

NORTHGATE PRIMARY SCHOOL TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2016

SATURDAY



A61HFVXK

A10

04/03/2017

#334

COMPANIES HOUSE

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1
Trustees' Report	2 - 9
Governance Statement	10 - 13
Statement on Regularity, Propriety and Compliance	14
Statement of Trustees' Responsibilities	15
Independent Auditors' Report on the Financial Statements	16 - 17
Independent Reporting Accountant's Assurance Report on Regularity	18 - 19
Statement of Financial Activities Incorporating Income and Expenditure Account	20
Balance Sheet	21
Statement of Cash Flows	22
Notes to the Financial Statements	23 - 38

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, TRUSTEES AND
ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2016**

Members	Mr M Hooker Mr J Hurd Mr B Neill Mr G Young
Trustees	Mr B Neill, Chairman, Parent Mr J Ronco, Vice Chairman, Community Mrs C Winslow, Vice Chairman, Parent Mrs L Hotson, Headteacher Mr J Hurd, Parent Mrs L Mitchell, Community (resigned) Mr R Newman, Community Mr M Hooker, Community Mr G Young, Community Mrs V Smith, Parent Mrs C Waltham, Community Ms J Tanner, Staff Mrs N Brown, Parent Mr J Glozier, Staff Mrs S Skelton, Community Ms S Cran (appointed)
Company Secretary	Mrs J Lane
Senior Leadership Team	Mrs L Hotson, Headteacher Mrs J Lane, Business Manager Mrs J Tanner, Deputy Head Mrs R Gavin, Assistant Head Mrs S Pratt, KS1 Leader Mrs G Aziz, Foundation Stage Leader
Company name	Northgate Primary School Trust
Registered and principal office	Northgate Primary School Trust Cricketfield Lane Bishop's Stortford Hertfordshire CM23 2RL
Company registered number	08128432
Chief Executive Officer	Mrs L Hotson
Independent Auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	National Westminster Bank Plc 7 North Street Bishops Stortford CM23 2LE

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2016

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Northgate Primary School Trust (the Academy, The Trust or the Charitable Company) for the year ended 31 August 2016. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates an Academy for pupils aged 3 – 11 serving a catchment area in Bishop's Stortford, Hertfordshire. It has a pupil capacity of 480 and had a roll of 453 in the 2016 school census.

Structure, Governance and Management

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as Northgate Primary School Trust (the School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

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 and Officers' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3,000,000 on any one claim within the membership year and details of the costs are disclosed in Note 11 to the accounts.

Method of Recruitment and Appointment or Election of Trustees

The Members of the Academy may appoint up to seven Trustees in addition to the Headteacher and Local Authority Trustees. The Members also appoint Staff Trustees who are nominated by the Academy staff together with a minimum of two Parent Trustees who have been elected by the parents of the registered pupils at the School. Trustees are subject to retirement after 4 years of service but are eligible for re-appointment or re-election at the end of their term of office.

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Headteacher is an ex officio member of the Governing Body. Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election.

The Articles of Association make provision for at least 17 Trustees including 8 Parents, 2 Staff (Teaching, 1 Staff (Non-Teaching) plus 6 others including the Headteacher.

Policies and Procedures Adopted for the Induction and Training of Trustees

All Trustees are given the opportunity to attend training sessions. During the 2015/16 academic year the Trustees have been provided with literature covering the main elements of the position, including the legal framework and Trustee responsibilities. Each year all members of the Board of Trustees (the Board) are offered updates on relevant issues and changes in legislation etc. The topics covered are regularly reviewed to ensure that Trustees are kept up to date as far as possible. Access to training is available through Hertfordshire County Council through a service agreement and the National Governors Association.

Trustees are appointed based on the skills that they bring to the Board or based on a proposal to them by representative groups. On appointment, Trustees receive an induction pack on the role and responsibilities of Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the School and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documentation that they will need to undertake their role as Trustees. One Trustee is designated as The Trustee Development Coordinator and they are responsible for overseeing training and development needs. Trustees also undertake to make regular visits to the School to improve their understanding and to offer guidance and support.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides an internal programme continued professional development led by school staff and links with a number of local training providers.

All new Trustees are entitled to an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chairman of Trustees and Headteacher or Deputy Headteacher. All Trustees are provided with a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

Organisational Structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on at least 6 occasions per year and each individual committee at least 6 times per year, is responsible for the strategic direction of the Academy. The Board reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with the School Improvement Partner, and reviews them.

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement.

All Trustees are members of the Board. In addition Trustees are members of at least one sub-committee.

Throughout the year the Finance Committee has met on 6 occasions and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the Internal Auditor and drafting the annual budget following input from the other sub-committees. During this financial year it also assumed the role of Audit Committee. The Headteacher is the designated Accounting Officer of the Academy and has overall responsibility for the day to day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently (usually weekly) to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Board as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Academy Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved initially by the HR and Finance Committees and ratified by the Board of Trustees.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- Birchwood Sports Partnership.
- Birchwood High School (Accelerated Maths).
- Herts and Essex High School (Building a Primary / Secondary Partnership).
- Catalyst Teaching Alliance.

The Trust does not have a formal sponsor.

Objectives and Activities

Objects and Aims

The principal object and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of different abilities between the ages of 3 and 11, focusing on the ethos of the school, 'Every Child, Every Chance, Every Day'.

Objectives, Strategies and Activities

During the year the School has worked towards these aims by:

- to continue to secure strong leadership of the SLT, MLT and Trustees;
- to continue to focus on quality of teaching so all is consistently good;
- to ensure all members of the School community develop an excellent understanding of how to stay safe, including mobile technology;
- to continue to focus on raising pupil progress in maths throughout the School by improving the quality of maths teaching and raising outcomes for pupils; and
- to focus on effectiveness of Early Years provision.

Our success in fulfilling our aims can be measured by:

- the appointment of Assistant Deputy Head to lead on English and succession planning in place for Senior Leaders. Middle Leaders are in place in all phases to improve Teaching and Learning. All Trustees are allocated to committees dependent on their particular strengths.
- The quality of Teaching has been measured through lesson observations, lesson studies, planning, work scrutiny, marking and feedback and learning walks.
- All pupils are taught through the Computing curriculum on how to stay safe online. Parents have also had access to Safeguarding training including mobile technology. Staff attended INSET on Growth Mindset are developing an 'I Can Do' culture throughout the school. British Values are taught throughout the school (Democracy, Rules, Tolerance and Freedom of Speech). We have a strong School Council which positively promotes Pupil Voice.
- Northgate's percentile ranking for Maths was 17 in 2016 compared to 68 in 2015 and 78 in 2014. In Reading we were 25 in 2016 compared to 43 in 2015 and 62 in 2014. Writing remained constant. 2016 KS2 SATs results were significantly above National and Herts in Reading, Writing, and Maths combined. We are not deemed a 'coasting' school due to our value added / progress in Reading, Writing and Maths. SEND pupils have made 'Good' progress across each year group. Pupil Premium pupils make 'Very Strong' progress in Reading. In Maths and Writing the proportions making 'More than Expected' Progress is similar to other pupils.
- Progress in the Early Years Foundation Stage is good with the majority of pupils making typical progress. The good level of development is above National.

Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016

Specific achievements were as follows:

	Comments
Early Years Foundation Stage	98% made typical progress in Lit
	91% made typical progress in M
<i>Including specific outcomes for most able children in EYFS</i>	20% of pupils exceeded progress in 2016
	Progress in maths is not as strong as in Lit
	There is a significant gender difference in Lit & maths
	GLD above national but is still appears low due to the attainment of boys.
	Most able achieve well with high proportions working beyond their expected level.
Key Stage 1	Present year 2 in R/W/M low % achieving very strong progress.
	Significant drop in phonics screening check results.
<i>Including specific outcomes for most able pupils in KS1</i>	Yr2 good/strong progress R 81.7% W 86.7% M 71.7%
	Yr1 good/strong progress R 63.2% W 52.6% M 63.2%
Key Stage 2	Outcomes at the end of KS2 are very strong (awaiting national figures)
	2016 most able pupils in year 6 achieved well with high proportion reaching the higher standard.
<i>Including specific outcomes for most able pupils in KS2</i>	Writing in rest of KS2 for most able weaker than in Reading & Maths.
	Reading 23 pupils scored 110-120
	Maths 23 pupils scored 110-120
	Writing 21 pupils achieved GDS
	Writing in rest of KS2 for most able weaker than in Reading & Maths.
	Yr 3 Good/strong progress in R 93% W 82.5% M 86%
	Yr 4 Good /strong progress in R 86.4% W 79.7% M 84.7%
	Yr 5 Good/strong progress in R 78.9% W 56.1% M 73.7%
SEND pupils	Yr1 10 pupils. 80% making sufficient progress in R/W/M
	Yr2 10 pupils. 70% in R. 90%in W 80% in M
	Yr3 8 pupils. 88% in R 75% in W 75% in maths
	Yr4 14 pupils. 86% in R/W/M
	Yr5 12 pupils. 83% in R 50% in W 72% in Maths.
	Yr6 14 pupils (2016) 57% made expected progress in R
	92% made expected progress in W
	50% made expected progress in M

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016

Disadvantaged (Pupil Premium) pupils	4/5 pupils in Year 6 2016 made expected progress.
	1/5 pupils made very strong progress in reading and writing
<i>Including the proportion of disadvantaged pupils working at greater depth in RWM and their progress</i>	2/5 pupils made very strong progress in maths.
	The 1 pupil who did not achieve expected progress has complex SEN needs. See case study.
	Yr2 1 pupil made good progress from end of EYFS in R/W/M but did not achieve expected progress at end of yr2.
	Yr3 (3 pupils) 100% making sufficient progress in R/W/M
	Yr4 (7 pupils). 86% making sufficient progress in R/W/M
	Yr5 (3pupils) 100%making minimum sufficient progress
	In summary disadvantaged pupils make sufficient progress compared to other pupils generally in all subjects.
	80% reached the expected standard in RWM and we expect the gap to be minimal.
EAL pupils	2016 Yr 6 R 100% made expected progress (VA 2.7)
	W 100% (VA 6.0)
4 pupils	M 100% (VA 6.0)
	2016 Yr 2 100% in R/W/M

Key Performance Indicators

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2016 were 453 against a forecast of 470.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2015/16 this was 77.22% against set parameters of 80 – 85%. The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures all approved by the Board.

The Finance and Premises Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

Going Concern

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

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education Funding agency (EFA). For the year ended 31 August 2016 the Trust received £1,750,579 of GAG and other income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £1,945,617 on expenditure and transferred £11,928 to support capital new build and improvement projects on the School site. The Academy brought forward from 14/15, £6,024 restricted funds and £172,347 unrestricted funding. The carry forward for 15/16 is £10,949 restricted funding and £85,774 unrestricted funding.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £604,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure or to cover any shortfall from cash reserves. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £85,774. This has been built up from a mixture of locally raised income and balances transferred from the predecessor School.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2016 was £96,723.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £248,490. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the committee Business Manager reports and attempt to hold a minimum of £100,000 to cover short term cash flow variances.

Investment Policy

Investment policy and procedure form part of the Academies Financial Regulations (section 10.2) which was approved by the Board of Trustees on 12th October 2016. The aim of the procedures is to ensure funds that the Academy does not immediately need to cover anticipated expenditure with are invested in such a way as to maximise the Academy's income but with minimal risk. The aim is to research and monitor where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Academy has considerable reliance on continued Government funding through the EFA and 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 Academy's 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 Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes 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, health & safety and discipline;
- staffing - the success of the Academy is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Academy has appointed Price Bailey (external Auditors) and Essex Financial Services (Internal Controls) to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Plans for Future Periods

Leadership

- To ensure effective leadership team transition to enable the new team to quickly pursue excellence in all of the School's activities.
- To establish a new shared School vision with the stakeholders and clearly articulate this.

Quality of Teaching, Learning & Assessment

- To improve phonics/spelling teaching throughout the School, including increasing the phonic screening score from 70% 2016 to over 90% 2017.
- To further develop high quality science within the creative curriculum.

Personal Development, Behaviour and Welfare

- To further develop a positive culture through learning powers which enable all pupils to reach their full potential.

Outcomes for Pupils

- To continue to raise pupil progress in writing throughout the School to ensure consistently strong progress across year groups and groups of children. Including low attaining, disadvantaged (90% expected progress) and SEN pupils, 80% sufficient progress in writing.
- To improve the provision for low attaining, disadvantaged (90% expected progress) and SEN pupils (80% sufficient progress) in maths.

Effectiveness of Early Years Provision

- To ensure any gaps between areas of learning are closing, in particular boys writing and number.
- To further improve the GLD to be at least 85%.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2016

Appointment of New Headteacher

The current Headteacher is retiring on 31st December 2016 and the Trustees have carried out robust and challenging recruitment procedures throughout the summer and into the autumn term 2016. They were successful in making an appointment and are looking forward to working with the new Headteacher in January 2017.

Wrap Around Care

In order to fulfil our commitment to provide 30 hour childcare entitlement from Sept 2017 we will be working with our 'Out of School Childcare Provider' to establish a facility within School that ensures a full commitment by both the School and the provider to establish a safe and secure environment for all children contained on the School site. The vision is that the School and provider will work as one team, collaborating daily and sharing information to ensure that all of the children's needs are met, both academically and on a more personal / social level. This facility will also help to support working parents who require such facilities.

Infrastructure

Over the coming year plans are being developed to upgrade the ICT infrastructure of the School to enable us to keep up with technology and provide an efficient Wi-Fi and internet service within School and equipment continues to be upgraded on a rolling programme.

HEMAT

The School are working closely with Herts & Essex High School on a consultancy basis to support their proposed sponsorship of 3/4 new schools in the local area that will form part of a multi academy trust. The aim of the working relationship is build and maintain a strong partnership with the new primary schools as well as the High School, where we could take advantage of economies of scale through procurement and resourcing, collaboration in teaching and learning and recruitment and retention opportunities for staff.

Funds Held as Custodian Trustee on Behalf of Others

The School does not currently hold funds on behalf of others.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's Auditor is unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 12th December 2016 and signed on the Board's behalf by:



Mr B Neill
Chairman

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Northgate Primary School Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr B Neill, Chairman, Parent	6	6
Mr J Ronco, Vice Chairman, Community	5	6
Mrs C Winslow, Vice Chairman, Parent	4	6
Mrs L Hotson, Headteacher	6	6
Mr J Hurd, Parent	6	6
Mrs L Mitchell, Community	0	0
Mr R Newman, Community	4	6
Mr M Hooker, Community	5	6
Mr G Young, Community	4	6
Mrs V Smith, Parent	5	6
Mrs C Waltham, Community	6	6
Ms J Tanner, Staff	5	6
Mrs N Brown, Parent	5	6
Mr J Glozier, Staff	6	6
Mrs S Skelton, Community	5	6
Ms S Cran	5	6

The Board of Trustees is responsible for the strategic direction of the Academy. It reviews progress towards educational objectives and results. They also approve major expenditure requests, set the budget for the following year, and set the organisational staffing structure, agree the performance objectives of the Headteacher with the Hertfordshire Improvement Partner, and reviews them.

Key changes in the composition of the board during the year were: Linda Mitchell and Joyti Henchie leaving the board. New Trustees during the year were; Nana Brown and Sarah Cran.

Governance reviews:

Review of Governance was carried out this year. Key priorities highlighted were:

1. Strategy: Ensure a clear long term vision and strategic priorities;
2. Monitoring: More structured and regular involvement in SDP/SEF/target setting with SLT to ensure focussed monitoring;
3. Stakeholders: Establish a way in which the GB can engage more effectively with parents and wider staff and to ensure the provision of external advisors to support on major issues;
4. Training: More targeted training to ensure that the GB is highly skilled in each Governors area of focus.

The next review is scheduled to be completed in Spring 2017.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Finance and General Purposes Committee is a sub-committee of the Board of Trustees. Its purpose is to provide critique and support to the SLT & full governing body in the setting and execution of the school financial plan and associated risk management. Ensuring sound budgeting practises are deployed to enable executions of the school development plan. The Finance Committee, via the sub-committee acts as an Audit Committee.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Mrs L Hotson, Headteacher	5	5
Mr B Neill	3	5
Mr M Hooker, Community	5	5
Mr J Hurd	2	5
Mr R Newman, Community	3	5
Mr G Young, Community	5	5

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy 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'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 has delivered improved value for money during the year by:

- To reduce the cost of supply cover, HLTA's have been deployed to cover whole classes throughout the year for sickness and training absences as well as PPA.
- Members of SLT have been carrying out lunchtime duties where absences have put pressure on staffing rather than obtaining supply cover.
- Grounds and Energy contracts have been re-negotiated this year to make savings.
- The academy has continued to use the RPA scheme rather than an external insurer. This has made significant savings on insurance costs.
- We have increased use of the school premises through additional evening, weekend and holiday hirings to increase our hirings income.

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Northgate Primary School Trust for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

EES for Schools provide an Internal Controls Evaluation Service for Northgate Academy Trust. The service provided complies with Section 2.4 of the Academies Financial Handbook where it is stated that 'the trust must have in place a process for checking its financial systems, controls, transactions and risks'. They provide support to the Finance and Audit Committee and appointed Responsible Officer to ensure compliance with this requirement. They also ensure that the academy's Accounting Officer's 'statement on regularity, propriety and compliance' included in the academy trust's annual report, Section 4.2.2 of Academies Financial Handbook is being carried out in practise.

The standard programme of work includes three on-site visits during an academy's financial year, which are normally one visit each term. Visit dates would be agreed in advance to try and ensure key academy staff are available which will help each visit go smoothly. Prior to each visit a detailed list of supporting information and documentation that will be required during the visit will be sent to the academy to help preparation. The team that undertakes the visits includes a number of professionally qualified accountants that have experience of working in both commercial and educational establishments.

Standard Internal Controls Evaluation (ICE) templates are used to review and test an academy's internal controls and procedures. These templates are regularly reviewed and updated to incorporate legislative changes, updated EFA guidance, and guidance offered by statutory auditors. The templates are designed to provide trustees with a level assurance that appropriate financial controls are in place within the academy trust for which they have responsibility, and include testing of adherence to the approved Schemes of Delegation of Financial Power and compliance with the Academies Financial Regulations.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the period 1 September 2015 to 31 August 2016 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's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Essex County Council as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a termly basis, the Internal Auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The particular checks carried out in the year include:

Visit 1

Governance and Financial Management:

- Financial Oversight
- Financial Planning and Monitoring
- Transparency
- Gifts (received and given)
- Risk Management
- Internal Scrutiny
- VAT (newly formed academies only) B – Banking:
- Internal Control
- Cash Management
- Payroll Processing

Visit 2

Governance and Financial Reporting:

- Register of Persons of Significant Control
- Budget Monitoring
- Reporting to Governors
- Internal Control
- Internal Scrutiny
- Receipts of Payments from Students and Parents
- Income Generated
- Internal Controls
- Capitalised Assets
- Inventory
- Payments for Additional Hours Worked
- Payroll Processing

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

Visit 3

Governance and Financial Accounting:

- Internal Scrutiny
- Internal Control
- Internal Procedure
- Proper and Regular Use of Public Funds
- Internal Control
- Connected Parties
- Tax Implications
- Payroll Processing
- Special Payments

Essex County Council delivered their schedule of works as planned and no material control issues were identified.

REVIEW OF EFFECTIVENESS

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

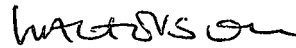
- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the Board of Trustees on 12 /12/16 and signed on their behalf, by:



Mr B Neill
Chairman



Mrs L Hotson
Accounting Officer

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Northgate Primary School Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2015.

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 EFA.

L Hotson

Mrs L Hotson
Accounting Officer

12/12/16

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 AUGUST 2016

The Trustees (who act as Governors of Northgate Primary School and 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 Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/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 the Board of Trustees on 12TH DEC 2016 and signed on its behalf by:



Mr B Neill
Chairman

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHGATE PRIMARY SCHOOL TRUST**

We have audited the financial statements of Northgate Primary School Trust for the period ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This Report is made solely to the Academy'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'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 and its Members, as a body, for our audit work, for this Report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our Report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHGATE PRIMARY SCHOOL TRUST**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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.



Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date: 19/12/16

NORTHGATE PRIMARY SCHOOL TRUST

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO NORTHGATE PRIMARY SCHOOL TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Northgate Primary School Trust during the period 1 September 2015 to 31 August 2016 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 Northgate Primary School Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Northgate Primary School Trust and the EFA 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 Northgate Primary School Trust and the EFA, for our work, for this Report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF NORTHGATE PRIMARY SCHOOL TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Northgate Primary School Trust's funding agreement with the Secretary of State for Education dated 20 February 2013, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. 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's income and expenditure.

The work undertaken to draw to our conclusion includes:

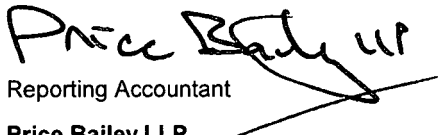
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO NORTHGATE
PRIMARY SCHOOL TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

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 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


Reporting Accountant
Price Bailey LLP

Date: 11/12/16

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	23,409	-	9,043	32,452	69,014
Charitable activities	3	50,853	1,626,459	-	1,677,312	1,656,330
Other trading activities	4	13,526	26,853	-	40,379	47,995
Investments	5	436	-	-	436	571
TOTAL INCOME		88,224	1,653,312	9,043	1,750,579	1,773,910
EXPENDITURE ON:						
Charitable activities		174,797	1,653,459	117,361	1,945,617	1,882,009
TOTAL EXPENDITURE	6	174,797	1,653,459	117,361	1,945,617	1,882,009
NET EXPENDITURE BEFORE TRANSFERS						
Transfers between funds	15	(86,573)	(147)	(108,318)	(195,038)	(108,099)
		-	(11,928)	11,928	-	-
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(86,573)	(12,075)	(96,390)	(195,038)	(108,099)
Actuarial losses on defined benefit pension schemes	20	-	(226,000)	-	(226,000)	(2,000)
NET MOVEMENT IN FUNDS		(86,573)	(238,075)	(96,390)	(421,038)	(110,099)
RECONCILIATION OF FUNDS:						
Total funds brought forward		172,347	(354,976)	4,137,722	3,955,093	4,065,192
TOTAL FUNDS CARRIED FORWARD		85,774	(593,051)	4,041,332	3,534,055	3,955,093

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08128432

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		4,041,332		4,132,459
CURRENT ASSETS					
Debtors	13	55,052		52,172	
Cash at bank and in hand		248,490		249,843	
		<u>303,542</u>		<u>302,015</u>	
CREDITORS: amounts falling due within one year	14	(206,819)		(118,381)	
NET CURRENT ASSETS			96,723		183,634
TOTAL ASSETS LESS CURRENT LIABILITIES			4,138,055		4,316,093
Defined benefit pension scheme liability	20		(604,000)		(361,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>3,534,055</u>		<u>3,955,093</u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	15	10,949		6,024	
Restricted fixed asset funds	15	4,041,332		4,137,722	
Restricted income funds excluding pension liability		4,052,281		4,143,746	
Pension reserve		(604,000)		(361,000)	
Total restricted income funds			3,448,281		3,782,746
Unrestricted income funds	15		85,774		172,347
TOTAL FUNDS			<u>3,534,055</u>		<u>3,955,093</u>

The financial statements were approved by the Trustees, and authorised for issue, on 12/12/16 and are signed on their behalf, by:

Mr B Neill
Chairman



The notes on pages 23 to 38 form part of these financial statements.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	10,139	(36,203)
Cash flows from investing activities:			
Interest received		436	571
Purchase of tangible fixed assets		(11,928)	(35,891)
Net cash used in investing activities		(11,492)	(35,320)
Change in cash and cash equivalents in the period		(1,353)	(71,523)
Cash and cash equivalents brought forward		249,843	321,366
Cash and cash equivalents carried forward		248,490	249,843

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016

1. 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.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Northgate Primary School Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Northgate Primary School Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Northgate Primary School Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Any reconciliations to previous UK GAAP for the comparative figures are included in note 23.

1.2 Company status

The Academy is a company limited by guarantee. The Members of the Company are the Trustees named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member of the Academy.

1.3 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance of the restricted fixed asset fund.

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

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All resources expended are inclusive of irrecoverable VAT.

1.6 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 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..

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold land	-	Straight line basis over the duration of the lease
Long term leasehold property	-	50 years straight line
Office equipment	-	5 years straight line
Computer equipment	-	3 years straight line

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities Incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the bank.

1.10 Taxation

The Academy 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 is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.11 Liabilities and provisions

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

1.12 Pensions

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

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 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 note 20, 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 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 Incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Critical accounting estimates and areas of judgement

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 the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	23,409	-	-	23,409	34,409
Capital grants	-	-	9,043	9,043	34,605
Total donations and capital grants	23,409	-	9,043	32,452	69,014

In 2015, of the total income from donations and capital grants, £26,409 was to unrestricted funds and £42,605 was to restricted funds

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	1,411,328	1,411,328	1,374,670
Other DfE / EFA grants	-	110,932	110,932	113,359
	-	1,522,260	1,522,260	1,488,029
Other government grants				
Local Authority grants	-	104,199	104,199	118,908
	-	104,199	104,199	118,908
Other funding				
Catering income	50,853	-	50,853	49,393
	50,853	-	50,853	49,393
	50,853	1,626,459	1,677,312	1,656,330

In 2015, of the total income from charitable activities, £1,606,937 was to unrestricted funds and £49,393 was to restricted funds.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Rental income	7,444	-	7,444	7,519
School trips	-	26,853	26,853	36,686
Other income	6,082	-	6,082	3,790
	<u>13,526</u>	<u>26,853</u>	<u>40,379</u>	<u>47,995</u>

In 2015, of the total income from other trading activities, £11,309 was to unrestricted funds and £36,686 was to restricted funds.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank Interest	436	436	571

In 2015, of the total investment income, £571 was to unrestricted funds and £Nil was to restricted funds.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Provision of education:					
Direct costs	1,204,985	-	150,405	1,355,390	1,319,225
Support costs	146,858	233,685	209,684	590,227	562,784
	<u>1,351,843</u>	<u>233,685</u>	<u>360,089</u>	<u>1,945,617</u>	<u>1,882,009</u>

In 2016, of the total expenditure, £174,797 (2015 - £53,423) was to unrestricted funds and £1,770,820 (2015 - £1,828,586) was to restricted funds.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

7. CHARITABLE ACTIVITIES

	2016 £	2015 £
Direct costs	1,355,390	1,319,225
Support costs	590,227	562,784
	<u>1,945,617</u>	<u>1,882,009</u>
Total	<u>1,945,617</u>	<u>1,882,009</u>

	2016 £	2015 £
Analysis of support costs		
Support staff costs	146,858	141,487
Depreciation	103,055	102,394
Technology costs	4,683	7,856
Premises costs (excluding depreciation)	130,630	99,276
Other support costs	181,175	179,882
Govenance costs	23,826	31,889
	<u>590,227</u>	<u>562,784</u>
Total	<u>590,227</u>	<u>562,784</u>

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned or leased by the Academy Trust	103,055	102,394
Auditors' remuneration - audit	4,250	4,250
Auditors' remuneration - other services	6,497	5,950
Governance Internal audit costs	-	1,470
	<u>-</u>	<u>1,470</u>

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

9. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,073,900	1,077,550
Social security costs	76,671	67,072
Operating costs of defined benefit pension schemes	188,432	167,190
Supply teacher costs	1,339,003	1,311,812
	12,840	4,263
	1,351,843	1,316,075

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

	2016 No.	2015 No.
Teachers	25	20
Administration and support (including 7 office staff)	35	17
Management	3	3
	63	40

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

	2016 No.	2015 No.
In the band £ 60,001 - £ 70,000	1	1

The key management personnel of the Academy Trust comprise the Trustees and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £51,209 (2015: £347,059).

10. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

L Hotson Head Teacher

Remuneration £65,000-£70,000 (2015: £65,000-£70,000)

Employer's Pension contributions paid £10,000-£15,000 (2015: £5,000-£10,000)

J Turner

Remuneration £30,000-£35,000 (2015: £20,000-£25,000)

Employer's Pension contributions paid £5,000-£10,000 (2015: £0-£5,000)

J Glazier

Remuneration £25,000-£30,000 (2015: £0-£5,000)

Employer's Pension contributions paid £0-£5,000 (2015: £0-£5,000)

During the period 31 August 2016, no Trustees received any reimbursement of expenses for their role as Trustees (2015: £101).

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

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 business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the period ended 31 August 2016 was included in the total insurance cost.

12. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 September 2015	4,261,000	93,978	81,676	4,436,654
Additions	-	1,860	10,068	11,928
At 31 August 2016	4,261,000	95,838	91,744	4,448,582
Depreciation				
At 1 September 2015	219,694	32,010	52,491	304,195
Charge for the period	71,252	11,000	20,803	103,055
At 31 August 2016	290,946	43,010	73,294	407,250
Net book value				
At 31 August 2016	3,970,054	52,828	18,450	4,041,332
At 31 August 2015	4,041,306	61,968	29,185	4,132,459

13. DEBTORS

	2016 £	2015 £
Trade debtors	804	2,761
VAT recoverable	21,700	13,161
Prepayments and accrued income	32,548	36,250
	<u>55,052</u>	<u>52,172</u>

14. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	-	1,672
Trade creditors	37,986	22,322
Other taxation and social security	24,072	17,715
Other creditors	23,570	19,533
Accruals and deferred income	121,191	57,139
	<u>206,819</u>	<u>118,381</u>

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

14. CREDITORS: Amounts falling due within one year (continued)

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	50,972	70,834
Resources deferred during the year	113,394	50,972
Amounts released from previous years	(50,972)	(70,834)
Deferred income at 31 August 2016	<u>113,394</u>	<u>50,972</u>

15. STATEMENT OF FUNDS

	Brought forward £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
Unrestricted funds	172,347	88,224	(174,797)	-	-	85,774
Restricted funds						
General Annual Grant (GAG)	-	1,411,328	(1,399,400)	(11,928)	-	-
Pupil premium	1,418	33,058	(23,527)	-	-	10,949
SEN	-	7,374	(7,374)	-	-	-
Restricted trip donations	-	26,853	(26,853)	-	-	-
Other Government grants	4,606	16,038	(20,644)	-	-	-
UIFSM	-	61,836	(61,836)	-	-	-
SEYFF	-	96,825	(96,825)	-	-	-
Pension reserve	(361,000)	-	(17,000)	-	(226,000)	(604,000)
	<u>(354,976)</u>	<u>1,653,312</u>	<u>(1,653,459)</u>	<u>(11,928)</u>	<u>(226,000)</u>	<u>(593,051)</u>
Restricted fixed asset funds						
Restricted fixed asset funds	4,132,459	-	(103,055)	11,928	-	4,041,332
Devolved formula capital (DFC)	5,263	9,043	(14,306)	-	-	-
	<u>4,137,722</u>	<u>9,043</u>	<u>(117,361)</u>	<u>11,928</u>	<u>-</u>	<u>4,041,332</u>
Total restricted funds	<u>3,782,746</u>	<u>1,662,355</u>	<u>(1,770,820)</u>	<u>-</u>	<u>(226,000)</u>	<u>3,448,281</u>
Total of funds	<u>3,955,093</u>	<u>1,750,579</u>	<u>(1,945,617)</u>	<u>-</u>	<u>(226,000)</u>	<u>3,534,055</u>

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

Pupil Premium

This funding is to be used to raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016

15. STATEMENT OF FUNDS (continued)

Special Educational Needs (SEN)

This represents allocated funding for special educational needs pupils.

Single Early Years Funding Formula (SEYFF)

This is funds received from the Local Authority to support the provision of nursery services.

Universal Infant Free School Meals (UFSM)

The represents funds received from the EFA for the provision of free school meals for infants.

Other government grants

This represents various small grants from local and national government bodies for the provision of specific services to pupils of the Academy.

School Trips

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

Other Restricted Funds

This represents income from the School Association for specific purposes. The transfer out of £16,000 represents transfers to the restricted fixed assets fund for assets purchased during the year.

Pension Reserve

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Academy on conversion from a state controlled school.

Restricted Fixed Assets Fund

The restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the DfE where the asset acquired or created is held for a specific purpose. The transfer in of £11,928 represents the costs of assets acquired in the year which have been funded through GAG funds.

Devolved Formula Capital (DFC)

The Academy is to use the DFC allocation to maintain and improve its buildings & facilities.

General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
	-	-	-	-	4,132,459
Tangible fixed assets	-	-	4,041,332	4,041,332	-
Current assets	85,774	217,768	-	303,542	302,015
Creditors due within one year	-	(206,819)	-	(206,819)	(118,381)
Provisions for liabilities and charges	-	(604,000)	-	(604,000)	(361,000)
	<u>85,774</u>	<u>(593,051)</u>	<u>4,041,332</u>	<u>3,534,055</u>	<u>3,955,093</u>

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net expenditure for the year (as per Statement of Financial Activities)	(195,038)	(108,099)
Adjustment for:		
Depreciation charges	103,055	102,394
Dividends, interest and rents from investments	(436)	(571)
(Increase)/decrease in debtors	(2,880)	17,397
Increase/(decrease) in creditors	88,438	(64,324)
Pension adjustment	17,000	17,000
Net cash provided by/(used in) operating activities	<u>10,139</u>	<u>(36,203)</u>

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	248,490	249,843
Total	<u>248,490</u>	<u>249,843</u>

19. MEMBERS' LIABILITY

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

20. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hertfordshire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £23,570 were payable to the schemes at 31 August 2016 (2015 - £19,533) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations; and
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016**

20. PENSION COMMITMENTS (continued)

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £109,392 (2015 - £170,631).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is a 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 scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2016 was £95,000 (2015 - £80,000), of which employer's contributions totalled £78,000 (2015 - £65,000) and employees' contributions totalled £17,000 (2015 - £15,000). The agreed contribution rates for future years are 25.3% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	3.60 %	4.00 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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

	2016	2015
Retiring today		
Males	22.3	22.3
Females	24.5	24.5
Retiring in 20 years		
Males	24.3	24.3
Females	26.7	26.7

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	338,310	236,840
Bonds	150,360	103,140
Property	37,590	26,740
Cash	10,740	15,280
Total market value of assets	537,000	382,000

The actual return on scheme assets was £67,000 (2015 - £15,000).

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016

20. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(82,000)	(69,000)
Net interest cost	(13,000)	(13,000)
	<u> </u>	<u> </u>
Total	<u>(95,000)</u>	<u>(82,000)</u>

Movements in the present value of the defined benefit obligation were as follows:

	2016 £	2015 £
Opening defined benefit obligation	743,000	632,000
Current service cost	82,000	69,000
Interest cost	29,000	25,000
Contributions by employees	17,000	15,000
Actuarial losses	277,000	5,000
Benefits paid	(7,000)	(3,000)
	<u> </u>	<u> </u>
Closing defined benefit obligation	<u>1,141,000</u>	<u>743,000</u>

Movements in the fair value of the Academy's share of scheme assets:

	2016 £	2015 £
Opening fair value of scheme assets	382,000	290,000
Actuarial (losses) and gains	16,000	12,000
Actuarial gains and (losses)	51,000	3,000
Contributions by employer	78,000	65,000
Contributions by employees	17,000	15,000
Benefits paid	(7,000)	(3,000)
	<u> </u>	<u> </u>
Closing fair value of scheme assets	<u>537,000</u>	<u>382,000</u>

21. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	1,203	1,203
Between 1 and 5 years	3,977	5,180
	<u> </u>	<u> </u>
Total	<u>5,180</u>	<u>6,383</u>

NORTHGATE PRIMARY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2016

22. RELATED PARTY TRANSACTIONS

There were no other related party transactions during the year (2015 - £Nil).

23. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made.

The policies applied under the Academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.