provision of facilities, financial and other operational areas of the academy including health and safety. Systems or procedures have been established to manage those risks and a risk register is maintained and regularly reviewed.

Internal control systems and exposure to risks are considered in relation to all activities and legislation discussed during monthly leadership and termly trustees' meetings. Risk management is embedded into the day-to-day processes of the academy trust. Principal risk areas for the academy trust are the protection of students, employees and assets. Systems and procedures to minimise these are constantly reviewed and updated.

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

The principal risks are as follows:

- Financial: the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 90% of the Trusts incoming resources was Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in Governance and/or Management: the risk in this area arises from potential failure to effectively manage the Trusts finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational: the continuing success of the Trusts academies is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, trustees ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and Child Protection: the trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures and health & safety. Reviews on health and safety are commissioned and undertaken in all academies on a regular basis.
- Staffing: the success of Trust is reliant on the quality of its staff; the trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and Mismanagement of Funds: The Trust has actioned their auditors to carry out checks on financial systems and records as recommended by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained, reviewed and updated.

Fundraising

The Nova Education Trust did not undertake any fundraising activities during the period under review. The trust has not worked with commercial participators or commercial fundraisers, has received no fundraising complaints and has not been required to monitor fundraising activities or ensure the appropriateness of such activities.

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

STREAMLINED ENERGY AND CARBON REPORTING

UK energy use and associated greenhouse gas emissions

The trust is pleased to report its current UK based annual energy usage and associated annual greenhouse gas emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019

Organisational Boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only for all assets that come under an operational control boundary. This includes all 15 schools controlled during the reporting period along with minibuses and personal vehicles used for business mileage ("grey fleet").

Reporting period

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2020 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity and gas consumption were compiled from invoice records. Minibus and grey fleet usage were calculated from odometer mileage readings and mileage expense claims respectively. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2020/21	2021/22
Mandatory requirements:		
Gas	9,023,137	8,356,020
Purchased electricity from the grid	5,345,415	5,841,205
Transport fuel	48,146	108,899
Total energy (mandatory)	14,416,697	14,306,123
Voluntary requirements:		
Biomass	3,769,536	2,986,131
Total energy (voluntary)	3,769,536	2,986,131
Total energy (mandatory & voluntary)	18,186,233	17,292,254

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

Intensity ratio

Two intensity ratios are reported showing emissions (tCO₂e) per pupil and per square meter floor area.

Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn 2021 Census. Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of most emissions.

Energy efficiency action during current financial year

The Trust have commissioned condition surveys for the schools within the Trust and prioritised work to replace end of life boilers, and heat distribution networks with Mechanical and Electrical solutions that will reduce the use of carbon on a continual journey to achieve Net Zero across the Trust.

The Trust will continue with its a program of refurbishment to Roofing systems at Meden School, The Garibaldi School and Toot Hill School which will improve the thermal efficiency of the schools. Birkland's primary school has undergone a full replacement of its heat distribution services and all pipework and heat emitters. The Brickwork has also been sympathetically repointed using lime mortar. Kirk Hallam School has undergone extensive replacement of its windows with a second phase now underway to remove and dispose of the existing rainscreen cladding system, and subsequent design, supply, and installation of replacement external rainscreen cladding system, including SFS substructure, breather membrane, fire stopping, insulation, and replacement cladding panels and window flashings to the gable ends of the existing building.

All these works will improve the thermal efficiency of the building and the thermal comfort of the occupants.

Breakdown of emissions associated with the reported energy use (tCO₂e):

Emission source	2020/21	2021/22
Mandatory requirements:		
<u>Scope 1</u>		
Natural gas	1,652.7	1,525.3
Company owned vehicles (minibuses)	1.7	5.8
<u>Scope 2</u>		
Purchased electricity (location-based)	1,135.0	1,129.6
<u>Scope 3</u>		
Category 6: Business travel (grey fleet)	10.2	21.1
Total gross emissions (mandatory)	2,799.5	2,681.8
<u>Intensity ratios (mandatory emissions only)</u>		
Tonnes of CO ₂ e per pupil	0.275	0.263
Tonnes of CO ₂ e per square meter floor area	0.030	0.028
Voluntary requirements:		
<u>Scope 1</u>		
Biomass (N ₂ O & CH ₄ only emissions)	57.0	29.1
Total gross emissions (voluntary)	57.0	29.1
Total gross emissions (mandatory & voluntary)	2,856.6	2,710.9
<u>Outside of scope</u>		
Biomass (CO ₂ only emissions)	1,317.1	964.4
<u>Intensity ratios (mandatory & voluntary emissions)</u>		
Tonnes of CO ₂ e per pupil	0.280	0.266
Tonnes of CO ₂ e per square meter floor area	0.031	0.028

Nova Education Trust
Report of the Trustees
For The Year Ended 31 August 2022

FUTURE PLANS

We intend to seek opportunities to expand the trust further, but only where this will support high achievement for both schools joining the trust and for the trust's existing schools and only where such expansion would not jeopardise the future financial stability of the trust.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 15/12/2022 and signed on the board's behalf by:


.....
R Flewitt - Chair

15/12/2022
.....
Date

Nova Education Trust
Governance Statement
For The Year Ended 31 August 2022

Scope of Responsibility

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

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 have delegated the day-to-day responsibility to the Chief Executive Officer, 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 Nova Education Trust 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 Report of the Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings Attended	Out of a possible
Adrian Stephenson	3	4
Alec Mckee (resigned 19/04/22)	2	4
Barrie Thomas (resigned 07/02/22)	2	2
Emily Fleming (appointed 03/02/22)	2	2
Janice White	1	4
Karen Riley (appointed 20/01/22)	2	2
Lucy Burrow	4	4
Margaret Monckton	4	4
Natalie Gasson-Mckinley (appointed 17/01/22)	1	2
Richard Flewitt (Chair)	4	4
Robert Dowling	3	4
Steve Crawford (appointed 01/09/21)	4	4
Tony Glover	4	4

A number of new appointments to the Board have been made during the year. These appointments provided an opportunity for the Board to recruit new Trustees with specific skills identified as requirements following self-evaluation. This has enabled the Board to improve its own effectiveness along with the sub-committees.

The trust ensures that conflicts of interest are managed through effective and robust systems, which includes maintaining an up-to-date register of interests.

A review on the trusts Governance was conducted during the year as part of the trusts internal scrutiny programme. The review provided assurance that the effective and robust structures, systems and processes are in place.

In addition to focussing on educational and operation effectiveness, a strategic focus and emphasis has been placed on Trustee and Governor training and development during the year. This has been supplemented by membership to the National Governors Association.

Data is provided to the Board and sub-committees by the Executive Team in a clear, open and transparent manner. This enables the Board and sub-committees to scrutinise and professionally support and challenge the CEO and Executive team effectively and efficiently.

The Strategic, Finance & Operations Committee is a sub-committee of the main board of trustees.

The purpose of the Strategic, Finance & Operations Committee is described below:

In consultation with the CEO, approve and monitor the annual budget and establish a four year financial plan, ensuring that the academies operate in accordance with the appropriate Financial Regulations. Review budget situation termly and report in detail to the Board. To consider, and make decisions, on expenditure following recommendations from Heads of School ensuring best value and reporting to the full trust board.

Nova Education Trust
Governance Statement
For The Year Ended 31 August 2022

To advise the trust board on priorities, including Health and Safety for the maintenance and development of the school's premises and to receive and consider the proposed annual capital spending programme.

To consider as required any issues in respect of asset ownership e.g. asset management, asbestos surveys etc.

Attendance during the year at meetings was as follows.

Trustee	Meetings Attended	Out of a possible
Alec Mckee (resigned 19/04/22)	3	4
Barrie Thomas (resigned 17/02/22)	3	3
Emily Fleming (appointed 03/02/22)	2	3
Karen Riley (appointed 20/01/22)	1	3
Lucy Burrow	5	6
Margret Monckton	2	6
Richard Flewitt	6	6
Steve Crawford	6	6

The Audit Committee is a sub-committee of the main governing body.

The purpose of the Audit Committee is to provide oversight of the trusts financial reporting process, the audit process, the company's system of internal controls and compliance with laws and etc. The Audit Committee have dealt with the following during the year:

- Progress on Management Letter Points
- Review of audit reports
- External Audit
- Internal Audit
- Sign off of Statutory Accounts
- Risk Register
- Review Financial Scheme of Delegations

Attendance during the year at meetings was as follows

Trustee	Meetings Attended	Out of a possible
Alec Mckee (resigned 19/04/22)	2	2
Barrie Thomas (resigned 17/02/22)	2	2
Emily Fleming (appointed 03/02/22)	1	2
Margaret Monckton	3	4
Robert Dowling	2	4
Steve Crawford (appointed 01/09/22)	4	4

The trustees believe that the above governance and committee structure allows the board to maintain effective oversight of funds with fewer than 6 meetings.

Review of Value for Money

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

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

- Review and development of the structures of the Trust Executive and Central Services teams.
- Continued use of Integrated Curriculum Led Financial Planning (ICFP)
- Development and implementation of educational and operational strategies
- Efficient deployment of Covid recovery funding
- Delivery of internal scrutiny programme
- Centralised procurement

Nova Education Trust
Governance Statement
For The Year Ended 31 August 2022

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 Nova Education Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the 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 on-going 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 financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the Strategic, Finance & Operations Committee and by the Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Mazars as internal auditor.

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

- Risk Management
- Health and Safety
- Payroll
- Human Resources
- Cyber Security
- Governance audit

On a regular basis, Mazars report to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares 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.

The internal scrutiny programme for the period 1 September 2021 to 31 August 2022 was delivered in line with the schedule of works. The programme covered the key risks as identified in the Trust risk register. The audits highlighted a number of recommendations in the various operational areas aimed at improving and strengthening the internal control systems implemented across the trust. Regular updates on progress made against recommendations was reported to the Audit Committee during the year, whilst follow up audits are scheduled for 22/23 where appropriate.

Nova Education Trust
Governance Statement
For The Year Ended 31 August 2022

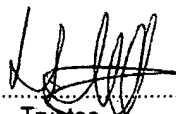
Review of Effectiveness


As Accounting Officer, the CEO 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 auditor;
- the work of the external auditor;
- the school resource self-assessment tool
- the work of the executive leaders within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 15/12/2022 and signed on its behalf by:


.....
R Flewitt - Trustee


.....
Mr A Rahman - Accounting Officer

Nova Education Trust

Statement on Regularity, Propriety and Compliance
For The Year Ended 31 August 2022

As accounting officer of Nova Education Trust 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 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.

A. Rahman
Mr A Rahman - Accounting Officer

Date: 15/12/2022

Nova Education Trust

Statement of Trustees' Responsibilities **For The Year Ended 31 August 2022**

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued 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 financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, for that period. In preparing these financial statements, the trustees are required to

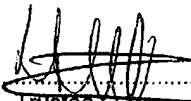
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 15/12/2022 and signed on its behalf by:


.....
R Flewitt - Trustee

Report of the Independent Auditors to the Members of Nova Education Trust

Opinion

We have audited the financial statements of Nova Education Trust (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements 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. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Report of the Independent Auditors to the Members of Nova Education Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 academy trust or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

- Enquiry of management around actual and potential litigation claims and fraud;
- Enquiry of management and review of correspondence to identify any instances of non-compliance with laws and regulations
- Reviewing trustee meeting minutes
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, testing income to supporting records, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for 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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Mark Garrison BCom FCA DChA (Senior Statutory Auditor)
for and on behalf of Kingswood Allotts Limited, Statutory Auditor
Chartered Accountants
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

Date: 19/12/22

**Independent Reporting Accountant's Assurance Report on Regularity to
Nova Education Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 28 September 2022 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 Nova Education Trust 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 Nova Education Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Nova Education Trust and the 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 Nova Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Nova Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Nova Education Trust's funding agreement with the Secretary of State for Education dated 30 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.

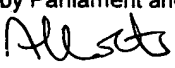
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry of officers of the academy
- Review and testing of income and expenditure for compliance with the funding and other agreements, the Academy Trust Handbook and the academy's system of controls
- Examination of relevant documents
- Review of the activities carried out by the academy
- Review of the delegated authorities set out in the Academy Trust Handbook
- Review of governance arrangements in accordance with the Academy Trust Handbook

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.


Kingswood Allotts Limited
Chartered Accountants
Reporting Accountant
The Old Grammar School
13 Moorgate Road
Rotherham
South Yorkshire
S60 2EN

Date: 19/12/22

Nova Education Trust

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For The Year Ended 31 August 2022

				2022	2021
	Notes	Unrestricted fund £'000	Restricted funds £'000	Fixed Asset Fund £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM					
Donations and capital grants	3	15	-	3,497	3,512
Charitable activities					
Funding for the academy's educational operations	4	-	64,274	-	64,274
Teaching school		608	6	-	614
Other trading activities	5	880	3	-	883
Investment income	6	8	-	-	8
Total		1,511	64,283	3,497	69,291
EXPENDITURE ON					
Raising funds	7	358	-	-	358
Charitable activities					
Academy trust's educational operations	8	-	66,892	4,598	71,490
Teaching schools		560	6	-	566
Total	7	918	66,898	4,598	72,414
NET INCOME/(EXPENDITURE)		593	(2,615)	(1,101)	(3,123)
Transfers between funds	21	-	(1,340)	1,340	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes	22	-	39,765	-	39,765
Net movement in funds		593	35,810	239	(7,721)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,670	(39,850)	170,762	132,582
TOTAL FUNDS CARRIED FORWARD		2,263	(4,040)	171,001	132,582

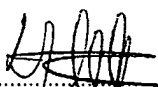
The notes form part of these financial statements

Nova Education Trust (Registered number: 07635510)

Balance Sheet
31 August 2022

	Notes	2022 £'000	2021 £'000
FIXED ASSETS			
Tangible assets	14	<u>165,599</u>	<u>166,197</u>
CURRENT ASSETS			
Stocks	15	33	34
Debtors	16	2,488	3,058
Cash at bank and in hand		<u>16,116</u>	<u>14,373</u>
		18,637	17,465
CREDITORS			
Amounts falling due within one year	17	<u>(6,310)</u>	<u>(6,802)</u>
NET CURRENT ASSETS		<u>12,327</u>	<u>10,663</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		177,926	176,860
PENSION LIABILITY	22	<u>(8,702)</u>	<u>(44,278)</u>
NET ASSETS		<u><u>169,224</u></u>	<u><u>132,582</u></u>
FUNDS	21		
Restricted funds:			
General fund		4,662	4,429
Pension reserve		(8,702)	(44,278)
Fixed Asset fund		<u>171,001</u>	<u>170,761</u>
		<u>166,961</u>	<u>130,912</u>
Unrestricted funds:			
General fund		<u>2,263</u>	<u>1,670</u>
TOTAL FUNDS		<u><u>169,224</u></u>	<u><u>132,582</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 15/12/2022
and were signed on its behalf by:


.....
R Flewitt - Trustee

Nova Education Trust
Cash Flow Statement
For The Year Ended 31 August 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
Cash generated from operations	1	<u>2,317</u>	<u>2,502</u>
Net cash provided by operating activities		<u>2,317</u>	<u>2,502</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,000)	(987)
Capital grants from DfE/EFA		3,497	3,148
Interest received		<u>8</u>	<u>1</u>
Net cash (used in)/provided by investing activities		<u>(495)</u>	<u>2,162</u>
Cash flows from financing activities			
Loan repayments in year		<u>(79)</u>	<u>(79)</u>
Net cash used in financing activities		<u>(79)</u>	<u>(79)</u>
Change in cash and cash equivalents in the reporting period		1,743	4,585
Cash and cash equivalents at the beginning of the reporting period		<u>14,373</u>	<u>9,788</u>
Cash and cash equivalents at the end of the reporting period		<u><u>16,116</u></u>	<u><u>14,373</u></u>

The notes form part of these financial statements

Nova Education Trust

Notes to the Cash Flow Statement
For The Year Ended 31 August 2022

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £'000	2021 £'000
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(3,123)	(1,808)
Adjustments for:		
Depreciation charges	4,598	4,327
Capital grants from DfE/ESFA	(3,497)	(3,148)
Interest received	(8)	(1)
Decrease/(increase) in stocks	1	(34)
Decrease/(increase) in debtors	570	(253)
(Decrease)/increase in creditors	(413)	401
Difference between pension charge and cash contributions	<u>4,189</u>	<u>3,018</u>
Net cash provided by operations	<u><u>2,317</u></u>	<u><u>2,502</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21 £'000	Cash flow £'000	At 31.8.22 £'000
Net cash			
Cash at bank and in hand	<u>14,373</u>	<u>1,743</u>	<u>16,116</u>
	<u>14,373</u>	<u>1,743</u>	<u>16,116</u>
Debt			
Debts falling due within 1 year	<u>(79)</u>	<u>79</u>	<u>-</u>
	<u>(79)</u>	<u>79</u>	<u>-</u>
Total	<u><u>14,294</u></u>	<u><u>1,822</u></u>	<u><u>16,116</u></u>

Nova Education Trust

Notes to the Financial Statements **For The Year Ended 31 August 2022**

1. STATEMENT OF ACCOUNTING POLICIES

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2021 to 2022 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

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

Critical accounting judgements and key sources of estimation uncertainty

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.

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 net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the Pension and Similar Obligations note, 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.

There is a large actuarial gain this year due to the effects of the significant change in the discount rate outweighing the effects of lower asset returns and increased inflation assumptions.

The detailed assumptions for this and the prior year are disclosed in note 22.

Despite the current high inflationary environment, the CPI assumption has remained at 2.9%.

The Accounting Standard prescribes quite narrowly how the inflation assumption should be derived from market value at the year-end date. Therefore the current period of high inflation is somewhat allowed for insofar as it is captured in long-term market expectations as at 31 August 2022, but is lower than the current annual rate of inflation.

Hence although inflation estimates are over the long term, if the current period of high inflation continues for a longer period than forecast in the 31 August 2022 assumptions, this will result in a future actuarial deficit.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Nova Education Trust

Notes to the Financial Statements - continued **For The Year Ended 31 August 2022**

2. ACCOUNTING POLICIES - continued

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Where the trust benefits from the ESFA's Free School Programme, the funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the academy trust controls (through lease) the site where the development is occurring. The expenditure is capitalised under improvements to property.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use a percentage of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the 'Agency Arrangements' note.

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.

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

All resources expended are inclusive of irrecoverable VAT.

Raising funds

Raising funds 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

Costs of charitable activities are 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.

Tangible fixed assets

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.

Nova Education Trust

Notes to the Financial Statements - continued **For The Year Ended 31 August 2022**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

Freehold and leasehold buildings	over 5 to 60 years
Leasehold land	over remainder of its life to a maximum of 125 years
Property improvements	over remainder of its life to a maximum of 25 years
Fixtures, fittings and equipment	over remainder of its life to a maximum of 10 years
ICT equipment	over remainder of its life to a maximum of 5 years
Motor Vehicles	over remainder of its life to a maximum of 10 years

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

Financial instruments

The academy trust only holds basic financial instruments as defined by FRS102. 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 as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17 & 18. 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.

Stocks

Stocks relate to the cost of undistributed free school meal vouchers.

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 part 11, chapter 3 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.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives 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 the funder where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Pension costs and other post-retirement 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.

Nova Education Trust

Notes to the Financial Statements - continued **For The Year Ended 31 August 2022**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

The LGPS is a funded 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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.

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.

Leased assets

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

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
Donations	15	-	15	-
Grants	-	3,497	3,497	3,148
	<u>15</u>	<u>3,497</u>	<u>3,512</u>	<u>3,148</u>

Grants received, included in the above, are as follows:

	2022 £'000	2021 £'000
Capital grants	<u>3,497</u>	<u>3,148</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
DfE/ESFA grants				
General Annual Grant(GAG)	-	56,216	56,216	52,718
Pupil Premium	-	2,572	2,572	2,444
Pension grant	-	336	336	1,858
Other DfE/ESFA Grants	-	1,519	1,519	1,504
Teaching school DfE/ESFA	-	-	-	46
	<u>-</u>	<u>60,643</u>	<u>60,643</u>	<u>58,570</u>
Other Government grants				
Local authority grants	-	2,068	2,068	2,374
Other grants	-	21	21	54
Teaching school other grants	-	6	6	-
	<u>-</u>	<u>2,095</u>	<u>2,095</u>	<u>2,428</u>
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	368	368	665
Other DfE/ESFA COVID-19 funding	-	564	564	57
	<u>-</u>	<u>932</u>	<u>932</u>	<u>722</u>
COVID-19 additional funding (non DfE/ESFA)				
Other COVID-19 funding	-	375	375	585
	<u>-</u>	<u>375</u>	<u>375</u>	<u>585</u>
Other income from the academy trust's educational operations	<u>608</u>	<u>235</u>	<u>843</u>	<u>644</u>
	<u>608</u>	<u>64,280</u>	<u>64,888</u>	<u>62,949</u>

The academy recieved £368,454 of funding for catch-up premium and costs incurred in respect of this totalled £368,454.

5. OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
Rental income	286	-	286	104
Staff cover insurance	-	-	-	25
Other events and activities	-	-	-	19
Books, uniforms etc	9	-	9	25
Placements	-	-	-	13
Consultancy	126	3	129	217
Other services	159	-	159	114
Sundry income	<u>300</u>	<u>-</u>	<u>300</u>	<u>97</u>
	<u>880</u>	<u>3</u>	<u>883</u>	<u>614</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

6. INVESTMENT INCOME

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
Interest	<u>8</u>	<u>-</u>	<u>8</u>	<u>1</u>

7. EXPENDITURE

	Staff costs £'000	Non-pay expenditure Premises £'000	Other costs £'000	2022 Total £'000	2021 Total £'000
Raising funds					
Costs incurred by trading for a fundraising purpose					
Direct costs	208	59	91	358	350
Charitable activities					
Academy's educational operations					
Direct costs	41,922	3,532	6,318	51,772	48,290
Allocated support costs	<u>11,218</u>	<u>4,375</u>	<u>4,125</u>	<u>19,718</u>	<u>19,324</u>
	53,348	7,966	10,534	71,848	67,964
Teaching school					
Direct costs	256	-	201	457	446
Allocated support costs	<u>58</u>	<u>12</u>	<u>39</u>	<u>109</u>	<u>110</u>
	<u>53,662</u>	<u>7,978</u>	<u>10,774</u>	<u>72,414</u>	<u>68,520</u>

Net income/(expenditure) is stated after charging/(crediting):

	2022 £'000	2021 £'000
Auditors' remuneration	51	80
Other non-audit services	41	33
Depreciation - owned assets	4,598	4,327
Operating leases - Others	435	287
Operating leases - Land & buildings	307	360
Legal fees	<u>17</u>	<u>68</u>

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000	2021 Total funds £'000
Direct costs	-	51,772	51,772	48,290
Support costs	<u>-</u>	<u>19,718</u>	<u>19,718</u>	<u>19,324</u>
	<u>-</u>	<u>71,490</u>	<u>71,490</u>	<u>67,614</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued			
	2022	2021	
	Total	Total	
	£'000	£'000	
Analysis of support costs			
Support staff costs	11,218	9,469	
Technology costs	930	1,465	
Premises costs	4,375	4,871	
Legal costs - other	17	68	
Other support costs	3,086	3,338	
Governance costs	92	113	
	<u>19,718</u>	<u>19,324</u>	
Total support costs			
	<u>19,718</u>	<u>19,324</u>	
9. STAFF COSTS			
	2022	2021	
	£'000	£'000	
Wages and salaries	35,889	34,965	
Social security costs	3,729	3,506	
Operating costs of defined benefit pension schemes	11,862	10,389	
	<u>51,480</u>	<u>48,860</u>	
Supply teacher costs	2,110	938	
Staff restructuring costs	72	187	
	<u>53,662</u>	<u>49,985</u>	
	2022	2021	
	£'000	£'000	
Staff restructuring costs comprise:			
Redundancy payments	11	30	
Severance payments	61	157	
	<u>72</u>	<u>187</u>	

The academy trust paid one severance payment in the year, disclosed in the following band:

£50,001 - £100,000 1

Included in severance payments were non-statutory/non-contractual severance payments totalling £28,000 (2021: £75,321). This consisted of one payment of £28,000.

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	2022	2021
Teachers and Educational support	801	791
Administration and support	354	361
Management	89	102
	<u>1,244</u>	<u>1,254</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

9. STAFF COSTS - continued

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

	2022 No.	2021 No.
£60,001 - £70,000	15	19
£70,001 - £80,000	7	5
£80,001 - £90,000	3	3
£90,001 - £100,000	3	7
£100,001 - £110,000	2	2
£110,001 - £120,000	3	3
£120,001 - £130,000	1	-
£140,001 - £150,000	-	1
£180,001 - £190,000	1	-
£190,001 - £200,000	-	1
£210,001 - £220,000	-	1
	<hr/>	<hr/>
	35	42

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 £1,238,364 (2021: £1,828,746).

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

No trustee has been paid remuneration or has received other benefits from employment with the academy trust in 2022.

Trustees' expenses

During the year ended 31 August 2022, travel and postage expenses totalling £nil (2021 - £50) were reimbursed or paid directly to no trustee (2021 - 1).

Other transactions

Other related party transactions involving the trustees are set out in the Related Party Disclosures 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 of £2,000,000 on any one claim and the cost for the period ended 31 August 2022 was not separately identifiable but is included in the total insurance cost.

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £'000	Restricted funds £'000	Fixed Asset Fund £'000	Total funds £'000
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	-	-	3,148	3,148
Charitable activities				
Funding for the academy's educational operations	-	62,320	-	62,320
Teaching school	583	46	-	629
Other trading activities	572	42	-	614
Investment income	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Total	<u>1,156</u>	<u>62,408</u>	<u>3,148</u>	<u>66,712</u>
 EXPENDITURE ON				
Raising funds	350	-	-	350
Charitable activities				
Academy's educational operations	-	63,286	4,328	67,614
Teaching schools	<u>510</u>	<u>46</u>	<u>-</u>	<u>556</u>
Total	<u>860</u>	<u>63,332</u>	<u>4,328</u>	<u>68,520</u>
 NET INCOME/(EXPENDITURE)	296	(924)	(1,180)	(1,808)
Transfers between funds	-	(27)	27	-
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>(5,913)</u>	<u>-</u>	<u>(5,913)</u>
Net movement in funds	296	(6,864)	(1,153)	(7,721)
 RECONCILIATION OF FUNDS				
Total funds brought forward	<u>1,374</u>	<u>(32,985)</u>	<u>171,914</u>	<u>140,303</u>
 TOTAL FUNDS CARRIED FORWARD	<u>1,670</u>	<u>(39,849)</u>	<u>170,761</u>	<u>132,582</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

13. CENTRAL SERVICES

The academy trust has provided the following central services to its academies during the year:

- Human Resources
- Financial Resources
- Legal services
- Educational support services
- Marketing
- IT/Data services
- External audit

The academy trust charges for these services on the following basis:

- a flat 5% of GAG funding per academy

Actual charges in the year were as follows:

	2022 £'000	2021 £'000
Toot Hill School	509	473
SCITT	25	24
Meden Comprehensive School	273	243
Birklands Primary School	57	50
Nottingham Free School	174	170
Victoria Primary School	89	89
Newark Academy	287	266
Firbeck Academy	41	46
Nottingham University Samworth Academy	258	257
Robert Miles Infant School	33	33
Nottingham University Academy of Science and Technology	279	265
Westdale Junior School	49	46
The Garibaldi School	252	229
The Suthers School	118	78
Melton Vale Sixth Form College	101	87
Kirk Hallam Community Academy	281	273
	<u>2,826</u>	<u>2,629</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

14. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Improvements to property £'000
COST			
At 1 September 2021	34,600	140,365	7,096
Additions	<u>405</u>	<u>2,311</u>	<u>71</u>
At 31 August 2022	<u>35,005</u>	<u>142,676</u>	<u>7,167</u>
DEPRECIATION			
At 1 September 2021	3,623	11,879	1,902
Charge for year	<u>584</u>	<u>2,948</u>	<u>347</u>
At 31 August 2022	<u>4,207</u>	<u>14,827</u>	<u>2,249</u>
NET BOOK VALUE			
At 31 August 2022	<u>30,798</u>	<u>127,849</u>	<u>4,918</u>
At 31 August 2021	<u>30,977</u>	<u>128,486</u>	<u>5,194</u>

	Furniture and Fixtures £'000	Motor vehicles £'000	Computer Equipment £'000	Totals £'000
COST				
At 1 September 2021	2,446	41	2,842	187,390
Additions	<u>216</u>	<u>-</u>	<u>997</u>	<u>4,000</u>
At 31 August 2022	<u>2,662</u>	<u>41</u>	<u>3,839</u>	<u>191,390</u>
DEPRECIATION				
At 1 September 2021	1,548	21	2,220	21,193
Charge for year	<u>248</u>	<u>4</u>	<u>467</u>	<u>4,598</u>
At 31 August 2022	<u>1,796</u>	<u>25</u>	<u>2,687</u>	<u>25,791</u>
NET BOOK VALUE				
At 31 August 2022	<u>866</u>	<u>16</u>	<u>1,152</u>	<u>165,599</u>
At 31 August 2021	<u>898</u>	<u>20</u>	<u>622</u>	<u>166,197</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

15. STOCKS

	2022	2021
	£'000	£'000
Catering	<u>33</u>	<u>34</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade debtors	345	337
Other debtors	28	35
VAT recoverable	582	937
Prepayments and accrued income	<u>1,533</u>	<u>1,749</u>
	<u>2,488</u>	<u>3,058</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Other loans (see note 18)	-	79
Trade creditors	469	648
Taxation and social security	841	781
Other creditors	628	1,241
Accruals and deferred income	<u>4,372</u>	<u>4,053</u>
	<u>6,310</u>	<u>6,802</u>

	2022	2021
	£'000	£'000
Deferred income		
Deferred Income at 1 September 2021	846	946
Resources deferred in the year	883	846
Amounts released from previous years	<u>(846)</u>	<u>(946)</u>
Deferred Income at 31 August 2022	<u>883</u>	<u>846</u>

Deferred income represents grants received in advance of entitlement arising and monies received in advance for school trips which took place after year end.

18. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£'000	£'000
Amounts falling due within one year on demand:		
Other loans	<u>-</u>	<u>79</u>

A loan of £316,108 from the ESFA was received in 2018 and is repayable over 4 years.

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

19. MEMBERS' LIABILITY

Each member of the academy trust undertakes to contribute to the assets of the 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 cease to be a member.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

				2022
	Unrestricted fund £'000	Restricted funds £'000	Fixed Asset Fund £'000	Total funds £'000
Fixed assets	-	-	165,599	165,599
Current assets	2,263	9,926	6,448	18,637
Current liabilities	-	(5,264)	(1,046)	(6,310)
Pension liability	-	(8,702)	-	(8,702)
	<u>2,263</u>	<u>(4,040)</u>	<u>171,001</u>	<u>169,224</u>

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

				2021
	Unrestricted fund £'000	Restricted funds £'000	Fixed Asset Fund £'000	Total funds £'000
Fixed assets	-	-	166,197	166,197
Current assets	1,670	11,020	4,775	17,465
Current liabilities	-	(6,591)	(211)	(6,802)
Pension liability	-	(44,278)	-	(44,278)
	<u>1,670</u>	<u>(39,849)</u>	<u>170,761</u>	<u>132,582</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

21. MOVEMENT IN FUNDS

	Balance 01.09.21 £'000	Incoming Resources £'000	Resourced Expended £'000	Gains, losses and transfers £'000	Balance 31.08.22 £'000
Restricted general funds					
General annual grant (GAG)	4,428	56,216	(54,642)	(1,340)	4,662
Pupil Premium	-	2,572	(2,572)	-	-
Teachers Pension	-	336	(336)	-	-
Catch-up premium	-	368	(368)	-	-
Other DfE/ESFA COVID-19 funding	-	2,083	(2,083)	-	-
Other COVID-19 funding	-	375	(375)	-	-
Other grants	-	2,095	(2,095)	-	-
Activities for generating funds	-	238	(238)	-	-
Restricted pension reserve	(44,278)	-	(4,189)	39,765	(8,702)
	<u>(39,850)</u>	<u>64,283</u>	<u>(66,898)</u>	<u>38,425</u>	<u>(4,040)</u>
Restricted fixed asset funds					
Transferred on conversion	136,236	-	(3,149)	-	133,087
DfE Group capital grants	33,266	3,497	(1,120)	(23)	35,620
Capital expenditure from GAG	1,248	-	(327)	1,363	2,284
Unrestricted	-	-	-	-	-
Other grants	12	-	(2)	-	10
	<u>170,762</u>	<u>3,497</u>	<u>(4,598)</u>	<u>1,340</u>	<u>171,001</u>
Total restricted funds	<u>130,912</u>	<u>67,780</u>	<u>(71,496)</u>	<u>39,765</u>	<u>166,961</u>
Unrestricted funds	<u>1,670</u>	<u>1,511</u>	<u>(918)</u>	<u>-</u>	<u>2,263</u>
Total funds	<u>132,582</u>	<u>69,291</u>	<u>(72,414)</u>	<u>39,765</u>	<u>169,224</u>

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

General Annual Grant may only be spent in compliance with the academy trust's funding agreement. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at the year end.

Significant other grants are:

- ESFA grant to cover the cost of the lease for Nottingham Free School
- Special Educational Needs, Teacher Pay grant, UIFSM, Early Years Funding, Teachers Pension grant, Special Revenue Funding, Pupil Growth Funding and other grants.

The capital grants include funds Devolved Formula Capital received towards fixed assets required to equip all schools and School Condition Allocation received by the Trust to make improvements to all schools.

The restricted fixed asset funds represent the net book values of donated fixed assets and assets purchased from DfE group/other government grants, which have to be held for the continuing use of the academy trust.

The transfer to/(from) the fixed asset funds represents the net effect of fixed assets purchased out of the GAG and the amount of capital grant used on items not capitalised.

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

21. MOVEMENT IN FUNDS - continued

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £'000	2021 £'000
Toot Hill School	2,151	1,654
Meden Comprehensive School	718	449
Birklands Primary School	271	246
Nottingham Free School	154	105
Victoria Primary School	365	356
Newark Academy	(201)	(204)
Firbeck Academy	139	207
Nottingham University Samworth Academy	711	666
Robert Miles Infant School	148	188
Nottingham University Academy of Science and Technology	1,436	1,337
Westdale Junior School	112	146
The Garibaldi School	745	727
The Suthers School	(457)	(274)
Melton Vale Sixth Form College	(267)	(405)
Kirk Hallam Community Academy	888	796
Central Services	12	105
Total before fixed assets and pension reserve	6,925	6,099
Restricted fixed asset fund	171,001	170,761
Pension reserve	(8,702)	(44,278)
Total	<u>169,224</u>	<u>132,582</u>

Recovery plans are in place for schools with accumulated deficits.

Total cost analysis by academy

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

	Teaching & Educational Support Staff £'000	Other Support staff £'000	Educational Supplies £'000	Other Costs (excluding) depreciation £'000	2022 Total £'000	2021 Total £'000
Toot Hill School	7,382	2,106	220	1,888	11,596	11,259
Meden Comprehensive School	3,500	916	135	1,190	5,741	5,461
Birklands Primary School	1,007	245	58	280	1,590	1,359
Nottingham Free School	2,581	565	73	928	4,147	3,890
Victoria Primary School	1,683	313	50	398	2,444	2,380
Newark Academy	4,212	1,188	161	929	6,490	6,099
Firbeck Academy	741	214	42	251	1,248	1,473
Nottingham University Samworth Academy	4,232	838	68	1,258	6,396	6,265
Robert Miles Infant School	617	171	22	163	973	957
Nottingham University Academy of Science and Technology	4,054	777	187	1,114	6,132	5,249
Westdale Junior School	807	199	59	170	1,235	1,142
The Garibaldi School	3,531	903	157	938	5,529	5,041
The Suthers School	1,741	365	107	464	2,677	1,919
Melton Vale Sixth Form College	1,491	295	33	407	2,226	2,236
Kirk Hallam Community Academy	3,874	1,040	177	1,363	6,454	6,643
Central services	932	1,142	19	845	2,938	2,819
Academy Trust	<u>42,385</u>	<u>11,277</u>	<u>1,568</u>	<u>12,586</u>	<u>67,816</u>	<u>64,192</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

21. MOVEMENT IN FUNDS - continued

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

	Balance 01.09.20 £'000	Incoming Resources £'000	Resourced Expended £'000	Gains, losses and transfers £'000	Balance 31.08.21 £'000
Restricted general funds					
General annual grant (GAG)	2,345	52,718	(50,607)	(27)	4,428
Pupil Premium	-	2,444	(2,444)	-	-
Teachers pension	-	1,858	(1,858)	-	-
Catch-up premium	-	665	(665)	-	-
Other DfE/ESFA COVID-19 funding	-	57	(57)	-	-
Other COVID-19 funding	-	585	(585)	-	-
Other grants	6	3,978	(3,984)	-	-
Activities for generating funds	11	103	(114)	-	-
Restricted pension reserve	(35,347)	-	(3,018)	(5,913)	(44,278)
	<u>(32,985)</u>	<u>62,408</u>	<u>(63,332)</u>	<u>(5,940)</u>	<u>(39,850)</u>
Restricted fixed asset funds					
Transfer on conversion	139,400	-	(3,165)	-	136,235
DfE Group capital grants	31,278	3,148	(1,015)	(145)	33,266
Capital expenditure from GAG	1,216	-	(140)	172	1,248
Unrestricted	6	-	(6)	-	-
Other grants	14	-	(2)	-	12
	<u>171,914</u>	<u>3,148</u>	<u>(4,328)</u>	<u>27</u>	<u>170,761</u>
Total restricted funds	<u>138,929</u>	<u>65,556</u>	<u>(67,660)</u>	<u>(5,913)</u>	<u>130,912</u>
Total unrestricted funds	<u>1,374</u>	<u>1,156</u>	<u>(860)</u>	<u>-</u>	<u>1,670</u>
Total funds	<u>140,303</u>	<u>66,712</u>	<u>(68,520)</u>	<u>(5,913)</u>	<u>132,582</u>

22. 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 Nottinghamshire County Council and Leicestershire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019.

Contributions amounting to £0 were payable to the schemes at 31 August 2022 (2021 - £661,413) and are included within creditors.

Teachers' pension scheme

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

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

Nova Education Trust

Notes to the Financial Statements - continued **For The Year Ended 31 August 2022**

22. PENSION AND SIMILAR OBLIGATIONS - continued

Valuation of the teachers' pension scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. 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 TPS in the period amounted to £5,803,000 (2021 - £5,580,000).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £2,406,000 (2021 - £2,309,000), of which employer's contributions totalled £1,870,000 (2021 - £1,791,000), and employees' contributions totalled £536,000 (2021 - £518,000). The agreed contribution rates for future years are 20.8, 21.4 and 33.76 per cent for employers and between 5.5 and 12.5 per cent for employees.

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

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Present value of funded obligations	(41,912)	(76,393)
Fair value of plan assets	<u>33,210</u>	<u>32,115</u>
	(8,702)	(44,278)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(8,702)</u>	<u>(44,278)</u>
Net liability	<u>(8,702)</u>	<u>(44,278)</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

22. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Current service cost	5,317	4,208
Net interest from net defined benefit asset/liability	728	574
Past service cost	2	20
(Gains)/losses on settlements and curtailments	-	(5)
Administration costs	12	12
	<u>6,059</u>	<u>4,809</u>
 Actual return on plan assets	 <u>(440)</u>	 <u>4,102</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Opening at 1 september	76,393	61,550
Current service cost	5,317	4,208
Past service cost	2	20
Employee contributions	536	518
Interest cost	1,276	1,020
Actuarial (gain) / loss	(40,753)	9,569
Benefits paid	(859)	(483)
Curtailments and settlements	-	(9)
	<u>41,912</u>	<u>76,393</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Opening at 1 september	32,115	26,203
Employer contributions	1,870	1,791
Employee contributions	536	518
Expected return on assets	548	446
Actuarial gain / (loss)	(988)	3,656
Benefits paid	(859)	(483)
Curtailments	-	(4)
Administration costs	(12)	(12)
	<u>33,210</u>	<u>32,115</u>

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

22. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Asset gains/(losses)	(988)	3,656
Liability gains/ (losses)	<u>40,753</u>	<u>(9,569)</u>
	<u>39,765</u>	<u>(5,913)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2022	2021
	£'000	£'000
Equities	19,892	20,732
Property	4,466	3,083
Government Bonds	1,126	842
Other Bonds	2,814	3,199
Cash	1,710	1,386
Inflation linked pooled fund	1,401	1,232
Infrastructure	1,801	1,394
Unit trust	-	247
	<u>33,210</u>	<u>32,115</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2022	2021
Discount rate for scheme liabilities	4.20%	1.70%
Pension increases	2.90%	2.90%
Salary increases	3.80%	3.80%
Inflation assumption (CPI)	2.90%	2.90%
Commutation of pensions to lump sums	50.00%	50.00%

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

Retiring today		
Males	21.6	21.6
Females	24.3	24.3
Retiring in 20 years		
Males	22.9	22.9
Females	25.8	25.7

Sensitivity analysis

	2022	2021
	£'000	£'000
Discount rate +0.1%	40,826	74,351
Discount rate -0.1%	43,025	78,484
Mortality assumption - 1 year increase	40,674	73,293
Mortality assumption - 1 year decrease	43,175	79,600
CPI rate +0.1%	42,926	78,235
CPI rate -0.1%	40,919	74,594

Nova Education Trust

Notes to the Financial Statements - continued
For The Year Ended 31 August 2022

23. CONTINGENT LIABILITIES

The trust is affected by the Harpur v Brazel case, in which the Supreme Court ruled that employees permanently contracted to work only part of the year do not have a reduced holiday entitlement, and holiday pay should be calculated based on average pay, ignoring weeks where there are no earnings. The trust is likely to have an additional liability in respect of term-time only or 'zero hours' staff, where holiday pay has been calculated and paid based on days worked rather than full holiday entitlement, but has been unable to accurately quantify the likely amount at this stage.

24. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £'000	2021 £'000
Within one year	666	627
Between one and five years	1,264	1,394
In more than five years	<u>522</u>	<u>784</u>
	<u>2,452</u>	<u>2,805</u>

25. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust 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 trustees have an interest. The following related party transactions took place in the financial period.

Mrs G Rahman, wife of Mr A Rahman, the CEO, is employed by the academy trust as a teacher. G Rahman's appointment was made in open competition and A Rahman was not involved in the decision making process regarding appointment. G Rahman is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the CEO.

26. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the academy trust received £82,372 (2021: £68,561) and distributed £82,372 (2021: £85,999) from the fund. The amount included in other creditors relating to undistributed funds that is repayable to ESFA was £nil (2021: £nil).