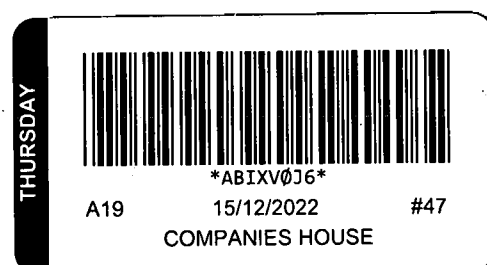


Northwood Primary School Academy Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2022

Company Registration Number:
08405075 (England and Wales)



Northwood Primary School Academy Trust

Contents

	Page
Reference and Administrative Details	1
Trustees' Report	3
Governance Statement	11
Statement on Regularity, Propriety and Compliance	17
Statement of Trustees' Responsibilities	18
Independent Auditor's Report on the Financial Statements	19
Independent Reporting Accountant's Report on Regularity	23
Statement of Financial Activities incorporating Income & Expenditure Account	26
Balance Sheet	27
Statement of Cash Flows	28
Notes to the Financial Statements	29

Northwood Primary School Academy Trust

Reference and Administrative Details

Members

W Bluestone

R Quigley

M Horton

V Garrett

Trustees

H Devereux

P Dusgate

M Gallop (appointed 16 February 2022)

J Gibson

P Hoar (appointed 17 January 2022)

S Hussey

R Osman

E Pugh

N Reed

C Shortman (appointed 17 January 2022)

A Sice

D Thistlewood

B Taplin (resigned 30 August 2022)

Company Secretary

A Airey

Senior Management Team

S Hussey Headteacher

S Mumford Deputy Headteacher

D Bryant Senior Leader

A Steed Senior Leader

J Burrows Senior Leader

A Airey School Business Manager

Company Name

Northwood Primary School Academy Trust

Principal and Registered Office

Northwood Primary School

Wyatts Lane

Cowes

Isle of Wight

PO31 8PU

Northwood Primary School Academy Trust

Reference and Administrative Details

Company Registration Number

08405075 (England and Wales)

Independent Auditor

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Bankers

Lloyds Bank PLC

16a High Street

Cosham

Portsmouth

Hampshire

PO6 3BY

Solicitors

Paris Smith LLP

1 London Road

Southampton

Hampshire

SO15 2AE

Northwood Primary School Academy Trust

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 11 and draws pupils from a wide area including Cowes, Newport and East Cowes. It has a pupil capacity of 210 and had a roll of 200 in the school census in January 2022.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Northwood Primary School Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Northwood Primary School Academy Trust.

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

Members' Liability

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

Trustees' Indemnities

From April 2016 the risk protection agreement (RPA) with UK government has covered trustees' third party indemnity.

Northwood Primary School Academy Trust

Trustees' Report

Method of Recruitment and Appointment or Election of Trustees

The number of governors will not be less than three but (unless otherwise determined by ordinary resolution) will not be subject to any maximum. The members may appoint up to 12 governors, including staff governors through any such process as they may determine. The total number of governors (including the Headteacher) who are employees of the academy trust shall not exceed one third of the total number of governors.

Parent governors are elected by parents of registered pupils at the academy and must be a parent of a pupil at the academy at the time they are elected. The number of parent governors required shall be made up by parent governors appointed by the governing body if the number of parents standing for election is less than the number of vacancies.

The governors may also appoint co-opted governors. The governors may not co-opt an employee of the academy trust as a co-opted governor if the number of governors who are employees of the academy trust would then exceed one third of the total number of governors (including the Headteacher).

The term of office for any governor shall be four years and, subject to remaining eligible to be a particular type of governor, any governor may be re-appointed or re-elected. A governor shall cease to hold office if he resigns his office by notice to the academy trust (but only if at least three governors will remain in office when the notice of resignation is to take effect). A governor shall cease to hold office if he is removed by the person or persons who appointed him, however this does not apply in respect of a parent governor.

Each school year the governors shall elect a chairman and a vice-chairman from among their number. A governor who is employed by the academy trust shall not be eligible for election as chairman or vice-chairman.

No person who is a Local Authority Associated Person may be appointed as a governor if, once the appointment had taken effect, the number of governors who are Local Authority Associated Persons would represent 20% or more of the total number of governors.

Policies and Procedures Adopted for the Induction and Training of Trustees

All new governors complete in-house induction training and are given the opportunity to attend the Local Authority new governor training sessions. Each new governor is paired with an experienced governor who will provide additional support. All governors are provided with access to policies, procedures, minutes, accounts, budgets and other documents that they will need to undertake their role as governors. All governors are invited to external and in-house training throughout the year.

Northwood Primary School Academy Trust

Trustees' Report

Organisational Structure

The academy has a leadership structure which consists of the governors and the Senior Leadership Team. The aim of the leadership structure is to devolve responsibility and to encourage involvement in the decision making at all levels. The governors are responsible for setting general policy, adopting an annual plan and budget approving the statutory accounts, monitoring the academy by the use of budgets and other data, and making major decisions about the direction of the academy, capital expenditure and staffing appointments. The Senior Leadership Team (SLT) consists of the Principal, Deputy Headteacher, English and Maths Leaders and the School Business Manager. The SLT control the academy at an executive level implementing the policies laid down by the governors and reporting back to them. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a governor. The Deputy Headteacher and English and Maths Leaders assist with the day to day operation of the academy, in particular overseeing teaching and learning quality, staff, facilities and pupils.

Arrangements for setting pay and remuneration of key management personnel

For teachers the school mirrors the requirements of the current Statutory Pay and Conditions Document (STPCD), for support staff the school mirrors the Isle of Wight Council's Local Job Evaluation Pay Framework. Pay progression for teachers is performance related and is determined by the pay committee of the governing body with recommendations from the Headteacher. The Headteacher's pay progression is determined by the pay committee with recommendations from the Headteacher's performance review panel. Support staff receive annual pay progression within a set grade as determined by the job evaluation pay framework.

Trade union facility time

No employees were relevant union officials during the year.

Related Parties and other Connected Charities and Organisations

There were no related party transactions during this year.

Northwood Primary School Academy Trust

Trustees' Report

Objectives and Activities

Objects and Aims

The company was set up on 1 April 2013. The principal object and activity of the Charitable Company is the operation of Northwood Primary School; to provide a broad and balanced education to our pupils. Our school motto is 'A World of Opportunities' and we strive to ensure that this is the case for each pupil. Our aim is for every child to achieve the best possible education in the fullest sense of the word. For this to be attained

- our pupils must feel safe and secure.
- our teaching must be outstanding.
- our staff trained, well equipped and motivated.
- our funds spent efficiently and effectively.
- our governors and members be well informed.
- our community must be included and effectively used.

School Vision

At Northwood we are building a learning community that creates a rich, stimulating, safe environment allowing children to build their self-confidence, grow their self-esteem, and become independent resilient children with curiosity about the world in which they live.

Values

- Responsibility – Learning to make good choices and understanding the importance of honesty.
- Empathy – The ability to recognise and understand our own and other people's emotions.
- Equality – Celebrating our similarities and differences.
- Belonging – Feeling secure, supported and included.
- Resilience – The ability to bounce back.

Northwood Primary School Academy Trust

Trustees' Report

Objectives, Strategies and Activities

- Embed our Rainbow Curriculum – 'Bounce back'. Ensure that the broad and balanced curriculum is accessed by all.
- Use other subjects to extend writing across Key Stage 2.
- Improve leadership of the early years by sharply monitoring the progress of groups of pupils and the impact of any actions taken to improve outcomes.
- To improve the teaching of spelling across key stage 2.
- To improve the teaching of maths fluency in Key Stage 1.
- Create a whole school friendly project that aims to improve the provision for children with dyslexia.
- Ensure value of the school are evident and that diversity, inclusion and belonging are central to the school's ethos.

Key Actions from last OFSTED report – May 2017

- Improve teaching, learning and assessment by ensuring that:
 1. Planned learning takes into account pupils' previous learning so that work is not too easy for most-able pupils in maths.
 2. Opportunities for writing across the curriculum are more effective.
 3. Pupils have more opportunities to act on feedback from teachers.
 4. Improve leadership of the early year by sharply monitoring the progress of groups of pupils and the impact of any actions taken to improve outcomes.

Public Benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Northwood Primary School Academy Trust

Trustees' Report

Strategic Report

Achievements and Performance and Key Performance Indicators

Statutory test results were reinstated in this academic year.

Reading, Writing and Maths – 2022

	KS2 progress	KS2 attainment	KS1 attainment
Reading 2022	Sig above national	In line with national	In line with national
Writing 2022	Sig below national	Sig below national	In line with national
Maths 2022	In line with national	In line with national	In line with national

Key Stage 2 progress in reading was significantly above national and in the highest 20% in 2022.

Other attainment measures – 2022

KS2 Spelling and Grammar	KS2 combined RWM
In line with national	In line with national

EYFS Data

School 56% National 65.2% IW 63.2%

Other Improvements:

- Dyslexia project for whole school led to classrooms being more 'dyslexia friendly' and staff being better trained. More Dyslexia screening was undertaken in school.
- School led tutoring funding – used very effectively in Key Stage and 2 and tracking of these children showed significant progress for the majority, in reading and maths.
- Attendance was a focus post-Covid and this significantly improved from 91.82% spring term to 94.67% in summer term.
- We broadened our community links post-Covid with links with the Rotary Club, the Parish Council and Marks and Spencer – supporting our families that were struggling financially.
- We were able to open the school up to visitors and educational activities and visits again.

Going Concern

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

Northwood Primary School Academy Trust

Trustees' Report

Financial Review

Most of the school's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of current and capital grant, the use of which is restricted to particular purposes. The grants received during 2021/22 and the associated expenditure is shown as restricted funds in the Statement of Financial Activities. Prudent financial management, including cost reductions, is a requirement for the school's financial wellbeing. Additional funding streams linked to Covid-19 included:

- Household Support Fund enabled FSM children to be provided with food vouchers during the Spring and Autumn half term and Christmas and Easter holidays.
- School Led Tutoring Funding has been used very effectively across KS2 to provide catch up English and Maths lessons for pupils identified as requiring additional support.

Reserves Policy

Our aim is to use the allocated funding each year for the full benefit of the children currently attending the school. However we do budget a small amount each year for unforeseen circumstances. Further details regarding the level of reserves held can be found in the notes to the financial statements.

As at 31 August 2022, the reserves were as follows:

- Unrestricted (free) reserves of £24,777 (2021: £21,916)
- A restricted fixed asset fund of £1,189,955 (2021: £1,208,445), which can only be realised through disposal of tangible fixed assets
- A pension deficit of £563,000 (2021: £1,257,000)
- Other restricted funds of £54,897 (2021: £60,184)
- Total funds of £706,629 (2021: £33,545)

Investment Policy

The objective is to maximise investment on any long term accrued balances in order to protect those balances against inflation. The school also aims to invest any other surplus cash fund on a short term basis. All investments will be made ensuring there is no tangible risk to the loss of these funds. Where a short term surplus is identified these funds will be invested through the Treasury Deposits mechanism using the School's bankers Lloyds Bank. Investments are made with regard to the Charity Commission guidance in relation to investments.

Principal Risks and Uncertainties

The level of central government funding settlements remain the principal risk to the school. To date, the board of trustees has managed this risk successfully and will continue to attempt to through prudent financial management and, if necessary, further cost reductions. The fall in the birth rate on the Isle of Wight is impacting Primary schools Island-wide but Northwood works hard to maintain its good reputation together with actively promoting the school through a variety of advertising media.

Northwood Primary School Academy Trust

Trustees' Report

Fundraising

As part of its work within the community, the Academy Trust undertakes fundraising activities, for example through fetes, cake sales, non-uniform days etc. The Academy Trust raises funds in order to support its own operations and also to make donations to local and national charities. The Academy Trust undertakes all such activities itself, with the help of its students and their families. We confirm that when fundraising:

- No unsolicited approaches are made to members of the public.
- No commercial participators are used.
- No regularity schemes or standards are applicable.
- No complaints were made to the Academy Trust during the year.

Plans for Future Periods

The intent of the governing body is for the School to continue working together with staff, young learners, and parents to enhance the education provision in our local area. We will strive to improve the education prospects of children in Northwood Primary School and we will play our part in a shared leadership approach to the education provision on the Island. It remains our intention to use the allocated funding each year for the full benefit of the children attending the school at that time.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2022 and signed on the board's behalf by:


DRThistlewood (Dec 9, 2022 07:45 GMT)

D Thistlewood

Chair of Trustees

Northwood Primary School Academy Trust

Governance Statement

Scope of Responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Northwood Primary School Academy 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.

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

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 year. Attendance during the year at meetings of the Board of Trustees was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Dean Thistlewood (Chair)	6	6
Avril Sice	4	6
Brian Taplin	6	6
Claire Shortman (appointed 17 January 2022)	4	4
Emma Pugh	2	6
Hannah Devereux	0	6
Jodie Gibson	6	6
Monique Gallop (appointed 16 February 2022)	4	4
Neil Reed	6	6
Perdita Dusgate	1	6
Philip Hoar (appointed 17 January 2022)	4	4
Russel Osman	6	6
Sarah Hussey (Headteacher)	6	6

Northwood Primary School Academy Trust

Governance Statement

Governance (continued)

Conflicts of interest:

The information on this register is used in the day-to-day management and governance of the academy trust. Where relevant, they must also explain how the academy trust avoids conflicts of interest in its ownership or control of any subsidiaries, joint ventures or associates.

Governance reviews:

The Finance, Management and Administration Committee (FMA) is a sub-committee of the main Board of Trustees. Its purpose is:

- Regular monitoring of actual income and expenditure.
- Review and recommendation of the annual budget.
- Review the reports of the auditors on the effectiveness of the financial procedures and controls.
- Fulfil the role of an Audit & Risk Committee.

The FMA met six times during the year, four times as a separate committee and twice as part of a full board meeting. Attendance during the year at meetings of the FMA was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Neil Reed	6	6
Avril Sice	5	6
Claire Shortman	1	2
Dean Thistlewood	6	6
Emma Pugh	1	6
Monique Gallop	2	2
Russel Osman	6	6
Sarah Hussey	5	6

The FGB determines the strategic direction of the school, considers and approves policies as appropriate, and oversees the work of the two sub committees. The FGB considered and approved the acceptance of the Academy's budget at the start of the year. The FMA oversaw the financial affairs of the school, undertook reviews of financial policies and procedures, the monitoring and review of income/expenditure ensuring compliance with the overall financial plan for the Academy. The FMA monitored and reviewed the overall effectiveness of all matters concerning the school premises and grounds, security and Health and Safety (including Safeguarding) along with the effectiveness of leadership and management pertaining to them. The ACL monitored and reviewed the progress of pupils, the quality of teaching and the effectiveness of teaching and learning (including the progress of pupil premium and other low attaining groups) along with the effectiveness of leadership and management pertaining to them.

Northwood Primary School Academy Trust

Governance Statement

Review of Value for Money

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

Improving Educational Results

Our resources are directed where they will be the most effective in meeting educational requirements, for example:

- Continue to monitor staffing levels and deploy staff efficiently to support the curriculum and areas of development.
- Provide a programme of lesson observations and work scrutinies, combined with intensive staff development to ensure pupil progress.
- Funding is allocated to optimal effect, for example, providing targeted support and interventions for pupils such as small group tuition, individual pupil support, after school clubs and additional curricular activities.
- Working collaboratively with other schools, sharing good practice to improve CPD and improve standards.
- Implement strategies to improve attendance and end of key stage results.
- Provide increased pastoral support for identified pupils.

Northwood Primary School Academy Trust

Governance Statement

Review of Value for Money (continued)

Financial Governance and Oversight

Financial governance arrangements include regular monitoring by the Governing Body. This includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports reviewed and agreed by the governing body.
- Regular monitoring review of reports within governing body meetings, monitoring the impact of activities and funding streams, such as pupil premium.
- Regular review of reports within Trustee meetings which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Robust finance procedures and regular policy reviews ensure the school is operating within the regulations of the Academies Handbook.
- Comprehensive audit checks, monitoring and reporting on the Academy's financial procedures and performance.
- Reviewing appropriate financial benchmarking data, in order to compare the schools financial performance with other similar schools.
- Management account reports produced on a monthly basis and shared with the Chair of Trustees.

Better Purchasing

- Spending proposals are priced and presented to Trustees, challenged appropriately and recorded in minutes.
- Contracts and service level agreements are reviewed regularly to ensure the service remains suitable for the needs of the academy and tenders / quotations are obtained where appropriate to ensure value for money.
- Rigorous price comparisons are undertaken for the sourcing and purchase of consumable resources for the school.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Northwood Primary School Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Northwood Primary School Academy Trust

Governance Statement

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

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

The IR's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. The IR reports to the governing body on the operation of the systems of control and the discharge of the governors' financial responsibilities.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an auditor for this purpose. However, the trustees have appointed Wendy Bluestone, a Member of the Trust, to carry out a programme of internal checks.

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

- Review of the Risk Register.
- Interrogation of the Single Central Record.

The reviewer reports to the Board of Trustees on a termly basis, through the Finance and Administration Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Northwood Primary School Academy Trust

Governance Statement

The Risk and Control Framework (continued)

The internal reviewer undertook two internal checks this year. The programme of work identified for review was informed by the Academy's Risk Register. Whilst the complete register was reviewed over the two visits further areas within the register were scrutinised in detail. These included:

- Failure to ensure Trustees who are recruited to the Board possess the skills and experience required to run the Trust.
- Failure to monitor and react accordingly to the risks associated with competitor establishments.
- Failure to ensure that the school is compliant in respect of the requirements of the school sector.
- Failure to ensure the school complies with environmental legislation.
- Failure to maintain the Single Central Record.

Significant scrutiny in other operational areas have also been undertaken during the year:

- The Health & Safety audit by our independent external advisor concluded that a high standard of Health & Safety management continues to be maintained by the Trust.
- External scrutiny of our IT systems continues, ensuring our cyber security remains robust and fit for purpose.
- The Trust commissions the Local Authority (under an SLA) to undertake the Data Protection Officer function, who provides guidance and ensures the schools' GDPR compliance. There have been no data breaches in 2021/22 and the school's data processing processes remain robust.
- A Section 175 Safeguarding Audit was completed by the Headteacher/Principal and Safeguarding Governor in July 2022. The Local Authority approved the audit, confirming that the school is fulfilling its safeguarding responsibilities in every regard.

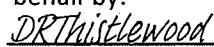
Review of Effectiveness

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

- the work of the Independent Reviewer
- the work of the external auditor
- the school resource management self-assessment tool
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework


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

Approved by order of the members of the Board of Trustees on 6 December 2022 and signed on its behalf by:


DRThistlewood (Dec 9, 2022 07:45 GMT)

D Thistlewood

Chair of Trustees


SHussey (Dec 9, 2022 11:05 GMT)

S Hussey

Accounting Officer

Northwood Primary School Academy Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Northwood Primary School Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2021.

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

S Hussey
SHussey (Dec 9, 2022 11:05 GMT)

S Hussey
Accounting Officer
6 December 2022

Northwood Primary School Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare 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 in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 6 December 2022 and signed on its behalf by:


D R Thistlewood (Dec 9, 2022 07:45 GMT)

D Thistlewood
Chair of Trustees

Northwood Primary School Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Northwood Primary School Academy Trust

Opinion

We have audited the financial statements of Northwood Primary School Academy Trust ('the charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019, and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Northwood Primary School Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Northwood Primary School Academy Trust

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. It includes the Reference and Administrative Details, the Trustees' Report (including the Strategic Report), and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Northwood Primary School Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Northwood Primary School Academy Trust

Responsibilities of the Trustees

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust, and the sector in which it operates. These include but are not limited to compliance with the Companies Act 2006, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019, the Academy Trust Handbook 2021, and the Academies Accounts Direction 2021 to 2022.
- We obtained an understanding of how the Academy Trust is complying with these frameworks through discussions with management.

Northwood Primary School Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Northwood Primary School Academy Trust

- We enquired with management whether there were any instances of non-compliance with laws and regulations or whether they had knowledge of actual or suspected fraud. These enquiries are corroborated through follow-up audit procedures including but not limited to a review of legal and professional costs, correspondence and a review of board minutes.
- We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including the risk of fraud and management override of controls. We designed our audit procedures to respond to this assessment, including the identification and testing of any related party transactions and the testing of journal transactions that arise from management estimates, that are determined to be of significant value or unusual in their nature.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the sector in which the Academy Trust operates in, and their practical experience through training and participation with audit engagements of a similar nature.

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

Use of our report

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

James Flood

James Flood (Dec 9, 2022 15:20 GMT)

J Flood ACA (Senior statutory auditor)

For and on behalf of Hopper Williams & Bell Limited

Statutory Auditor

Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

09/12/2022

Date

Northwood Primary School Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Northwood Primary School Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Northwood Primary School Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Northwood Primary School Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Northwood Primary School Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Northwood Primary School Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Northwood Primary School Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Northwood Primary School Academy Trust's funding agreement with the Secretary of State for Education dated 28 March 2013 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Northwood Primary School Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Northwood Primary School Academy Trust and the Education & Skills Funding Agency

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration as to whether prior approval was sought from the Secretary of State where it is required by the Academy Trust Handbook (effective from 1 September 2021) (ATH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the ATH and that any payments are in line with the severance guidance published by ESFA.
- Consideration as to whether any borrowings have been made in accordance with the ATH.
- Review of any 'minded to' letters or Notices to Improve which have been issued to the Academy Trust.
- Review of any transactions with related parties to ensure that they have been carried out in accordance with the ATH.
- Review of governance arrangements to determine whether the requirements of the ATH have been met.
- Review of the Academy Trust's internal controls, including whether the general control environment has regard to the regularity of underlying transactions, including fraud management.
- Review of the Academy Trust's procurement policies to determine effectiveness and testing a sample of purchases to confirm that the policies have been correctly implemented.
- Identifying any conditions associated with specialist grant income and determining whether it has been spent as the purposes intended.

Northwood Primary School Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Northwood Primary School Academy Trust and the Education & Skills Funding Agency

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

James Flood
James Flood (Dec 9, 2022 15:20 GMT)

J Flood ACA

Reporting Accountant

Hopper Williams & Bell Limited

Chartered Accountants

Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 09/12/2022
Date

Northwood Primary School Academy Trust

Statement of Financial Activities for the year ended 31 August 2022

(including Income and Expenditure Account)

	Note	Un-restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2021/22 Total £	2020/21 Total £
Income and endowments from:							
Donations and capital grants	2	2,332	2,050	-	6,244	10,626	9,962
Other trading activities	4	480	-	-	-	480	-
Investments	5	49	-	-	-	49	20
Charitable activities:							
Funding for the academy trust's educational operations	3	-	1,056,877	-	-	1,056,877	1,047,898
Total		2,861	1,058,927	-	6,244	1,068,032	1,057,880
Expenditure on:							
Charitable activities:							
Academy trust educational operations	7	-	1,064,214	116,000	24,734	1,204,948	1,170,812
Net income / (expenditure)		2,861	(5,287)	(116,000)	(18,490)	(136,916)	(112,932)
Other recognised gains / (losses):							
Actuarial gains / (losses) on defined benefit pension schemes	22	-	-	810,000	-	810,000	(133,000)
Net movement in funds		2,861	(5,287)	694,000	(18,490)	673,084	(245,932)
Reconciliation of funds							
Total funds brought forward		21,916	60,184	(1,257,000)	1,208,445	33,545	279,477
Total funds carried forward		24,777	54,897	(563,000)	1,189,955	706,629	33,545

The notes on pages 29 to 50 form part of these financial statements.

Northwood Primary School Academy Trust

Balance Sheet as at 31 August 2022

Company Number 08405075

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		1,153,213		1,161,779
Current assets					
Debtors	12	34,352		34,306	
Cash at bank and in hand		<u>133,296</u>		<u>144,699</u>	
		167,648		179,005	
Liabilities					
Creditors: Amounts falling due within one year	13	<u>(51,232)</u>		<u>(50,239)</u>	
Net current assets			116,416		128,766
Total assets less current liabilities			1,269,629		1,290,545
Defined benefit pension scheme liability	22		(563,000)		(1,257,000)
Total net assets			706,629		33,545
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	14	1,189,955		1,208,445	
Restricted income fund	14	54,897		60,184	
Pension reserve	14	<u>(563,000)</u>		<u>(1,257,000)</u>	
Total restricted funds			681,852		11,629
Unrestricted income funds	14		24,777		21,916
Total funds			706,629		33,545

The financial statements on pages 26 to 50 were approved by the trustees and authorised for issue on 6 December 2022 and are signed on their behalf by:

D R Thistlewood
DRThistlewood (Dec 9, 2022 07:45 GMT)

D Thistlewood
Chair of Trustees

The notes on pages 29 to 50 form part of these financial statements.

Northwood Primary School Academy Trust

Statement of Cash Flows for the year ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	17	(1,528)	(13,991)
Cash flows from investing activities	18	(9,875)	1,610
Change in cash and cash equivalents in the reporting period		<u>(11,403)</u>	<u>(12,381)</u>
Cash and cash equivalents at 1 September 2021		144,699	157,080
Cash and cash equivalents at 31 August 2022	19	<u>133,296</u>	<u>144,699</u>

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

1 Accounting policies

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

Basis of Preparation

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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and are rounded to the nearest £1.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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.

Income

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

- **Donations**

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

- **Grants**

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

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

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

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Income (continued)

- **Government Grants**

The following government grants have been received during the year:

Coronavirus exceptional support

The accrual model has been used to recognise the grant when it is received or becomes receivable, as there are no future related costs or performance conditions.

- **Other Income**

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

- **Donated goods, facilities and services**

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

- **Donated fixed assets (excluding Transfers on conversion/into the Academy Trust)**

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.

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**

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

All resources expended are inclusive of irrecoverable VAT.

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Leasehold Land and Buildings	Lower of 2% straight line on buildings or the length of the lease
Furniture and Equipment	20% reducing balance
Plant and Machinery	20% straight line
Computer Equipment	20% straight line

No depreciation has been provided on long leasehold land as it is similar to freehold land, which does not require depreciation.

Where the Academy Trust can identify the value of major components of freehold or leasehold buildings based upon additions following conversion to academy status, the Academy Trust reviews whether one or more such components have significantly different patterns of consumption of economic benefits. In such cases, the Academy Trust allocates the cost of the asset to its major components and depreciates each component separately over its useful life.

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

Liabilities

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

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Provisions

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

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

Leased Assets

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

Financial Instruments

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

Financial assets

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

Cash at bank

Cash at bank is classified as a basic financial instrument and is measured at face value. An investment is treated as a cash equivalent when it has a short maturity of three months or less from the date of acquisition.

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

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

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

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

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 will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The assumptions used are disclosed in note 22.

Critical areas of judgement

There are no other critical areas of judgement.

2 Donations and capital grants

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total
	£	£	£	£
Capital grants	-	6,244	6,244	6,289
Donated fixed assets	-	-	-	3,334
Other donations	2,332	2,050	4,382	339
	2,332	8,294	10,626	9,962
<i>Total 2021</i>	28	9,934	9,962	

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	858,695	858,695	815,324
Pupil Premium	-	47,749	47,749	46,635
UIFSM	-	31,510	31,510	32,012
Rates reclaim	-	4,070	4,070	4,071
PE and sports grant	-	17,710	17,710	17,740
Teachers' pay grant	-	-	-	9,431
Teachers' pension grant	-	-	-	26,650
Other DfE grants	-	15,502	15,502	-
	-	975,236	975,236	951,863
Other government grants				
Local authority grants	-	15,469	15,469	13,452
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	-	-	16,000
Coronavirus exceptional support	-	-	-	588
Other DfE/ESFA Coronavirus funding	-	4,253	4,253	-
	-	4,253	4,253	16,588
COVID-19 additional funding (non-DfE/ESFA)				
Other Coronavirus funding	-	7,888	7,888	14,860
Other income from the Academy Trust's educational operations				
Trip income	-	1,659	1,659	720
Other income	-	52,372	52,372	50,415
	-	54,031	54,031	51,135
	-	1,056,877	1,056,877	1,047,898
Total 2021	-	1,047,898	1,047,898	

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

4 Other trading activities

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total
	£	£	£	£
Hire of facilities	480	-	480	-
<i>Total 2021</i>	-	-	-	-

5 Investment income

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total
	£	£	£	£
Short term deposits	49	-	49	20
<i>Total 2021</i>	20	-	20	-

6 Expenditure

		Non Pay Expenditure		Total	Total
	Staff costs	Premises	Other	2021/22	2020/21
	£	£	£	£	£
Academy's educational operations:					
Direct costs	699,968	-	44,836	744,804	739,151
Allocated support costs	273,627	55,509	131,008	460,144	431,661
	973,595	55,509	175,844	1,204,948	1,170,812
Total 2021	954,400	45,012	171,400	1,170,812	

Net income/(expenditure) for the period includes:

	2021/22	2020/21
	£	£
Operating lease rentals	712	712
Depreciation	24,734	23,900
Fees payable to auditor for:		
Audit	7,320	6,645
Other services	5,424	4,633

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

7 Charitable activities

	2021/22	2020/21
	Total	Total
	£	£
Direct costs – educational operations	744,804	739,151
Support costs – educational operations	460,144	431,661
	<u>1,204,948</u>	<u>1,170,812</u>

Analysis of support costs:

	Educational operations	2021/22	2020/21
		Total	Total
	£	£	£
Support staff costs	273,627	273,627	252,533
Depreciation	24,734	24,734	23,900
Technology costs	3,586	3,586	6,385
Premises costs	55,509	55,509	45,012
Other support costs	91,926	91,926	92,553
Governance costs	10,762	10,762	11,278
Total support costs	<u>460,144</u>	<u>460,144</u>	<u>431,661</u>
<i>Total 2021</i>		<u>431,661</u>	

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

8 Staff

a) Staff costs

Staff costs during the period were:

	2021/22	2020/21
	£	£
Wages and salaries	665,328	671,525
Social security costs	56,351	54,425
Pension costs	251,916	228,450
	<u>973,595</u>	<u>954,400</u>

b) Staff numbers

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

	2021/22	2020/21
	No.	No.
Teachers	8	8
Administration and support	17	19
Management	2	2
	<u>27</u>	<u>29</u>

c) Higher paid staff

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

	2021/22	2020/21
	No.	No.
£70,001 - £80,000	1	1

d) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £403,816 (2021: £334,804).

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

9 Related Party Transactions – Trustees’ remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

		2021/22	2020/21
		£000	£000
S Hussey (Staff trustee)	Remuneration	70-75	70-75
	Employer’s pension contributions paid	15-20	15-20
A Sice (Staff trustee)	Remuneration	10-15	10-15
	Employer’s pension contributions paid	0-5	0-5

During the period ended 31 August 2022, no trustees received any reimbursement of expenses (2021: none).

10 Trustees and officers insurance

The Academy Trust has opted into the Department for Education’s risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10m. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

11 Tangible fixed assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Plant and Machinery £	Computer Equipment £	Total £
Cost					
At 1 September 2021	1,307,795	13,678	12,412	67,435	1,401,320
Acquisitions	-	5,438	-	10,730	16,168
At 31 August 2022	1,307,795	19,116	12,412	78,165	1,417,488
Depreciation					
At 1 September 2021	165,008	7,952	7,835	58,746	239,541
Charged in year	19,995	922	1,051	2,766	24,734
At 31 August 2022	185,003	8,874	8,886	61,512	264,275
Net book values					
At 31 August 2021	1,142,787	5,726	4,577	8,689	1,161,779
At 31 August 2022	1,122,792	10,242	3,526	16,653	1,153,213

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

12 Debtors

	2021/22	2020/21
	£	£
VAT recoverable	6,569	5,265
Prepayments and accrued income	27,783	29,041
	<u>34,352</u>	<u>34,306</u>

13 Creditors: amounts falling due within one year

	2021/22	2020/21
	£	£
Trade creditors	7,045	5,024
Other taxation and social security	14,651	13,723
Accruals and deferred income	29,536	31,492
	<u>51,232</u>	<u>50,239</u>

	2021/22	2020/21
	£	£
Deferred income at 1 September 2021	21,048	19,472
Released from previous years	(21,048)	(19,472)
Resources deferred in the year	18,698	21,048
Deferred income at 31 August 2022	<u>18,698</u>	<u>21,048</u>

At the balance sheet date the academy trust was holding funds received in advance for UIFSM grants for the forthcoming year.

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

14 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2022 £
Restricted general funds						
General Annual Grant (GAG)	60,184	858,695	(863,982)	-	-	54,897
Pupil premium	-	47,749	(47,749)	-	-	-
UIFSM	-	31,510	(31,510)	-	-	-
Rates reclaim	-	4,070	(4,070)	-	-	-
PE and sports grant	-	17,710	(17,710)	-	-	-
Other DfE grants	-	15,502	(15,502)	-	-	-
Local authority grants	-	15,469	(15,469)	-	-	-
Other DfE/ESFA C-19 funding	-	4,253	(4,253)	-	-	-
Other Coronavirus funding	-	7,888	(7,888)	-	-	-
Other educational activities	-	56,081	(56,081)	-	-	-
	60,184	1,058,927	(1,064,214)	-	-	54,897
Pension reserve	(1,257,000)	-	(116,000)	-	810,000	(563,000)
	(1,196,816)	1,058,927	(1,180,214)	-	810,000	(508,103)
Restricted fixed asset funds						
Fixed asset fund	1,161,779	-	(24,734)	16,168	-	1,153,213
ESFA capital grants (DFC)	19,067	6,244	-	(16,168)	-	9,143
Other capital grants	27,599	-	-	-	-	27,599
	1,208,445	6,244	(24,734)	-	-	1,189,955
Total restricted funds	11,629	1,065,171	(1,204,948)	-	810,000	681,852
Total unrestricted funds	21,916	2,861	-	-	-	24,777
Total funds	33,545	1,068,032	(1,204,948)	-	810,000	706,629

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

14 Funds (continued)

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

General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the school budget share; minimum funding guarantee; education services grant; insurance; rates; and pre-16 high needs funding streams.

Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the Academy Trust on conversion.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/ESFA capital grants

This is funding received from the DfE/ESFA specifically for expenditure on tangible fixed assets.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

14 Funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2021 £
Restricted general funds						
General Annual Grant (GAG)	69,887	815,324	(825,027)	-	-	60,184
Pupil premium	-	46,635	(46,635)	-	-	-
UIFSM	-	32,012	(32,012)	-	-	-
Rates reclaim	-	4,071	(4,071)	-	-	-
PE and sports grant	-	17,740	(17,740)	-	-	-
Teachers' pay grant	-	9,431	(9,431)	-	-	-
Teachers' pension grant	-	26,650	(26,650)	-	-	-
Local authority grants	-	13,452	(13,452)	-	-	-
Catch-up premium	-	16,000	(16,000)	-	-	-
Coronavirus exceptional supt.	-	588	(588)	-	-	-
Other Coronavirus funding	-	14,860	(14,860)	-	-	-
Other educational activities	-	51,446	(51,446)	-	-	-
	69,887	1,048,209	(1,057,912)	-	-	60,184
Pension reserve	(1,035,000)	-	(89,000)	-	(133,000)	(1,257,000)
	(965,113)	1,048,209	(1,146,912)	-	(133,000)	(1,196,816)
Restricted fixed asset funds						
Fixed asset fund	1,177,646	-	(23,900)	8,033	-	1,161,779
ESFA capital grants (DFC)	17,477	6,289	-	(4,699)	-	19,067
Other capital grants	27,599	-	-	-	-	27,599
Donated fixed assets	-	3,334	-	(3,334)	-	-
	1,222,722	9,623	(23,900)	-	-	1,208,445
Total restricted funds	257,609	1,057,832	(1,170,812)	-	(133,000)	11,629
Total unrestricted funds	21,868	48	-	-	-	21,916
Total funds	279,477	1,057,880	(1,170,812)	-	(133,000)	33,545

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

15 Analysis of net assets between funds

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	1,153,213	1,153,213
Current assets	24,777	106,129	-	36,742	167,648
Current liabilities	-	(51,232)	-	-	(51,232)
Pension scheme liability	-	-	(563,000)	-	(563,000)
Total net assets	24,777	54,897	(563,000)	1,189,955	706,629

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

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	1,161,779	1,161,779
Current assets	21,916	110,423	-	46,666	179,005
Current liabilities	-	(50,239)	-	-	(50,239)
Pension scheme liability	-	-	(1,257,000)	-	(1,257,000)
Total net assets	21,916	60,184	(1,257,000)	1,208,445	33,545

16 Long-term commitments, including operating leases

Operating leases

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

	2021/22	2020/21
	£	£
Amounts due within one year	85	712
Amounts due between one and five years	-	85
	85	797

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

17 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021/22	2020/21
	£	£
Net expenditure for the reporting period	(136,916)	(112,932)
Adjusted for:		
Depreciation	24,734	23,900
Capital grants from DfE and other capital income	(6,244)	(9,623)
Interest receivable	(49)	(20)
Defined benefit pension scheme cost less contributions payable	95,000	71,000
Defined benefit pension scheme finance cost	21,000	18,000
Increase in debtors	(46)	(6,654)
Increase in creditors	993	2,338
Net cash used in Operating Activities	(1,528)	(13,991)

18 Cash flows from investing activities

	2021/22	2020/21
	£	£
Dividends, interest and rents from investments	49	20
Purchase of tangible fixed assets	(16,168)	(4,699)
Capital grants from DfE Group	6,244	6,289
Net cash (used in) / provided by investing activities	(9,875)	1,610

19 Analysis of cash and cash equivalents

	2021/22	2020/21
	£	£
Cash at bank and in hand	133,296	144,699

20 Analysis of changes in net debt

	At 1 September 2021	Cash flows	Acquisition/ disposal of subsidiaries	New finance leases	Other non-cash changes	At 31 August 2022
	£	£	£	£	£	£
Cash	144,699	(11,403)	-	-	-	133,296
Total	144,699	(11,403)	-	-	-	133,296

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

21 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.

22 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

22 Pension and similar obligations (continued)

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £87,327 (2021: £86,353).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was as follows:

	2022	2021
	£	£
Employer's contributions	69,000	71,000
Employees' contributions	18,000	18,000
	<u>87,000</u>	<u>89,000</u>

The agreed contribution rates for future years are 23.5% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions

	2022	2021
Rate of increase in salaries	4.0%	3.7%
Rate of increase for pensions in payment/inflation	3.2%	2.9%
Discount rate for scheme liabilities	4.3%	1.7%
Inflation assumption (CPI)	<u>3.2%</u>	<u>2.9%</u>

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

	2022	2021
<i>Retiring today</i>		
Males	21.7	21.9
Females	<u>24.0</u>	<u>24.2</u>
<i>Retiring in 20 years</i>		
Males	22.6	22.9
Females	<u>25.7</u>	<u>25.9</u>

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

22 Pension and similar obligations (continued)

Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2022	2021
	£	£
Discount rate -0.1%	34,000	46,000
Mortality assumption – 1 year increase	64,000	93,000
CPI rate +0.1%	34,000	46,000

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

	2022	2021
	£	£
Equities	747,000	777,000
Gilts	179,000	213,000
Property	74,000	53,000
Cash and other liquid assets	53,000	21,000
Other	-	1,000
Total market value of assets	1,053,000	1,065,000

The actual return on scheme assets was a loss of £64,000 (2021: a gain of £148,000).

Amount recognised in the Statement of Financial Activities

	2021/22	2020/21
	£	£
Current service cost	164,000	142,000
Interest income	(18,000)	(15,000)
Interest cost	39,000	33,000
Total amount recognised in the SOFA	185,000	160,000

Northwood Primary School Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

22 Pension and similar obligations (continued)

Changes in the present value of defined benefit obligations were as follows:

	2021/22	2020/21
	£	£
At 1 September	2,322,000	1,898,000
Current service cost	164,000	142,000
Interest cost	39,000	33,000
Employee contributions	18,000	18,000
Actuarial (gain) / loss	(892,000)	266,000
Benefits paid	(35,000)	(35,000)
At 31 August	1,616,000	2,322,000

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

	2021/22	2020/21
	£	£
At 1 September	1,065,000	863,000
Interest income	18,000	15,000
Actuarial (loss) / gain	(82,000)	133,000
Employer contributions	69,000	71,000
Employee contributions	18,000	18,000
Benefits paid	(35,000)	(35,000)
At 31 August	1,053,000	1,065,000

23 Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.