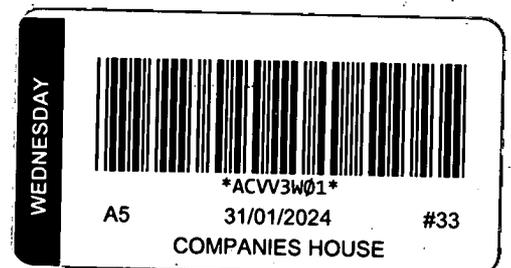


Company Registration Number: 07553531 (England & Wales)

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

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NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

B Ashby (appointed 27 January 2023)
J Beasley
C Goold (appointed 30 June 2023)
M Kelly
A Kempston-Parkes (resigned 24 March 2023)
R Millington (appointed 7 August 2023)
S Scott (resigned 30 June 2023)

Trustees

H Flynn, Chair^{1,2,3}
R Allan (appointed 30 June 2023)
M Chambers^{1,3}
L Hoath (appointed 27 January 2023)²
A Kelly (resigned 10 July 2023)^{2,3}
A-M Merifield (resigned 17 November 2022)^{2,3}
H Murphy (appointed 27 January 2023)^{1,3}
J Plews, CEO and Accounting Officer^{2,3}
N Rhodes (resigned 5 June 2023)^{1,3}
A Ruland (resigned 27 January 2023)^{1,3}
L Sheppey (appointed 27 January 2023, resigned 30 March 2023)
J Unsworth (appointed 30 June 2023)
N Walker, Chair of Audit, Risk and Finance Committee^{1,3}

- ¹ Member of Audit and Finance Committee
² Member of Education and Standards Committee
³ Member of People and Search Committee

Company registered number

07553531

Company name

Northern Star Academies Trust

Principal and registered office

77 Gargrave Road
Skipton
BD23 1QN

Company secretary

E Oliver

Executive Leadership Team

Jenn Plews, Chief Executive Officer
Peter Addison-Child, Chief Operating Officer. CFO from 01/04/2023 to 14/05/2023
Louise Sagar, Chief Financial Officer (from 15/05/2023)
Ann Wheatcroft, Director of School Improvement
Christine Schofield, Director of School Improvement
Elizabeth Oliver, Director of Governance and Compliance
Elizabeth Wood, Chief Financial Officer (until 31/03/2023)

Independent auditors

Clive Owen LLP
Chartered Accountants and Statutory Auditors
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Bankers

Lloyds Bank plc
49 Hustlergate
Bradford
BD1 1NT

Solicitors

Schofield Sweeney
Church Bank House
Church Bank
Bradford
BD1 4DY

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Northern Star Academies Trust (NSAT) was formed on 1 April 2015 and operates 7 primary and 2 secondary academies across North and West Yorkshire. Its academies have a combined pupil capacity of 4,100 and as at the school census of October 2023, NSAT's academies have a combined number on roll of 3,950 including nursery pupils.

Although each academy in the Trust has delegated responsibility for setting and implementing its own admissions policy, the Trust uses local authority admissions services (North Yorkshire and Bradford) for administering all admissions and appeals.

Structure, Governance and Management

Constitution

NSAT 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 Northern Star Academies Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Northern Star Academies Trust and is also known as NSAT.

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

NSAT is a member of the Risk Protection Arrangement, provided by the Education & Skills Funding Agency, which protects Trustees from claims arising against negligent acts, errors, or omissions occurring whilst on Trust business. Further details are provided in note 13.

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Method of recruitment and appointment or election of Trustees

The number of Trustees of the company shall not be less than 3 but (unless determined by ordinary resolution) shall not be subject to a maximum. The Trust's articles of association set out the categories of Trustees as follows:

- Up to seven Trustees appointed by ordinary resolution of Members
- A minimum of two elected or appointed Parent Trustees, if provision is not made for at least two parent local governors on each established local governing body
- The Chief Executive Officer (CEO), if they so choose to act
- Any number of co-opted Trustees

The number of Trustees who are employees of the company (including the CEO) shall not exceed one third of the total number of Trustees. The Secretary of State retains the power to appoint additional Trustees.

Trustees are appointed as and when vacancies occur, and/or when specific skill requirements are identified. Trustees are recruited via a range of routes, including the use of established sector-wide recruitment programmes such as those led by Governors for Schools and Inspiring Governance. Trustees complete an annual skills audit to ensure a diversity of expertise on the board.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to any post which is ex-officio. The term of office may be shorter than four years for any Trustee (except Parent Trustees) if the Members (or in the case of a co-opted Trustee, the Trustees) determine this at the time of appointment. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All Trustees are provided with the opportunity to visit the Trust's academies and to meet with staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

As part of their induction, all Trustees are provided with a welcome pack, the NSAT Strategy 2020-2025, NSAT Scheme of Delegation and the policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as a Trustee. Furthermore, new Trustees (and local governors) are required to complete formal safeguarding training as part of their induction.

Training for NSAT's Trustees (and local governors) is reviewed each year and informed by the outcomes of skills audit, self-evaluation and internal scrutiny activity. It is provided in a variety of formats, including bespoke in-house sessions that run throughout the year, termly forums (e.g. for chairs, and for safeguarding and SEND), and the circulation of external training/network opportunities. Throughout 2022-2023 a Trust-wide governance briefing was also circulated on a half-termly basis.

NORTHERN STAR ACADEMIES TRUST
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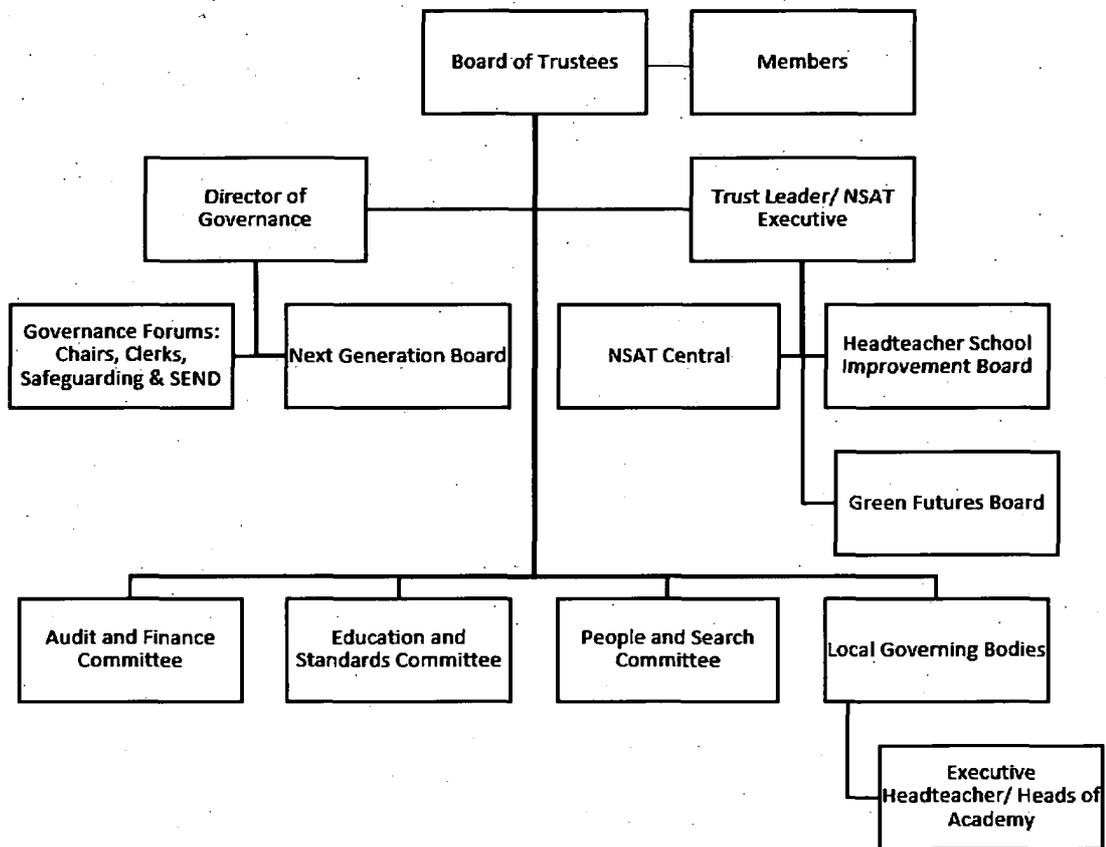
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Organisational Structure

During the year the academy trust continued to operate a unified management structure, the aim of which is to devolve responsibility and encourage involvement in decision making at all levels, whilst maintaining clear separation between governance layers and increasing the visibility of key stakeholder voices (specifically students and staff).

The organisational structure for the reporting period is provided below:



Accountability for decision-making is determined by the Trust's Scheme of Delegation, which also sets out items reserved for the Board.

- The Board of Trustees is responsible for setting the Trust's strategy, adopting the annual budget and plan, monitoring Trust performance by use of outcomes, delegated mandates and budgets, and making major decisions about the direction and growth of the Trust, capital expenditure and senior staff appointments.
- The NSAT Executive implements the strategy and policies agreed by the Board of Trustees.
- NSAT Central provides a range of services across the Trust's academies in order to support school Senior Leadership Teams in their work.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Each of NSAT's academies has a:

- Local Governing Body (LGB), responsible for the monitoring of academy performance and local decision making as set out within the Trust's Scheme of Delegation. LGBs reported to the Board of Trustees and NSAT Executive throughout 2022-2023 via LGB action plans; the Chair's Forum and NSAT Roundtable meetings.
- Senior Leadership Team (SLT), including the Headteacher, responsible for the day-to-day running of the Trust's academies, and accountable to the NSAT Executive and LGBs. SLTs are responsible for implementing Trust plans in their particular academy and are tasked with delivering the best possible outcomes for students within the agreed budget. Business Managers support SLTs across the Trust in this work.

Arrangements for setting pay and remuneration of key management personnel

The setting of pay and remuneration for all staff, including key management personnel, operates within the framework of the Trust's Scheme of Delegation and Pay Policy. NSAT's Pay Policy is based on the nationally agreed pay and conditions as outlined in the School Teachers Pay and Conditions Document and 'Burgundy Book', and the National Joint Council for local government services 'Green Book'.

No Trustee receives pay and remuneration for their role as Trustee, with the exception of the CEO who is an employee of the Trust. The CEO's pay and remuneration is set based on the size, responsibility and nature of the role and the role holder's performance, and is reviewed annually by Trustees supported by professional external assessment and assurance.

The pay and remuneration of the members of the NSAT Executive (other than the CEO) is reviewed by the Trustees, with the involvement of the CEO. The People and Search Committee, a sub-committee of the Board, has within its remit the delegated authority to review and approve the NSAT Pay Policy, appraisal processes and remuneration of the NSAT Executive.

The pay and remuneration of each academy headteacher is set and reviewed annually by the NSAT Executive, with the involvement of the Chair of Governors of the respective LGB. Decisions are based on role size and role holder's performance, and are reviewed and approved by the People and Search Committee of Trustees. NSAT follows the pay arrangements for maintained schools in England and Wales for teachers and associate staff.

NSAT follows the pay arrangements for maintained schools in England and Wales for teachers and associate staff.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	6
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £000

Total cost of facility time	482
Total pay bill	18,386,172
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

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

The Trust has complied with the requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017, which took effect from 1 April 2017.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Related Parties and other Connected Charities and Organisations

The Trust became a multi-academy trust on 1 April 2015, following strong collaboration between Skipton Girls' High School Academy Trust and Harrogate High School Academy Trust. Both academies are founding members of Northern Star Academies Trust. The Trust currently has nine member academies.

During the reporting year, the Trust applied an annual central charge to member academies for central and support services.

The Trust operates a School Centred Initial Teacher Training (SCITT) partnership (Northern Lights SCITT) providing school-based teacher training. The SCITT operates within agreed policy and terms set out in the relevant legal and operational documentation.

The NSAT Foundation operates internally to the Trust, and delivers school to school SRMA support and leads the Science Learning Partnership (SLP) for North and West Yorkshire as part of STEM Learning.

For Post 16 provision there is some shared provision for minority subjects across local schools. A number of students from the Trust attend courses at Ermysted's Grammar School, and the Trust hosts a number of students from Ermysted's Grammar School, under normal business arrangements.

The Nidderdale Area of Outstanding Natural Beauty (AONB) is a formal partner for the trust's Farm Twinning project (funded through the Farming in Protected Landscapes scheme), and the Royal Horticultural Society (RHS) Harlow Carr has provided advice and guidance to the trust and its academies, as well as venues for Green Futures and Board meetings, as part of NSAT's Environmental Sustainability Strategy.

Harrogate High School is contracted as a School Games Organiser, for the Harrogate School Sports Partnership, funded by Ecorys. Harrogate High School also provides lettings management support to Harrogate Hockey Club, and the club provides access to Hockey Club facilities for Harrogate High students during the school day.

At New Park Primary Academy, a community interest company Resurrected Bites delivers the New Park Community Grocery for people in food poverty.

The Trust has an SLA in place with the Boroughbridge High School and King James's School Federated Governing Body to provide governance support and advisory services; and the Director of Governance and Compliance has delivered external reviews of governance via the National Governance Association. The Directors of School Improvement have delivered improvement consultancy work via B11 Education.

Further details are included in note 32 to the Financial Statements.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Engagement with employees (including disabled persons)

The Trust and academy SLTs provide regular updates to staff on Trust news, performance and successes in order to enable a common awareness of activities and achievements taking place. This is conducted using a combination of written, electronic and face to face communications. Throughout the reporting period, alongside school-based communications this has included:

- Letters direct from the CEO to trust staff
- Weekly CEO briefings to Headteachers, including information to be cascaded to all staff
- Regular Headteacher keep in touch meetings with the NSAT Executive
- Update meetings with SLTs and Business Managers
- Staff CPD workshops and forums (held online and in person)
- Social media and website updates

The Trustees understand the imperative to ensure that staff voice is considered and reflected within their strategic decision-making: to support this, a range of activities have been undertaken during 2022-2023 to share and capture staff voice against priority areas. These are summarised in the table below.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

Staff Conference	Each year a Trust-wide staff conference ensures all employees have the opportunity to engage and participate in Trust development. Feedback from participants is reported to Trustees.
Termly Pulse Surveys/ reviews of central services	Termly online surveys are completed trust-wide, tailored to trustee priorities and reported to the full board. During 2022-2023, these have covered areas such as staff cultures, the trust's environmental sustainability priorities, IT skills needs, access to and engagement with CPD opportunities, requested content for the development of a new staff intranet, inclusion/diversity, and a review of inclusion and compliance support services provided centrally.
Staff Wellbeing Ambassadors	The Staff Wellbeing Ambassadors continued to meet across the Trust during 2022-23. This included presentations at the annual staff conference and development work towards a trust-wide Wellbeing Charter.
NSAT Roundtables	The Roundtable series provides an opportunity for the NSAT Executive, academy SLT members and LGB members to review progress and priorities for each academy. This informs strategic and curriculum development, business planning, governance monitoring and budget setting processes.
Presentations to Board and LGBs, and link governance	A range of Trust staff — including academy SLT members — are invited to report to the Board on a regular basis. Every Board meeting is opened by an academy headteacher and pupils. It is also an expectation that local governors will receive presentations from a range of school staff at each LGB meeting. Trustees and governors are expected to engage with staff during their visits to settings.
Academy-specific staff voice activities	To explore context-specific themes, the Board of Trustees and NSAT Executive commission staff voice activities that are tailored to reflect a particular setting. During 2022-23, staff voice activities took place in primary and secondary settings, with in-depth staff feedback supporting the alignment of strategic, governance and curriculum priorities.
Green Futures Board	A group of staff from across the Trust, brought together to explore, discuss and drive forward Environmental Sustainability projects in each academy.
Staff Networks and peer to peer collaborative relationships	The following staff networks have been embedded across the Trust: Headteacher School Improvement, EYFS, DSL, DHT/AHT, SENDCo, Maths, English and Science. Furthermore, headteachers engage with peer-to-peer collaborative reviews to support curriculum design and development.

The Board of Trustees recognises that equal opportunities is an integral part of good practice within the workplace and aims to establish equal opportunities in all areas of its activities including creating a workplace environment in which the contribution and needs of all people are fully valued. During the reporting period, the Board reviewed its Equality Objectives.

The policy of the Trust is to support the recruitment and retention of pupils and employees with disabilities. The trust does this by making resources available, through training and career development, and adapting the physical environment where practicable and reasonable (e.g. lifts, ramps, disabled toilets and adequate door widths to enable wheelchair access).

In the reporting period, Trustees have received regular reports from the Directors of Inclusion and Wellbeing. This has included the offer of SEND (Special Educational Needs and Disability) Reviews for academy settings, extensive liaison with external agencies and other stakeholders as required, CPD sessions for staff, and bespoke support for individual cases in each academy to ensure quality, inclusive practice.

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, Governance and Management (continued)

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

The Trust has a direct and close working relationship with its primary 'customers' — namely our pupils, their parents and carers, and local communities. This relationship forms the cornerstone to the NSAT Promise, Strategy and objectives.

Pupils are directly engaged with the Board of Trustees via the Trust's governance structure. Focusing on the Environmental Sustainability Strategy, the reporting period saw the continuation of the Trust's Next Generation Board. Comprised of pupils and students representing each academy, this group (including a trustee) met on a half-termly basis throughout 2022-2023 to share updates with each other on their progress. Furthermore, the first item of each meeting of the trustees is led by members of the Next Generation Board so that pupil and students are at the heart of Trustee discussion and decision-making.

Engagement with parents and carers is fundamental. During the reporting period this has been achieved through a wide range of activities such as: regular letters and updates both from the Trust and each academy headteacher, and in-depth outreach work with families across all Trust communities. Several academy settings across the Trust have well-established family/community hubs and parent forums, providing a wide range of opportunities for communication and engagement.

The trust has a strong relationship with its suppliers, building sustainable working relationships that deliver best value for its pupils. The Trust has clear policy guidelines on procurement, contracts and seeking best value underpinning its supplier relationships. The Trust also recognises the importance of seeking positive business and community relationships centred around its academies. This activity generates contributions, both financial and participative, that support goals and objectives and provide tangible benefit to pupils and staff.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

Objects and aims

In accordance with its articles of association, NSAT's principal object and activity is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools and offering a broad and balanced curriculum in line with the requirements of the master funding agreement in place with the Education and Skills Funding Agency. The Trust also has an additional charitable object to provide recreational facilities for the benefit of the local community where available

The main aims of the academy trust during the year ended 31 August 2023 are encompassed by the NSAT Promise.

NSAT Promise

N We promise that children will learn in a nurturing environment in which each child's individuality is respected.

S **Sustain:** We promise to provide strong and steady leadership, and to encourage all children to live and learn in a sustainable way.

A **Aspire:** We promise that we will provide stimulating, 21st century learning environments and pedagogies, using the most effective digital technologies and EdTech available, so that all children can reach their aspirations.

T **Thrive:** We promise to all our learning communities - children, parents, staff and the wider community - that we will do all we can to ensure that they thrive in a supportive Trust which is committed to looking after the wellness of everyone.

Our Values

Nurture
Empathy, care for others and self-kindness

Sustain
Green, resilience, leadership, steadfastness and trust

Aspire
Imaginative and innovative thinking, inclusive and diverse and entrepreneurship

Thrive
Courage, confidence, curiosity, collaboration and partnership

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

Objectives, strategies and activities

The objectives in place to achieve the NSAT Promise are set out within the NSAT Strategy 2020-2025. These are provided below.

	NURTURE: People make the difference. We are a learning organisation supporting and connecting learning, teaching, leadership and governance.
Goals	
1	To be deeply committed to providing inclusion and diversity in education, playing a leading role in practice and advocacy.
2	To enable NSAT's people to thrive as a dynamic and engaged team of professionals and ensure our workforce more closely reflect the diversity of the communities NSAT schools serve.
3	To support all staff to play a part in building a more inclusive and diverse culture where they benefit from high quality professional development designed uniquely to support career progression and role satisfaction.
4	To maximise partnerships and networks across and beyond the Trust to advance knowledge and skill sharing, contribute to national and international dialogue about education and further increase grant funded projects. Develop a Hub of exchange with peer institutions.
5	To grow the next generation of teachers by promoting Northern Lights SCITT as a Teacher-Training 'centre of excellence'.

	SUSTAIN: We are One Learning Community that educates children and young people in an inclusive and sustainable school improvement model which transforms their life chances.
Goals	
1	To provide children and young people with the highest standards of academic excellence from EYFS to Post 16.
2	To deliver an innovative, green, comprehensive and progressive curriculum model in each school that develops robust learning skills, habits and competencies.
3	To review what we teach and how we teach so that we close perceived inequalities and social fragmentation in our curriculum provision.
4	To maintain regular and healthy engagement, communication and strong relationships with parents/ carers and local communities and ensure that stakeholders feedback inform our positive development

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

	ASPIRE: Learning in Inspiring Places. We educate and look after NSAT children in a safe and secure, green and sustainable, personalised learning environment.
Goals	
1	To reduce our carbon consumption considerably and lead education sectorial thinking about how best to educate in a sustainable and green way.
2	To make the use of education technology part of all that we do and close the digital divide between all groups of learners. Reliable and flexible information technology solutions will be in place.
3	To use digital thinking and solutions across the Trust partnership to provide a contemporary HR Infrastructure and provide the support that staff need to do their jobs effectively.
4	To develop the physical, digital, technical and environmental infrastructure to preserve NSAT school buildings, develop estates and expand access and inclusion across all estates.
5	To optimise space across all NSAT estates to support real-world learning, curriculum provision, care, guidance and support.

	THRIVE: We are a strong and resilient Trust Partnership who influence by example and operate with a secure long term financial stability. Placing collaboration, partnership and sustainability above short term gains.
Goals	
1	To increase Trust membership in a considered and strategic way, ensuring new Academies share our ambitions and are closely aligned to the NSAT vision, mission and values.
2	To promote a whole organisational approach to wellness and positive mental health in a safe, happy and healthy workplace.
3	To be a steadfast, responsible and compliant organisation with appropriate systems, policies and procedures.
4	To develop a business model with diversified income streams that allows us to be bold and innovative with the education we offer and how we serve our larger communities.

The activities undertaken to achieve the Trust's charitable objectives are intended to provide the highest quality of education in the public sector for students aged between 2 and 18. A brief summary of workstreams for 2022 to 2023 are set out below, with each of these achieved by the end of the reporting period.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

Strands of Strategy	Summary of 2022-2023 work towards achieving objectives
Nurture	<p>Review of all NSAT HR policies and people strategy, including absence management and development of trust-wide intranet for engagement and establishing a JCC</p> <p>Development of trust-wide Wellbeing Charter</p> <p>Launch revised school improvement framework</p> <p>Expand and strengthen networks and collaborations across the trust</p>
Sustain	<p>Continue to strengthen provision for inclusion and SEND, including developing relationships with external agencies and reviewing models of appropriate provision</p> <p>Strategic safeguarding – implementation of trust-wide safeguarding strategy and quality assurance programme</p> <p>Embed high quality and responsive data and compliance services across the trust</p>
Aspire	<p>Implement actions across the trust to address the disadvantaged gap</p> <p>Improve the strategic approach taken by leaders to maximise the effective use of digital technologies for learning</p> <p>Further the trust's work leading environmental sustainability, including launch of the Farm Twinning programme</p>
Thrive	<p>Embed the successful conversion of Willow Tree Community Primary School</p> <p>Embed trust's risk management framework, policy and practice</p> <p>Implement stakeholder engagement framework</p> <p>Determine new ITE provider for Northern Lights SCITT</p>

To enable the Board of Trustees to monitor and challenge progress against strategic priorities and objectives, the NSAT Executive implements a 100-Day delivery and reporting cycle for Business Planning. This reporting cycle tracks the detailed actions, targets and key performance indicators for each strand of the five-year NSAT Strategy. During each 100 Day cycle, Trustees receive an update from the Chief Executive Office against the set objectives — with interim tracking of deliverables managed within project management software to enable real time reporting to trustees at each meeting.

In addition to the trust-wide objectives, each academy has an Academy Development Plan (ADP) aligned with the overall strategic priorities of the trust, and against which progress is reviewed by LGBs.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

Public benefit

The academy trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the academy trust should undertake.

The Trust works collaboratively with a range of other schools and Trusts for the benefit of their students. Additionally, the Trust offers recreational facilities to its local communities and works closely with community groups.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

Strategic report

Achievements and performance

Through the NSAT Strategy, the Board of Trustees encourages academic aspiration but also nurtures empathy, care and kindness.

A Level Successes

Skipton Girls' High School	
Proportion A*/As	38%
Proportion A*/Bs	68%
Proportion A*/Cs	99%
Pass rate	99%
Proportion securing a place at university	94%
Proportion securing an apprenticeship	1%
Proportion securing a place at a Russell Group university	41%

GCSE Successes

	Harrogate High School	Skipton Girls' School
Average Attainment 8	34.78	68.40
Average grade	3.48	7.00
% 9-5 English and Maths	24%	89%
% 9-4 English and Maths	38%	98%
Proportion of students achieving the EBacc	14%	81%
Students remaining in education or entering employment after KS4	98%	100%

Finance KPIs

	2023	2022
Total income per pupil	£6,423	£5,535
Total GAG per pupil	£4,663	£4,359
GAG / Income ratio	73%	79%
Total staff costs / total income (less capital and SCITT income)	82%	83%
Expenditure per pupil	£6,648	£5,594
Pupil Teacher ratio	22.52	19.75
Total revenue reserves / income ratio	3%	7%
Total revenue reserves / GAG ratio	4%	9%

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.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Promoting the success of the company

The NSAT Board of Trustees recognises the importance of acting in accordance with its key duty of promoting the success of the company to achieve its charitable objects, and being mindful of the longer-term consequences of its decision-making. This is reflected in the Trust's vision and values (NSAT Promise) and its objectives and aims (NSAT Strategy), and is demonstrable within:

- the trust's approaches to celebrating and nurturing community diversity and inclusion at local level across all of its academies
- a commitment by the Board to internal growth, staff development and wellbeing
- Trust-wide policies and strategies focused on Wellbeing, Inclusion and SEND, Safeguarding, Estates Management and digital infrastructure

The impact of the Trust on the wider community and the environment is at the heart of the Board's decision-making, with the former reflected within the charitable objects of the Trust and the latter a core priority—including via the NSAT Environmental Sustainability Strategy, which in 2022-2023 was relaunched to include a series of 'non-negotiables' for all trust schools to achieve.

For examples of activities to promote the success of the company during 2022-23, including engaging with employees, suppliers, customers and the wider community, see page 10. Furthermore, the Trust has informed system leadership across the sector through a variety of invited speaking engagements; the sharing of case studies and exemplars of its work through forums such as Forum Strategy, the Confederation of School Trusts, Trust Governance Professionals, The Key for Senior Leaders.

The Trust actively works with community stakeholders and partners, local governing bodies and employees to reinforce its aims and ethos, so as to maintain a reputation for high standards and has supporting Codes of Conduct in place for Trustees, governors and employees.

The value of strong collegiate relationships was demonstrated during the reporting year as trustees continued to support the establishment of peer-to-peer collaborations. For details of employee engagement strategies, including Trust-wide collaborative connections and networks see page 9.

Financial review

Most of the academy trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2023, total expenditure of £26,056,000 was exceeded by recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding pension reserve movements and restricted fixed asset funds) was £684,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academy trust's objectives.

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

At 31 August 2023 net book value of fixed assets was £37,408,000 and movements in tangible fixed assets are shown in note 15 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a deficit of £2,086,000 recognised on the Balance Sheet.

The academy trust held fund balances as at 31 August 2023 of £36,486,000 comprising £113,000 of restricted general funds, £37,830,000 of restricted fixed asset funds, a pension deficit of £2,086,000 and £629,000 of unrestricted funds.

Reserves policy

The level of reserves is reviewed by Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy trust is reviewed by the Trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have agreed a target reserve of 3% of General Annual Grant "GAG" funding with a temporary tolerance of 3% of GAG funding. The temporary tolerance is limited to two years (with a target of returning to 5% by 2025-2026). The Trustees therefore consider it is prudent to hold reserves of £548,000 excluding fixed asset and pension reserves.

The current measurement for reserves has been agreed on a two-stage process: 1) a risk-assessed model to identify a target range, and 2) a benchmarking comparison test.

As at 31 August 2023 the academy trust holds available reserves of £742,000, comprising of restricted general funds (excluding pension reserves) of £113,000 and unrestricted funds of £629,000.

This is considered sufficient to cover the trust's stated aims and objectives.

Investment policy

The Trustees have approved plans to invest only in low risk bank deposit accounts, aligned to the Trust's reserves policy, with the flexibility to invest across a range of account terms in order to balance liquidity and return.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Principal risks and uncertainties

The board reviews its risk register on a regular basis throughout the year, and its risk appetite statement annually. Risk registers at Trust and academy level seek to identify the key risks that the Trust is or could be exposed to, identifies the likelihood of a risk occurring, the potential impact and actions that are being addressed to mitigate each risk.

The Trustees have assessed the major risks, to which the academy trust is exposed, including those relating specifically to teaching provision of facilities and other operational areas of the trust, its individual academies, and its finances. The risk categories considered are varied and reflect the risk appetite set by the Board and are as follows: financial resilience and sustainability, governance, growth and transformation, health and safety, IT infrastructure, quality of education, resilience, safeguarding, staffing capacity and capability. Principal risks and uncertainties are centered on changes in the level of funding from DfE/ESFA. In addition, the academy trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy trust Balance Sheet. Where significant financial risk remains trustees have ensured they have adequate insurance cover. The academy trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The Trust manages its finances to ensure a level of reserves adequate to cover unforeseen circumstances and to make planned use as a part of the medium-term financial plan. The Trust's principle income stream is funded directly by the Department for Education which is considered to be relatively secure, subject to the management of pupil numbers. However, Trustees acknowledge the continued impact of government policy on overall and per pupil funding levels and public sector pay awards. Trustees recognise that the combined impact of continued funding pressure, public sector spending challenges, rising energy costs and staff cost inflationary factors represent a material risk to manage within the Trust and the wider education sector.

The academy trust has fully implemented the requirements of the Safer Recruitment procedures and all relevant staff have received training in this area in addition to training on Safeguarding and Child Protection.

The academy trust is subject to a number of risks and uncertainties in common with other academies. The academy trust has in place procedures to identify and mitigate financial risks.

Fundraising

Skipton Girls' High School operate a donation scheme for student laptops and parent donations for additional learning resources for some high resource subjects.

In addition, Skipton Girls', New Park, Hookstone Chase, Holycroft, Starbeck, Eastwood, Greatwood and Willow Tree all operate PTAs to fundraise for their school by arranging social events throughout the year.

Donations are consolidated within school budget monitoring and are overseen by SLT and the finance team.

From time to time the Trust may receive one-off donations from community or business partners to support individual schools.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Streamlined energy and carbon reporting

The Board's ambition is to reduce the Trust's environmental impact in everything that it does. Alongside work to build learning about sustainability into the curriculum, Trustees aim to make daily activities greener as an organisation. The Board understands that it has much to do to achieve this goal.

Specifically, the Trust is working towards a series of green 'non-negotiables' as follows:

- Targets to increase re-use and recycling and to reduce landfill waste
- Removing single use plastics from our schools
- Improving energy efficiency
- Creating more 'green learning spaces' across our school estates, for education, recreation and growing food
- Making it easier to walk or cycle to school

The Trust has switched its electricity supply to tariffs which support energy production from renewable sources, and re-structured its school catering services around a common charter, which places sustainable and ethical food production at its core.

The Trust's greenhouse gas emissions and energy consumption are as follows:

	2023	2022
Energy consumption used to calculate emissions (kWh)	4,388,225	4,206,334
Energy consumption breakdown (kWh):		
Gas	3,105,910	2,756,335
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	567.01	503.14
Owned transport	0.61	-
Total scope 1	567.62	503.14
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	260.92	272.07
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	4.01	9.74
Total gross emissions (in tonnes of CO2 equivalent):	832.55	784.95
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.28	0.21

Quantification and Reporting Methodology:-

- We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

NORTHERN STAR ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Streamlined energy and carbon reporting (continued)

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the

Plans for future periods

NSAT continues to collaborate with schools within the communities it serves and develop member academies, in order to improve education for children and young people from a range of backgrounds. We aim to provide the highest educational opportunities for our pupils as well as providing professional development for all teaching and support staff, so that our academies support pupils in achieving positive outcomes and we contribute to the raising of educational standards across the community.

The Trust will continue to work with partners in education, industry and the third sector to develop innovative and challenging practices to achieve its aims and build on current successes.

The board reviewed the five-year (2020 – 2025) strategy during the reporting period to ensure that this remained appropriate; overall, this exercise confirmed that overall the strategy was on track and fit for purpose. A slightly amended version will be relaunched in September 2023.

With a number of new appointments to the board throughout the reporting period, an immediate focus for the next period will be on development of trustees and board culture, aligned with ongoing work across the trust in relation to the people strategy, staff cultures, and succession planning for the chair role.

Funds held as custodian on behalf of others

Holycroft Primary School holds a small residual balance of funds, held on behalf of the local Area Partnership of Schools in Keighley.

Auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all steps that they ought to have 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 15 December 2023 and signed on its behalf by:



H Flynn
Chair of Trustees

NORTHERN STAR ACADEMIES TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Northern Star Academies 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 Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Northern Star Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The full Board of Trustees has formally met 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
R Allan (appointed 30 June 2023)	0	1
M Chambers	6	8
H Flynn, Chair	7	8
L Hoath (appointed 27 January 2023)	3	6
A Kelly (until 10 July 2023)	6	6
A-M Merifield (until 17 November 2022)	0	1
H Murphy (appointed 27 January 2023)	6	6
J Plews, CEO and Accounting Officer	8	8
N Rhodes (until 5 June 2023)	0	5
A Ruland (until 27 January 2023)	1	2
L Sheppey (from 27 January 2023 to 30 March 2023)	0	1
J Unsworth (appointed 30 June 2023)	1	1
N Walker	7	8

During the reporting period, the Board of Trustees has appointed several new members as terms have come to an end, and to ensure it maintains appropriate skills and expertise.

Ensuring robust accountability is the priority of the Board's overarching governance structure and the NSAT Scheme of Delegation is reviewed by the Board on an annual basis. The Board fully understands that the Trust's governance arrangements play a vital role in the strategic oversight of its work providing challenge, critical appraisal and expertise.

The Board has an annual calendar of business set at the start of each academic year, which includes a schedule of statutory returns and is updated throughout the year to ensure compliance. To remain updated on governance practice and statutory requirements, the Trust is a member of the Confederation of School Trusts, and the Director of Governance is a member of Trust Governance Professionals, the National Governance Association, and the Chartered Governance Institute. Trustees and local governors are encouraged to undertake regular CPD, e.g. sector conferences, webinars and bespoke in-house training sessions delivered for the Trust's governance community.

Reporting templates for the NSAT Executive (CEO, COO and CFO) are standardised, enabling consistent reporting of progress against strategic priorities.

NORTHERN STAR ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Northern Star Academies Trust manages conflicts of interest by requesting declarations of interest from all Trustees and executive leaders at the beginning of the academic year. Declarations of interest are also a standing agenda item at each governance meeting and all members are fully aware of the requirements to be transparent and open about any possible conflicts.

Governance reviews

Trustees are satisfied with overall governance arrangements and have implemented all actions for continuous improvement following two external reviews of governance through the 2020-2021 reporting period. During summer term 2022-23, the Trust underwent a further robust exercise with the National Governance Association (NGA). This has led to the trust being a finalist in the NGA's Outstanding Governance in a Multi-Academy Trust category for a second consecutive time. The next external review of governance will be commissioned to take place either in summer term 2023-2024 or autumn term 2024-25.

The Board undertakes annual self-evaluations. The 2022-23 self-evaluation exercise has identified priority areas of focus for 2023-24, including further development of board cultures and dynamics, and different means of stakeholder engagement to enhance visibility of all stakeholder groups.

Audit and Finance Committee

This is a committee of the Board of Trustees. Its remit is to support the Board and the Accounting Officer in relation to their responsibilities for risk management, internal control and financial sustainability by reviewing the comprehensives of assurances in meeting the Board's accounting needs. As part of its role, the Committee receives reports from the internal and external auditors and oversees progress against any audit-related management actions.

Attendance at Audit and Finance meetings during the reporting period was as follows:

Trustee	Meetings attended	Out of a possible
N Walker (Chair)	3	4
M Chambers	3	4
H Flynn	2	2
H. Murphy (appointed 27 January 2023)	1	3
N Rhodes (until 5 June 2023)	2	2
A Ruland (until 27 January 2023)	0	2

NORTHERN STAR ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Education and Standards Committee

The Education and Standards Committee is a committee of the main Board of Trustees. Its remit is to support the Board in ensuring that standards across the Trust, especially in regards to pupils and learning, are set, achieved and maintained.

Attendance at Education and Standards meetings during the reporting period was as follows:

Trustee	Meetings attended	Out of a possible
A-M Merifield (Chair until 17 November 2022)	1	1
H Flynn	1	2
L Hoath (appointed 27 January 2023)	1	1
A Kelly (until 10 Jun 2023)	2	2
J Plews, (Accounting Officer)	2	2

People and Search Committee

The Trust People Committee is a committee of the board, with a remit to provide assurance that there are robust systems and processes in relation to the setting of the Trust's pay policy, the remuneration and succession planning of the Executive Team and senior leaders.

This committee has had rolling membership through the reporting period, with attendance as follows:

Trustee	Meetings attended	Out of a possible
M Chambers	1	1
H Flynn	2	3
A Kelly (until 10 June 2023)	4	4
A-M Merifield (until 17 November 2022)	1	1
H Murphy (appointed 27 January 2023)	1	1
J Plews	2	2
N Rhodes (until 5 June 2023)	0	2
A Ruland (until 27 January 2023)	1	1
N Walker	1	1

Review of value for money

As Accounting Officer the Chief Executive Officer 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 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 Trust has delivered improved value for money during the year by:

- Delivering significant capital works across the Trust estate to enhance the safety of school estates, school environment and sustainability.
- Streamlining and further centralising trust functions, giving oversight to improve the opportunity for
- resourcing decisions to achieve better value for money
- Embedding Common Operating Procedures across central functions including HR, IT and finance
- Continuing to develop innovative and collaborative partnerships with a wide range of stakeholders

NORTHERN STAR ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

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 Northern Star Academies Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 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 Audit, Risk and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing guidelines
- delegation of authority and segregation of duties and responsibilities
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from RSM to ensure independence, rigour and objectivity within the internal scrutiny process.

Four internal reviews were completed by RSM during the reporting period. These centred on: Follow Up on 2022 internal audit management actions, Key Financial Controls (Purchasing and Creditors), Payroll, and Setting Executive Pay.

The internal auditor's 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:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

As reviews are completed, the internal auditor reports to the Board of Trustees, including through the Audit, Risk and Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. Following each review, it prepares a detailed report to Trustees outlining the areas reviewed, key findings, recommendations and conclusions to help the Board consider actions and assess progress. The completion of any necessary management actions resulting from the above reviews are then tracked by Trustees via NSAT Executive reporting to the Audit and Finance Committee. On an annual basis the **auditor** 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.

NORTHERN STAR ACADEMIES TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The internal auditor has delivered the schedule of work as planned, with no material control issues arising as a result of this work.

Separate reviews are completed in relation to health and safety across the trust's estates, and GDPR/data compliance.

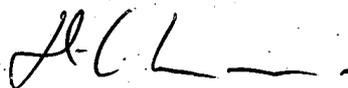
Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the guidance of the Audit, Risk and Finance committee
- the school resource management self-assessment tool
- the work of the executive leaders within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Board of Trustees on 15 December 2023 and signed on their behalf by:



H Flynn
Chair of Trustees



J Plews
Accounting Officer

NORTHERN STAR ACADEMIES TRUST
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Northern Star Academies Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement 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 2022, including responsibilities for estates safety and management.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2022.

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.



J Plews
Accounting Officer
Date: 15 December 2023

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

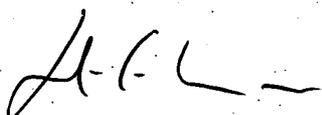
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 15 December 2023 and signed on its behalf by:



H Flynn
Chair of Trustees

NORTHERN STAR ACADEMIES TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHERN STAR ACADEMIES TRUST**

Opinion

We have audited the financial statements of Northern Star Academies Trust (the 'trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

NORTHERN STAR ACADEMIES TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHERN STAR ACADEMIES TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHERN STAR ACADEMIES TRUST (CONTINUED)**

Auditors' 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 an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations. Our financial statements Auditors' Report our financial statements

We our our

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

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHERN STAR ACADEMIES TRUST (CONTINUED)**

Use of our report

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



Christopher Beaumont BA(Hons) BFP FCA DChA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants and Statutory Auditors

140 Coniscliffe Road

Darlington

Co Durham

DL3 7RT

Date: *20 December 2023*

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NORTHERN STAR ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Northern Star Academies Trust during the year 1 September 2022 to 31 August 2023 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 Northern Star Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Northern Star Academies Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Northern Star Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Northern Star Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Northern Star Academies Trust's funding agreement with the Secretary of State for Education dated 22 December 2014 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Trustees and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Trustees;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NORTHERN
STAR ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Clive Owen *wp*

Clive Owen LLP

Reporting Accountant

140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

Date: *20 December 2023*

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		143	-	816	959	4,517
Other trading activities		1,004	-	-	1,004	729
Investments	6	27	-	-	27	-
Charitable activities:						
Trust educational operations		194	22,766	-	22,960	20,275
Teaching hub		-	222	-	222	317
Total income		1,368	22,988	816	25,172	25,838
Expenditure on:						
Charitable activities:						
Trust educational operations		1,367	22,475	720	25,813	23,633
Teaching hub		-	243	-	243	382
Other charitable activities		-	1,251	-	-	-
Total expenditure		1,367	23,969	720	26,056	24,015
Net income/ (expenditure)		1	(981)	96	(884)	1,823
Transfers between funds	21	(653)	648	5	-	-
Net movement in funds before other recognised gains/(losses)		(652)	(333)	101	(884)	1,823
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	29	-	2,805	-	2,805	10,450
Other losses		-	(109)	-	(109)	-
Net movement in funds		(652)	2,363	101	1,812	12,273
Reconciliation of funds:						

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Note					
Total funds brought forward	1,281	(4,336)	37,729	34,674	22,401
Net movement in funds	(652)	2,363	101	1,812	12,273
Total funds carried forward	<u>629</u>	<u>(1,973)</u>	<u>37,830</u>	<u>36,486</u>	<u>34,674</u>

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07553531

BALANCE SHEET
AS AT 31 AUGUST 2023

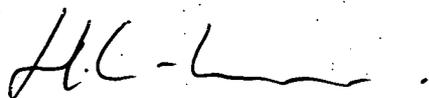
	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	14	18	-
Tangible assets	15	37,408	37,216
		<u>37,426</u>	<u>37,216</u>
Current assets			
Stocks	16	-	2
Debtors	17	875	674
Investments	18	1,015	-
Cash at bank and in hand		1,835	3,514
		<u>3,725</u>	<u>4,190</u>
Creditors: amounts falling due within one year	19	(2,550)	(2,210)
		<u>1,175</u>	<u>1,980</u>
Net current assets		<u>1,175</u>	<u>1,980</u>
Total assets less current liabilities		<u>38,601</u>	<u>39,196</u>
Creditors: amounts falling due after more than one year	20	(29)	(41)
Net assets excluding pension liability		<u>38,572</u>	<u>39,155</u>
Defined benefit pension scheme liability	29	(2,086)	(4,481)
Total net assets		<u><u>36,486</u></u>	<u><u>34,674</u></u>

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07553531

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note		2023 £000	2022 £000
Funds of the Trust				
Restricted funds:				
Fixed asset funds	21	37,830	37,729	
Restricted income funds	21	113	145	
		37,943	37,874	
Restricted funds excluding pension asset	21	37,943	37,874	
Pension reserve	21	(2,086)	(4,481)	
		35,857	33,393	
Total restricted funds	21		35,857	33,393
Unrestricted income funds	21		629	1,281
		36,486	34,674	
Total funds			36,486	34,674

The financial statements on pages 36 to 77 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



H Flynn
Chair of Trustees
Date: 15 December 2023

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	(669)	302
Cash flows from investing activities	25	17	197
Cash flows from financing activities	24	(12)	(11)
Change in cash and cash equivalents in the year		(664)	488
Cash and cash equivalents at the beginning of the year		3,514	3,026
Cash and cash equivalents at the end of the year	26, 27	<u>2,850</u>	<u>3,514</u>

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.3 Income

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

– **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 period 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.

– **Donations**

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

– **Other income**

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

– **Transfer on conversion**

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

– **Donated fixed assets (excluding transfers on conversion or into the 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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.4 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.

Expenditure on charitable activities are costs incurred on the Trust's educational operations, including support costs and those costs relating to governance of the Trust appointed to charitable activities.

– Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £5,000 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following basis:

Leasehold property	- Over 125 years
Fixtures and fittings	- 3 years straight line
Computer equipment	- 3 years straight line

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

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

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.6 Agency arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 33.

The Trust also acts as agent in distributing School Centred Initial Teacher Training (SCITT) bursary funds from the Department for Education. Payments received from the DfE and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 33.

1.7 Liabilities

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

1.8 Provisions

Provisions are recognised when the 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.

1.9 Leased Assets

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

1.10 Stocks

Unsold uniforms and other stocks are valued at the lower of cost or net realisable value.

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 19 and 20. 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.

1.12 Taxation

The 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 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.

1.13 Pensions

Retirement benefits to employees of the 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 so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.14 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

1.15 Intangible assets

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life. At the reporting date, all intangible assets remained in development and were not in use. Therefore no amortisation has been charged.

The estimated useful lives are as follows:

Computer software	- 2 years
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NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. 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 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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.

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 original West Yorkshire Pension Fund scheme valuation showed an asset of £109,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefit to the Trust. As a result, the Trustees have considered the potential benefits to the Trust. On the basis that the future value of employer contributions in respect of future service cost (£249,000) exceeds the employer future service costs (£246,000), combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be reviewed until April 2026, the Trustees have decided to include the pension asset for this scheme as £nil.

Goodwin

The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £15,404 which has been assessed to be immaterial to the financial statements.

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £505,000.

Critical areas of judgement:

Land and buildings — New Park Primary School, Hookstone Chase Primary School, the land at Harrogate High School, Eastwood Primary School, Holycroft Primary School, Starbeck Primary Academy and Greatwood Community Primary School are held under a 125 year lease with North Yorkshire County Council and Bradford Metropolitan District Council. The land and buildings at Skipton Girls' High School are held under a 125 year lease with the Skipton Girls' High School Foundation Trustees Limited. These assets are included on the balance sheet of the academy due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

NORTHERN STAR ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgement (continued)

The buildings at Harrogate High School were built under a PFI contract. Based on the terms and conditions of the contract between the school and third parties the building has been excluded from the financial statements.

Valuation of property – On conversion the trust valued the building in line with other buildings within the trust. The trust used the Starbeck valuation from 2020 and increased in line with property prices to obtain a valuation for the current year.

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations					
Transfer from local authority on conversion	-	-	-	-	3,750
	-	-	-	-	3,750
Donations	143	-	111	254	224
Capital Grants	-	-	705	705	543
	143	-	816	959	4,517
Total 2022	798	(577)	4,296	4,517	

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4. Funding for the academy's educational operations

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	18,273	18,273	16,612
Other DfE/ESFA grants				
Start Up Grants	-	-	-	25
Pupil Premium	-	1,102	1,102	951
PE and Sport Premium	-	130	130	118
UIFSM	-	285	285	230
Rates	-	74	74	87
Teachers' pay grant	-	7	7	26
Teachers' pension grant	-	67	67	74
Other DfE Group grants	-	194	194	444
Supplementary grant	-	769	769	-
	-	20,901	20,901	18,567
Other Government grants				
SEN	-	518	518	361
Early Years Funding	-	782	782	642
Local Authority grants	-	89	89	81
Other Government grants	-	17	17	88
	-	1,406	1,406	1,172
Other income from the Trust's academy's educational operations				
	194	316	510	322
COVID-19 additional funding (DfE/ESFA)				
Other DfE/ESFA COVID-19 funding	-	143	143	214
	-	143	143	214
	194	22,766	22,960	20,275
Teaching Hub	-	222	222	317
Total 2023	194	22,988	23,182	20,592
Total 2022	133	20,459	20,592	

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5. Income from other trading activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from facilities and services	122	-	122	83
Non student catering income	8	-	8	30
Rental and lettings income	7	-	7	8
Receipts from Supply Teacher Insurance claims	17	-	17	29
RPA claims	8	-	8	2
Student catering income	511	-	511	256
Other income	331	-	331	321
	<u>1,004</u>	<u>-</u>	<u>1,004</u>	<u>729</u>
Total 2022	<u>728</u>	<u>1</u>	<u>729</u>	

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Bank Interest	27	27	-

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NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Academy's educational operations:					
Direct costs	16,776	-	1,378	18,154	17,064
Allocated support costs	2,993	2,141	2,525	7,659	6,569
SCITT:					
Direct costs	86	-	107	193	327
Allocated support costs	46	-	4	50	55
	<u>19,901</u>	<u>2,141</u>	<u>4,014</u>	<u>26,056</u>	<u>24,015</u>
Total 2022	<u>18,806</u>	<u>1,676</u>	<u>3,533</u>	<u>24,015</u>	

In 2023, of the total expenditure, £1,367,000 (2022: £1,264,000) was to unrestricted funds and £24,689,000 (2022: £22,751,000) was to restricted funds.

There were no individual transactions exceeding £5,000 for:

- Gifts made by the trust
- Fixed asset losses
- Compensation payments
- Stock losses
- Cash losses
- Unrecoverable debts

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations	18,154	7,659	25,813	23,633
Teaching hub	193	50	243	382
	<u>18,347</u>	<u>7,709</u>	<u>26,056</u>	<u>24,015</u>
Total 2022	<u>17,391</u>	<u>6,624</u>	<u>24,015</u>	

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Academy's educational operations 2023 £000	Teaching hub 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Staff costs	16,776	86	16,862	16,038
Educational supplies	586	107	693	568
Examination fees	186	-	186	155
Staff development	39	-	39	43
Technology costs	22	-	22	111
Educational consultancy	241	-	241	195
Transport	12	-	12	15
Other costs	292	-	292	266
	<u>18,154</u>	<u>193</u>	<u>18,347</u>	<u>17,391</u>
Total 2022	<u>17,064</u>	<u>327</u>	<u>17,391</u>	

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Academy's educational operations 2023 £000	SCITT 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Pension finance costs	161	-	161	214
Staff costs	2,993	46	3,039	2,768
Depreciation	505	-	505	465
Staff development	15	-	15	31
Technology costs	305	-	305	269
Staff expenses	24	-	24	19
Supply insurance	57	-	57	41
Maintenance of premises	333	-	333	489
Cleaning	114	-	114	105
Other premises costs	189	-	189	161
Energy	1,017	-	1,017	463
Rent and rates	73	-	73	89
Insurance	91	-	91	73
Operating lease rentals	27	-	27	22
Catering	1,076	-	1,076	874
Legal costs - conversion	-	-	-	28
Legal costs - other	1	-	1	10
Other costs	632	4	636	462
Governance costs	46	-	46	41
	<u>7,659</u>	<u>50</u>	<u>7,709</u>	<u>6,624</u>
Total 2022	<u>6,569</u>	<u>55</u>	<u>6,624</u>	

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9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	27	22
Depreciation of tangible fixed assets	505	465
Fees paid to auditors for:		
- audit	25	21
- other services	6	5
	204	193

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £000	2022 £000
Wages and salaries	14,558	12,911
Social security costs	1,428	1,256
Pension costs	3,309	4,120
	19,295	18,287
Agency staff costs	591	498
Staff restructuring costs	15	21
	19,901	18,806

Included in pension costs is a charge of £140,000 (2022: £1,351,000) relating to the pension deficit actuarial adjustment.

Staff restructuring costs comprise:

	2023 £000	2022 £000
Severance payments	15	21
	15	21

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10. Staff (continued)

b. Severance payments

The Trust paid 2 severance payments in the year (2022 - 2), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	2	2
	2	2

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2022: £Nil). Individually, the payments were: £Nil.

d. Staff numbers

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

	2023 No.	2022 No.
Teachers	174	193
Administration and support	347	336
Management	26	27
	547	556

e. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	8	9
In the band £70,001 - £80,000	7	5
In the band £80,001 - £90,000	6	4
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	1	-

f. Key management personnel

The key management personnel of the Trust comprise the Trustees and the Executive Leadership 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 Trust was £582,000 (2022: £516,000).

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11. Central services

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

- HR and legal advisory
- Financial control and internal audit
- Capital project management
- School improvement support

The Trust charges for these services on the following basis:

- 5% of income.

The actual amounts charged during the year were as follows:

	2023 £000	2022 £000
Skipton Girls' High School	245	236
Harrogate High School	216	196
New Park Primary Academy	47	48
Hookstone Chase Primary School	67	69
Holycroft Primary School	96	97
Eastwood Community School	114	114
Starbeck Primary Academy	52	50
Greatwood Primary School	55	53
Willow Tree Primary School	113	45
Total	1,005	908

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the 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:

		2023 £000	2022 £000
J.Plews, (CEO)	Remuneration	120 - 125	115 - 120
	Pension contributions paid	25 - 30	25 - 30

During the year ended 31 August 2023, expenses totalling £1,708 were reimbursed or paid directly to Trustees. (2022 - £1,264).

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13. Trustees' and Officers' insurance

The 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 Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

14. Intangible assets

	Computer software £000
Cost	
Additions	18
At 31 August 2023	<u>18</u>
Net book value	
At 31 August 2023	<u>18</u>
At 31 August 2022	<u>-</u>

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15. Tangible fixed assets

	Leasehold property £000	Assets under construction £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2022	38,806	-	196	602	39,604
Additions	544	21	-	132	697
At 31 August 2023	<u>39,350</u>	<u>21</u>	<u>196</u>	<u>734</u>	<u>40,301</u>
Depreciation					
At 1 September 2022	1,939	-	166	283	2,388
Charge for the year	312	-	13	180	505
At 31 August 2023	<u>2,251</u>	<u>-</u>	<u>179</u>	<u>463</u>	<u>2,893</u>
Net book value					
At 31 August 2023	<u>37,099</u>	<u>21</u>	<u>17</u>	<u>271</u>	<u>37,408</u>
At 31 August 2022	<u>36,867</u>	<u>-</u>	<u>30</u>	<u>319</u>	<u>37,216</u>

16. Stocks

	2023 £000	2022 £000
Stationery	-	2

17. Debtors

	2023 £000	2022 £000
Trade debtors	82	62
Other debtors	17	39
Prepayments and accrued income	557	395
VAT recoverable	219	178
	<u>875</u>	<u>674</u>

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18. Current asset investments

	2023 £000	2022 £000
Investment account balances	1,015	-
	1,015	-

19. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Other loans	12	12
Trade creditors	834	245
Other taxation and social security	323	304
Other creditors	549	394
Accruals and deferred income	832	1,255
	2,550	2,210

	2023 £000	2022 £000
Deferred income at 1 September 2022	329	230
Resources deferred during the year	311	329
Amounts released from previous periods	(329)	(230)
	311	329

Deferred income includes Tuition funding, Post 16 bursary, Universal Infant Free School Meals, trip income and rates relief funding which relates to the following academic year.

20. Creditors: Amounts falling due after more than one year

	2023 £000	2022 £000
Other loans	29	41
	29	41

Other creditors include loans totalling £41,000 (2022: £54,000) from Salix Finance Ltd. These are interest free loans repayable through GAG over a 8 year period, paid bi-annually.

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
General Funds	1,281	1,368	(1,367)	(653)	-	629
Restricted general funds						
General Annual Grant (GAG)	-	18,273	(18,900)	627	-	-
Pupil Premium	-	1,102	(1,102)	-	-	-
Other DfE/ESFA grants	-	1,526	(1,526)	-	-	-
SEN	-	519	(519)	-	-	-
Other government grants	-	888	(888)	-	-	-
Hockey sinking fund	113	-	-	-	-	113
Other income	-	316	(316)	-	-	-
DFE Covid-19 Funding	32	142	(174)	-	-	-
SCITT	-	222	(243)	21	-	-
Pension reserve	(4,481)	-	(301)	-	2,696	(2,086)
	<u>(4,336)</u>	<u>22,988</u>	<u>(23,969)</u>	<u>648</u>	<u>2,696</u>	<u>(1,973)</u>

NORTHERN STAR ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Statement of funds (continued)

**Restricted
fixed asset
funds**

Assets on conversion	30,613	-	(259)	-	-	30,354
Devolved formula capital	60	273	(99)	(90)	-	144
Capital assets post conversion	1,794	-	(15)	-	-	1,779
Capital improvement fund	3,731	-	(31)	-	-	3,700
Capital expenditure from GAG	91	-	(14)	-	-	77
Capital expenditure from unrestricted funds	9	-	(7)	-	-	2
Capital expenditure from donations	191	111	(100)	-	-	202
SCA	1,196	432	(154)	95	-	1,569
COVID-19 Catch up premium	5	-	(4)	-	-	1
Assets donated from DfE/ESFA	39	-	(37)	-	-	2
	<u>37,729</u>	<u>816</u>	<u>(720)</u>	<u>5</u>	<u>-</u>	<u>37,830</u>
Total Restricted funds	<u>33,393</u>	<u>23,804</u>	<u>(24,689)</u>	<u>653</u>	<u>2,696</u>	<u>35,857</u>
Total funds	<u><u>34,674</u></u>	<u><u>25,172</u></u>	<u><u>(26,056)</u></u>	<u><u>-</u></u>	<u><u>2,696</u></u>	<u><u>36,486</u></u>

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21. Statement of funds (continued)

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

The General Annual Grant (GAG) must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Universal Infant Free School Meals is funding to provide free school lunch to all pupils in reception, year 1 and year 2.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant and teachers' pension grant.

SEN Funding is funding for pupils with Special Educational Needs.

Other government grants include Early Years funding for three and four year old children, funding for pupils with Special Education Needs and other income from the local authority.

Exceptional Government funding is income received due to the Coronavirus outbreak.

Other grant funding relates mainly relates to STEM funding to additional support in Science, Technology, Engineering and Mathematics.

SCITT (Teaching hub) funding is to fund the training of student teachers.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 29.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

A transfer of £5,000 has been made to capital expenditure from GAG to reflect those items included within fixed assets which have been purchased using GAG monies.

A transfer of £21,000 (2022: £66,000) has been made to the SCITT from GAG to cover the excess of expenditure over SCITT income.

A transfer of £653,000 (2022: £nil) has been made between GAG and Unrestricted funds to cover the increased cost of associate staff pay rises and unbudgeted supply costs.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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21. Statement of funds (continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
General Funds	886	1,659	(1,264)	-	-	1,281
Restricted general funds						
General Annual Grant (GAG)	-	16,612	(16,480)	(132)	-	-
Conversion grants	-	25	(25)	-	-	-
Pupil Premium	-	951	(951)	-	-	-
Other DfE/ESFA grants	-	979	(979)	-	-	-
SEN	-	361	(361)	-	-	-
Other government grants	-	811	(811)	-	-	-
Hockey sinking fund	112	1	-	-	-	113
Other income	-	189	(189)	-	-	-
DFE Covid-19 Funding	74	214	(256)	-	-	32
SCITT	-	317	(383)	66	-	-
Pension reserve	(12,789)	(577)	(1,565)	-	10,450	(4,481)
	(12,603)	19,883	(22,000)	(66)	10,450	(4,336)
Restricted fixed asset funds						
Assets on conversion	27,235	3,620	(242)	-	-	30,613
Devolved formula capital	30	89	(59)	-	-	60
Capital assets post conversion	1,809	-	(15)	-	-	1,794

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21. Statement of funds (continued)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Capital improvement fund	3,763	14	(32)	(14)	-	3,731
Capital expenditure from GAG	18	-	(7)	80	-	91
Capital expenditure from unrestricted funds	16	-	(7)	-	-	9
Capital expenditure from donations	191	133	(133)	-	-	191
SCA	971	440	(215)	-	-	1,196
COVID-19 Catch up premium	9	-	(4)	-	-	5
Assets donated from DfE/ESFA	76	-	(37)	-	-	39
	<u>34,118</u>	<u>4,296</u>	<u>(751)</u>	<u>66</u>	<u>-</u>	<u>37,729</u>
Total Restricted funds	<u>21,515</u>	<u>24,179</u>	<u>(22,751)</u>	<u>-</u>	<u>10,450</u>	<u>33,393</u>
Total funds	<u><u>22,401</u></u>	<u><u>25,838</u></u>	<u><u>(24,015)</u></u>	<u><u>-</u></u>	<u><u>10,450</u></u>	<u><u>34,674</u></u>

NORTHERN STAR ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Skipton Girls' High School	1,065	889
Harrogate High School	(307)	(246)
New Park Primary Academy	112	143
Hookstone Chase Primary School	12	18
Holycroft Primary School	113	167
Eastwood Community School	320	434
Starbeck Primary Academy	(294)	(100)
Greatwood Community Primary School	(148)	(102)
Willow Tree Community Primary School	514	596
Central Services	(645)	(373)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	742	1,426
Restricted fixed asset fund	37,830	37,729
Pension reserve	(2,086)	(4,481)
	<hr/>	<hr/>
Total	36,486	34,674
	<hr/> <hr/>	<hr/> <hr/>

NORTHERN STAR ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Statement of funds (continued)

The following are carrying a net deficit on their portion of the funds as follows:

	Deficit £000
Harrogate High School	(307)
Central Services	(645)
Starbeck Primary Academy	(294)
Greatwood Community Primary School	(148)
	<u> </u>

The Trust is taking the following action to return the academies to surplus:

Harrogate High School - The Trust continues to support strategic investment in the school in order to drive improvements in the quality of education. The school has been successful in attracting and recruiting pupils in recent years and is on track to reach capacity in the current plan period. This is mark of the school's growing reputation. As the school becomes full, the school will return to break-even and begin to settle reserves.

Central Services - The Trust has invested upfront to build infrastructure to support its growth ambitions. With the integration of seven additional schools into the Trust in the coming year, the cost of central services will begin to fall as a proportion of central income, improving efficiency. The Trust has ambitions to growth further to accelerate this trend.

Starbeck Primary Academy - In common with many other schools, Starbeck Academy has experienced rapid growth in pupils with additional needs. The Trust has supported the Academy as it develops alternative staffing arrangements to meet such need. The school is extremely popular within its community and pupil recruitment is strong, enabling leaders to forecast a return to break-even.

Greatwood Community Primary School - The school is supporting its highest ever number of children with special educational needs, which has placed severe strain on the school budget. Leaders and governors are working together to revise the school's special needs strategy, with measures to develop new models of working and a review of curriculum delivery to refocus spending.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Skipton Girls' High School	3,360	615	141	1,144	5,260	5,349
Harrogate High School	3,456	457	121	927	4,961	4,251
New Park Primary Academy	802	115	29	185	1,131	1,047
Hookstone Chase Primary School	1,098	148	17	280	1,543	1,462
Holycroft Pimary School	1,662	186	39	293	2,180	2,094
Eastwood Community School	1,975	269	35	355	2,634	2,393
Starbeck Primary Academy	1,048	105	18	282	1,453	1,239
Greatwood Primary School	905	129	31	250	1,315	1,237
Willow Tree Community Primary School	1,819	265	31	632	2,747	1,177
Central Services	736	750	106	735	2,327	3,301
Trust	16,861	3,039	568	5,083	25,551	23,550

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22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	37,408	37,408
Intangible fixed assets	-	-	18	18
Current assets	629	2,571	525	3,725
Creditors due within one year	-	(2,458)	(92)	(2,550)
Creditors due in more than one year	-	-	(29)	(29)
Provisions for liabilities and charges	-	(2,086)	-	(2,086)
Total	629	(1,973)	37,830	36,486

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	37,216	37,216
Current assets	1,281	2,227	682	4,190
Creditors due within one year	-	(2,082)	(128)	(2,210)
Creditors due in more than one year	-	-	(41)	(41)
Provisions for liabilities and charges	-	(4,481)	-	(4,481)
Total	1,281	(4,336)	37,729	34,674

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

	2023 £000	2022 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(884)	1,823
Adjustments for:		
Depreciation	505	465
Capital grants from DfE and other capital income	(705)	(676)
Investment income	(27)	-
Defined benefit pension scheme obligation inherited	-	577
Defined benefit pension scheme cost less contributions payable	140	1,351
Defined benefit pension scheme finance cost	161	214
(Increase)/decrease in stock	2	-
(Increase)/decrease in debtors	(201)	(131)
Increase/(decrease) in creditors	340	299
Assets inherited on conversion	-	(3,620)
Net cash (used in)/provided by operating activities	(669)	302

24. Cash flows from financing activities

	2023 £000	2022 £000
Salix and CIF loan repayments	(12)	(11)
Net cash used in financing activities	(12)	(11)

25. Cash flows from investing activities

	2023 £000	2022 £000
Investment income	27	-
Purchase of fixed assets	(715)	(479)
Capital grants from DfE Group	705	676
Net cash provided by investing activities	17	197

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Analysis of cash and cash equivalents

	2023 £000	2022 £000
Cash in hand and at bank	1,835	3,514
Notice deposits (greater than 3 months)	1,015	-
Total cash and cash equivalents	2,850	3,514

27. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	Investment in long term deposit accounts £000	At 31 August 2023 £000
Cash at bank and in hand	3,514	(664)	(1,015)	1,835
Debt due within 1 year	(12)	-	-	(12)
Debt due after 1 year	(41)	12	-	(29)
	3,461	(652)	(1,015)	1,794

28. Capital commitments

	2023 £000	2022 £000
Contracted for but not provided in these financial statements		
Purchase, construction or development of leasehold property	73	118
	73	118

29. Pension commitments

The 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 North Yorkshire County Council Pension Fund and City of Bradford Metropolitan District 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 2022.

Contributions amounting to £372,000 were payable to the schemes at 31 August 2023 (2022 - £326,000) and are included within creditors.

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29. Pension commitments (continued)

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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £2,053,000 (2022 - £1,851,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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29. Pension commitments (continued)

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 2023 was £1,408,000 (2022 - £1,162,000), of which employer's contributions totalled £1,111,000 (2022 - £918,000) and employees' contributions totalled £297,000 (2022 - £244,000). The agreed contribution rates for future years are 17.7% -21.3% for employers and 5.5% - 12.5% for employees.

As described in note the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

Principal actuarial assumptions

North Yorkshire Pension Fund

	2023	2022
	%	%
Rate of increase in salaries	3.85	3.95
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	5.10	4.10
Inflation assumption (CPI)	2.60	2.70
Commutation of pensions to lump sums	75.00	75.00

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

	2023	2022
	Years	Years
Retiring today		
Males	22.0	21.8
Females	24.5	23.8
Retiring in 20 years		
Males	22.9	23.5
Females	25.5	25.7

Principal actuarial assumptions

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29. Pension commitments (continued)

West Yorkshire Pension Fund

	2023	2022
	%	%
Rate of increase in salaries	3.85	3.95
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	5.00	4.00
Inflation assumption (CPI)	2.60	2.70
Commutation of pensions to lump sums	75.00	75.00
	75.00	75.00

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

	2023	2022
	Years	Years
Retiring today		
Males	21.0	21.8
Females	24.1	24.6
Retiring in 20 years		
Males	22.2	22.5
Females	25.1	25.7
	25.1	25.7

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29. Pension commitments (continued)

Sensitivity analysis

North Yorkshire and West Yorkshire Pension Funds

	2023 £000	2022 £000
Discount rate +0.1%	(303)	(401)
Discount rate -0.1%	303	405
Mortality assumption - 1 year increase	385	(459)
Mortality assumption - 1 year decrease	(385)	459
CPI rate +0.1%	39	354
CPI rate -0.1%	(39)	(338)

Share of scheme assets

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	8,382	7,077
Government Bond	1,282	1,286
Corporate bonds	821	768
Property	741	849
Cash	181	174
Multi Asset Credit	478	407
Others	1,542	1,174
Total market value of assets	13,427	11,735

The actual return on scheme assets was £565,000 (2022 - £(1,144,000)).

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

	2023 £000	2022 £000
Interest income	500	202
Interest cost	(661)	(416)
Total amount recognised in the Statement of Financial Activities	(161)	(214)

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29. Pension commitments (continued)

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

	2023 £000	2022 £000
At 1 September	16,216	23,888
Conversion of academy trusts	-	1,369
Past service cost	-	50
Current service cost	1,251	-
Interest cost	661	416
Employee contributions	297	246
Actuarial gains	(2,740)	(11,733)
Benefits paid	(281)	(283)
Asset ceiling restriction	109	-
At 31 August	<u>15,513</u>	<u>13,953</u>

Changes in the fair value of the Trust's share of scheme assets were as follows:

	2023 £000	2022 £000
At 1 September	11,735	11,099
Conversion of academy trusts	-	792
Interest income	500	202
Actuarial gains/(losses)	65	(1,283)
Employer contributions	1,111	962
Employee contributions	297	246
Benefits paid	(281)	(283)
At 31 August	<u>13,427</u>	<u>11,735</u>

The original West Yorkshire Pension Fund scheme valuation showed an asset of £109,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefit to the Trust. As a result, the Trustees have considered the potential benefits to the Trust. On the basis that the future value of employer contributions in respect of future service cost (£249,000) exceeds the employer future service costs (£246,000), combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be reviewed until April 2026, the Trustees have decided to include the pension asset for this scheme as £nil.

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30. Operating lease commitments

At 31 August 2023 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £000	2022 £000
Amounts payable:		
Within 1 year	27	31
Between 1 and 5 years	43	70
	<u>70</u>	<u>101</u>

31. Other financial commitments

Under the PFI agreement, the Trust has a financial liability to make payments to the PFI contractor for the life of the contract, which began in August 2017 and will run for 25 years. The cost is based on the 11.22% of the total PFI contract cost and in the period was £102,000 (2022: £99,000)

32. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Income Related Party Transaction

During the period a donation of £125,000 (2022: £nil) was received from The Skipton Girls High School Foundation Trustee Limited, a charity in which M P Kelly is a Director. No other income was received from related parties during the year (2022: £34,000).

Expenditure Related Party Transaction

During the period buildings under a 125 year lease agreement for a peppercorn rent were provided by The Skipton Girls High School Foundation Trustee Limited, a charity in which M P Kelly is a Director.

Purchases of £4,000 (2022: £nil) were made from The Nidderdale Plus Partnership of which H Flynn is a director.

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33. Agency arrangements

The Trust distributes School Centred Initial Teacher Training (SCITT) bursary funding to student teachers as an agent for the Department for Education. In the accounting year ending 31 August 2023 the Trust received £40,000 (2021: £114,000) and disbursed £50,000 (2022: £104,000) from the fund. The balance carried forward is £nil (2022: £10,000).

Similarly the Trust distributes 16-19 bursary funding to students as an agent for the Education and Skills Funding Agency. In the accounting year ending 31 August 2023 the trust received £26,000 (2022: £22,000) and disbursed £16,000 (2022: £10,000) from the fund. An amount of £38,000 (2022: £22,000) is included in other creditors relating to undistributed funds.