

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015



NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members	Mr A White, Chair of Trustees Mr S Richards (appointed 1 November 2015) Mrs L Easton (resigned 1 November 2015) Mr A Covington (resigned 1 November 2015)
Trustees	Mr F Crookenden-Johnson Mr A White, Chair of Trustees Mr L Wolmarans, Head Teacher Ms J Kedwards, Strategic Director Mr A Lakatos, Executive Principal & Accounting Officer Mrs J Ramshaw Mr S Webster (resigned 31 March 2015) Mrs L Cichuta, Head Teacher Mr T Rees, Head Teacher (appointed 1 April 2015) Mr A Covington Mrs L Easton (resigned 1 November 2015) Mrs V Vass (appointed 1 November 2015)
Company registered number	08172039
Principal and registered office	Headlands Primary School Bushland Road Northampton Northamptonshire NN3 2NS
Company secretary	A Booth
Senior management team	Mr L Wolmarans, Head Teacher Mr A Lakatos, Head Teacher Ms L Cichuta, Head Teacher Mr T Rees, Head Teacher Ms J Kedwards, Strategic Director
Independent auditor	MHA MacIntyre Hudson Chartered Accountants Peterbridge House The Lakes Northampton NN4 7HB
Bankers	Lloyds Bank plc PO Box 1000 Andover BX1 1LT

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
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FOR THE YEAR ENDED 31 AUGUST 2015

Administrative details (continued)

Solicitors	Browne Jacobson LLP 44 Castle Gate Nottingham NG1 7BJ
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NORTHAMPTON PRIMARY ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the audited financial statements and auditor's reports of the charitable company for the year ending 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 4-11 serving a catchment area in Northampton. It has a pupil capacity of 2070 and had a roll of 2027 in the last school census.

Structure, governance and management

CONSTITUTION

The academy trust is a charitable company limited by guarantee and an exempt charity. The company was incorporated on 8 August 2012. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Northampton Primary Academy Trust are also directors of the charitable company for the purposes of company law. The charitable company is known as Northampton Primary Academy Trust.

Details of the trustees who served throughout the period 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

The academy trust has purchased insurance to cover trustees and officers from claims arising from negligent acts, errors or omissions occurring while on academy trust business. Details of the costs can be found in note 13 to the accounts.

PRINCIPAL ACTIVITIES

The academy trusts principal activities are to:

- improve the quality of education for young people across the academies;
- develop and share examples of best practice across the academies; and
- provide academy to academy support to address development requirements of individual academies.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The board of trustees is responsible for appointing trustees. The board of trustees is made up of the principals from each academy, the chair of trustees from each academy and two parent trustees from each academy.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The training and induction provided for new trustees will depend on their existing experience. Where necessary induction will provide training on charity, educational legal and financial matters. 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. Induction tends to be tailored specifically to the individual.

ORGANISATIONAL STRUCTURE

The trust comprises of 5 primary academy schools: Abington Vale Primary School, Ecton Brook Primary School, Lings Primary School, Headlands Primary School and since April 2015, Simon De Senlis Primary School. In addition the trust has a partnership agreement with Weston Favell Church of England Primary School.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the individual Academies by the use of budgets and pupil data and making major decisions about the direction of the trust, capital expenditure and senior staff appointments. The core strategic functions of the board of trustees are as to ensure the following :

- That the vision, ethos and strategic direction of the Academy Trust and the schools it runs are clearly defined.
- That the Head Teachers perform their responsibilities for the educational performance of the school.
- The sound, proper and effective use of the Academy Trust's financial resources.

The board of trustees meets 5 times per annum and the Senior Management team meets on a weekly basis.

The individual academy business managers meet on a monthly basis.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The academy trust has a partnership agreement in place with Weston Favell Church of England Primary School. The principal of the school and chair of trustees attend all Board and Senior Management team meetings.

The individual academies remain members of local cluster groups; these are informal relationships with no written agreements in place.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Objectives and Activities

OBJECTS AND AIMS

With responsibility for approximately 2400 children across Northampton, NPAT is driven by a vision of innovation, high aspiration and achievement, and a commitment to sport and the arts. This approach is encapsulated in our motto:

'Extraordinary Children Doing Extraordinary Things'

NPAT schools all share this common vision and are committed to these principles, whilst retaining the freedom to innovate and develop their own identity and character.

The Partnership is built on the principle of synergy; that a collaboration of vibrant and successful schools ensures that we can achieve collectively what a single school couldn't achieve alone. NPAT improves our schools using collaboration and innovation through partnership working that brings together children, parents, teachers and school leaders,

'My school is your school; your children are 'our' children.'

Within the partnership, schools will have differing strengths and needs at different times and all schools are committed to an ethos of mutual support and sharing of practice.

OBJECTIVES, STRATEGIES AND ACTIVITIES

Strategic Objectives

The Trustees have set out the following strategic objectives for the next 2 years:

1. Learning & Teaching

All children within the NPAT Partnership will benefit from the highest standards of teaching. This will be delivered through the following outcomes:

- Teaching across the trust is consistently good or outstanding in every classroom;
- Academic Outcomes are consistently above national expectation;
- All schools are at least good or outstanding as defined by OFSTED.

2. Curriculum

Children within the partnership will have access to a relevant, engaging and inspiring curriculum that provides opportunities and creativity to develop the whole child. Our curriculum approach is underpinned by the 21st Century Learning Design Framework and Growth Mindset, with each school free to innovate and develop curriculum approaches relevant to their context and needs alongside the following trust-wide curriculum commitments:

- NPAT Maths;
- NPAT Digital Strategy;
- REAL PE;
- Drama for Learning;
- Wider opportunities in Sports and the Arts;
- Every child has the opportunity to learn a musical instrument for an extended period of time;
- All schools within the partnership will achieve the ArtsMark and Sportsmark awards.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

3. Inclusion & Safeguarding

Nothing is more important than keeping all our children safe, especially the most vulnerable. The NPAT Partnership is also fully committed to ensuring that children with SEND, those eligible for Pupil Premium Grant funding and other vulnerable groups are able to achieve as highly as possible. Schools within the partnership will have the most rigorous and updated procedures and policies which help keep children in our care safe. We will ensure that all vulnerable groups of children achieve highly, when compared to their peers nationally, through the following measures:

- All schools will be subjected to an annual safeguarding audit;
- All schools will work towards and achieve the Inclusion Quality Mark (IQM);
- Behaviour and Safety of children will be outstanding in all our schools.

4. People

The quality of teaching in our schools is only as good as the staff who work in them and therefore we aim to recruit, develop and retain high quality a staff who embody our values. We value the well-being of our staff and therefore invest in our staff through high quality professional development, induction and leadership support and mentoring. Our people development activities will be shaped through:

- A Strategic HR plan aligned to our strategic objectives;
- Annual staff surveys to measure engagement at school and trust level;
- A consistent approach to performance management and staff welfare led by our local governing bodies;

5. Trust Development

The NPAT Partnership has ensured that all six of its existing schools are now good or outstanding and is now committed to both sustaining this, and also expanding the trust so that it can impact on a higher number of schools and children in the county, playing our part in improving standards across the county. Sustaining progress and ensuring best value for all partner schools over the next 3 years, NPAT aims to:

- Recognise we have the capacity to grow and expand and will seek to do that when the right opportunities arise;
- Develop an infrastructure which provides greater management/administration support to schools, offering value and leaving schools to focus on pupils, learning and teaching.

All new schools entering into the partnership will need to fulfil one or more of the following criteria :

- Within our existing geographical catchment and in need of support socially and academically;
- A leadership team that will benefit the Trust as a whole;
- A new build school that will introduce new learning principles and space;
- A school that can offer financial benefit to the Trust.

6. Leadership

Our focus is on creating inspirational and forward thinking leadership at multiple levels- from subject leaders, leadership teams and governing bodies through to Head teachers and Trustees. Our approach to delivering high quality leadership will be:

- A Board of Trustees, accountable to its members, that operates ethically and transparently, focused on meeting the strategic objectives;
- An operating board of Head Teachers that drive development across the trust and within their own academies;
- A consistent approach to governance across the academies and a recruitment process that attracts the

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TRUSTEES' REPORT (continued)
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- best voluntary talent to our governing bodies;
- Ensuring we allow our future leaders to grow and develop within the trust operating a policy of recruiting from within the trust;
- To continually review and influence succession planning across all leadership levels.

PUBLIC BENEFIT

The academy trust promotes education for the benefit of the local community of Northampton and offers recreational facilities to a variety of local community groups outside of School hours for the benefit of the general public. Community based projects are also undertaken throughout the year by staff and students which further enhances the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission and the trustees have paid due regard to this guidance in deciding what activities are undertaken.

Strategic report

ACHIEVEMENTS AND PERFORMANCE

NPAT data has been collated trust-wide this year, enabling the performance of the trust as a whole to be analysed in comparison to national averages. Collectively, the trust achieved the following:

NPAT Partnership end of KS2 averages:

	NPAT Partnership Average	National Average
% of Level 4+ Reading	93%	89%
% of Level 5+ Reading	39%	48%
% of Level 6 Reading	0.3%	0%
% of Level 4+ Writing	90%	87%
% of Level 5+ Writing	34%	36%
% of Level 6 Writing	3%	2%
% of Level 4+ GPS	80%	77%
% of Level 5+ GPS	55%	52%
% of Level 6 GPS	5%	4%
% of Level 4+ Maths	90%	87%
% of Level 5+ Maths	43%	42%
% of Level 6 Maths	6%	9%
% of R+W+M combined L4+	85%	80%
% R+W+M combined L5+	29%	24%
% making expected progress (2 levels) reading	96%	91%
% making expected progress (2 levels) writing	97%	93%
% making expected progress (2 levels) maths	94%	89%
% making above expected progress (3+ levels) reading	32%	35%
% making above expected progress (3+ levels) writing	35%	33%
% making above expected progress (3+ levels) maths	34%	38%

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NPAT Partnership end of KS1 averages:

	NPAT Partnership Average	National Average
% of Level 2+ Reading	90%	91%
% of Level 2B+ Reading	83%	81%
% of Level 3 Reading	32%	32%
% of Level 2+ Writing	89%	88%
% of Level 2B+ Writing	72%	70%
% of Level 3 Writing	22%	18%
% of Level 2+ Maths	92%	93%
% of Level 2B+ Maths	83%	80%
% of Level 3 Maths	27%	26%

NPAT Partnership Year 1 Phonics assessment average:

	NPAT Partnership Average	National Average
Y1 Phonics Pass	78%	74%

Early Years Foundation Stage achieving a good level of development

	NPAT Partnership Average	National Average
EYFS Good level of development	64%	74%

Current attainment of the trust is broadly in line with or above national expectation with the following elements achieving below expectation and to be targeted in 2015-16:

- Key Stage 2 attainment at L5+ to be in line with the national average in Writing and Maths;
- The number of children reaching Good Levels of Development at the end of the year to be in line with the national average.

Overall there has been an improvement in the collective attainment of the trust, in some cases significantly so. Monitoring of school standards of achievement and attainment is done through an annual school review, monitoring of internal progress data and scrutiny of annual data outcomes against national benchmarks at both school by school and collective level. The collection of trust data from each school enables the board to monitor progress against trust objectives such as provision for sport, music and after-school provision in addition to collecting pastoral and attendance data. Over time the trust is building a fully rounded picture of the pastoral and social demography of the schools.

Ofsted Judgements

One school received an inspection from Ofsted during the reporting period. Ecton Brook Primary School received an overall effectiveness category of Good. This is an improvement on their previous inspection category of Requires improvement.

Schools causing concern

One school has had a significant dip in data this year following several years of coasting data. The trust are supporting this school during a period of transition as the head teacher is leaving for personal reasons and a new, experienced head teacher starts in January 2016. Steps have already been taken to ensure that pupil achievement is on track this year to meet national expectations in all areas.

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TRUSTEES' REPORT (continued)
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KEY PERFORMANCE INDICATORS

In line with the high aspirations of the Trust, a range of KPI's are used to regularly monitor the progress and success of each school within NPAT. In relation to Teaching and Learning, the objectives are as follows :-

- Teaching across the trust is consistently good or outstanding in every classroom;
- Academic Outcomes are consistently above national expectation;
- All schools are at least good or outstanding as defined by OFSTED.

KPI's relating to Pupil results are provided in Achievements and performance for 2014-15. Attendance data for the year is benchmarked against the Government recommendations which currently stands at 95%.

NPAT Attendance

School	% Attendance	% Authorised absence	% Unauthorised absence
Abington Vale	96.52	2.70	0.78
Ecton Brook	96.08	2.94	0.97
Headlands	96.24	3.24	0.83
Lings	96.96	2.11	0.93
Simon De Senlis	96.39	2.81	0.80

Financial performance

In order to ensure there is a quantifiable measure to determine whether the schools within the Trust are meeting the operational and strategic goals, the following KPI's have initially been applied to financial reporting and business monitoring.

Key performance indicator	Target 2014/15	Actual AVPS	Actual EBPS	Actual HPS	Actual LPS	Actual SDS
Teachers pay as % of total revenue income	49%	50.1%	45.22%	47.8%	42.9%	48.9%
Total pay as % of total revenue income	75.2% PFI 81.7% Non PFI	79%	69%	80%	65%	73%
Training & Development as % of total revenue income	2.6%	2.7%	1.9%	2.3%	2.5%	3.7%
Curriculum costs as % of total expenditure	4.5%	4.6%	5.4%	3.5%	5.1%	3.2%
Energy costs as % of total expenditure	2.0%	2.4%	2.1%	2.7%	1.7%	2.2%

In 2015-16 the Board of Trustees will be carrying out a review of the Key Financial Controls, Key Performance Indicators and Risk Control Processes that will be applied to future reporting and performance.

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TRUSTEES' REPORT (continued)
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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 Accounting Policies.

FINANCIAL REVIEW

Most of the academy's income is obtained from the DfE in the form of recurrent grants disbursed via the Education Funding Agency (EFA), the use of which is restricted to particular purposes. The grants received during the year ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy also received grants for fixed assets from the EFA and other funding bodies. In accordance with Charities Statement of Recommended Practice, 'Accounting and Reporting Charities' (SORP 2005), such grants are shown in 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 2015, total expenditure of £8,770,440 (2014 - £7,265,439) (excluding depreciation) was not covered by recurrent grant funding from the DfE together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset funds and before transfers) was £731,541 (2014 - excess of income over expenditure £172,476).

At 31 August 2015 the net book value of fixed assets was £21,991,104 (2014 - £16,537,301) and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy.

Part of the expenditure included investment into external support to focus on numeracy and literacy development across the schools, and the board of trustees monitor the effectiveness of this expenditure on a regular basis.

At the date of conversion the LGPS deficit of the academy trust, being the total of all four primary schools, was £1,697,000. At 31 August 2015 the pension scheme deficit was £3,355,000 (2014 - £2,649,000). The employer's contribution rate will be adjusted to reflect the increase in the pension deficit.

RESERVES POLICY

The trustees review the reserve levels of the academy trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The academy trust level of reserves as at 31 August 2015 is:

Restricted £20,650,075

Unrestricted £169,092

Restricted funds include £22,072,425 (2014 - £16,668,053) in restricted fixed asset funds which will be offset by future depreciation of fixed assets. The anticipated use of the remaining funds will be to further support the learning and achievement of students in our school by the provision of additional resources or facilities and to support our aims and objectives.

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FOR THE YEAR ENDED 31 AUGUST 2015

Included within restricted funds at 31 August 2015 is the Local Government Pension Scheme deficit of £3,355,000 (2014 - £2,649,000). The pension deficit is viewed as a long term debt and annual contributions are adjusted as necessary to mitigate the risk and reduce the deficit.

The academy trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £169,092 (2014 - £46,754) which is less than needed to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy trust intends to continue building up free reserves to the level needed.

INVESTMENT POLICY

The academy trust's investment policy is to invest surplus cash reserves with High Street banks with a high credit rating where the capital invested is guaranteed. Investment returns are market tested periodically to ensure that returns are maximised whilst safeguarding the funds invested.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The trustees have assessed the major risks to which the academy trust is exposed and a formal review of the academy trust's risk management process is undertaken on an annual basis.

The trustees believe that the academy trust's risk management procedures mitigate as far as reasonably possible the principal risks and uncertainties facing it.

The academy trust does not have significant trade debtors as invoiced income is a minor ancillary activity. Lettings income is usually paid in advance mitigating and credit risk.

Cash flow is monitored daily by the academy trust and budgets presented to the board of trustees consider cash flow and liquidity in detail. The individual academies have built up cash reserves which enable the academy trust to plan for future capital projects.

PRINCIPAL RISKS AND UNCERTAINTIES

Through the academy's risk management procedures, it has considered its principal risks and uncertainties and planned mitigating action wherever possible. The principal risks and uncertainties identified by the board of trustees are:

- Change in government funding regime - the academies receive 88% of their funding from government agencies;
- Reduction in student numbers either through competition or a damaged reputation;
- Reduction in standards across the academies/poor Ofsted grading;
- Loss of key senior personnel.

Key controls that the academy has in place to mitigate these risks include:

- Attendance at government funding agency conferences and participation in focus groups to keep up to date with and influence as far as possible academy funding methodology;
- Regular challenge and support on standards and performance between schools;
- Use of external consultants to monitor and develop core curriculum areas;
- Succession planning strategies;
- Appointment of Strategic Director role on a trial basis.

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TRUSTEES' REPORT (continued)
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Plans for future periods

FUTURE DEVELOPMENTS

The trust has identified the following areas of future development:

- Seeking likeminded schools or academies to join or partner the trust;
- The introduction of strategic roles to support curriculum development and commercial development;
- Increased pooling of resources and supplier rationalisation to unlock future value;
- Review governance structure to improve strategic development of trust;
- Assess centralisation of non core activities to allow schools to focus on core educational objectives.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

A number of senior staff and trustees act as trustees of the Headlands Primary School Fund, a charity registered with the Charity Commission with registration number 1057403. This charity undertakes a number of fundraising events for specific educational projects, and manages donations in respect of educational trips.

DISCLOSURE OF INFORMATION TO AUDITOR

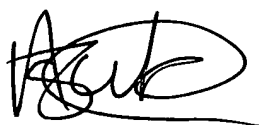
Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

AUDITOR

MHA MacIntyre Hudson, has been appointed as the academy's auditor and has indicated its willingness to continue in office.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 7 December 2015 and signed on the board's behalf by:



Mr A White
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Executive Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Northampton Primary Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr A White, Chair of Trustees,	4	4
Mr A Lakatos, Executive Principal & Accounting Officer	3	4
Mrs L Easton	3	4
Mr A Covington	3	4
Mrs J Ramshaw	4	4
Ms J Kedwards, Strategic Director	4	4
Mr L Wolmarans, Head Teacher	4	4
Mr F Crookenden-Johnson	3	4
Mrs L Cichuta, Head Teacher	3	4
Mr T Rees, Head Teacher	2	2
Mr S Webster	0	2

Following a review of the Trustee structure, the Trustees agreed to re-structure the Board of Trustees.

The objective was to create a smaller more focused Board to enable a more streamlined approach to strategic development. The new structure ensures each school is represented either by the Principal or by a nominated member of the governing body or parent community.

In addition to this the Trustees will also be seeking to appoint 2 Non-Executive Trustees external to the trust in order to bring in expertise in key areas and generate external views and ideas. It is anticipated these roles will be appointed early in 2016.

The panel of members is made up of both external and internal individuals.

The trust will monitor the effectiveness of the new structure on an annual basis and will introduce clearly defined KPI's at all levels to support this process.

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GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

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

Targeted improvement

The Academy Trust's principal activities are to:

- Improve the quality of education for young people across the academies;
- Develop and share examples of best practice across the academies;
- Provide academy to academy support to address development requirements of individual academies; and
- Ensure that the performance within the Trust is continually improving.

All Academy staff are deployed in order to provide best value in terms of curriculum leadership & management and quality of teaching & learning. Current attainment of NPAT pupils is broadly in line with national expectation with some areas performing higher (see pages 6 - 8 of our accounts) The elements achieving below expectations are to be targeted in 2015-16.

New initiatives

The Board of Trustees appointed a Strategic Director whose key focus, in partnership with other Trustees, is to support in the leadership and direction for the NPAT academies ensuring that a high quality learning experience is provided to all of their children, the agreed aims and objectives of NPAT are met and the core values of the NPAT ethos is continually promoted.

Quantifying improvements :-

- Annual whole school reviews which are opportunities for NPAT to provide challenges to ensure each of the schools continues to improve and develop;
- Detailed, frequent and timely monitoring of Teachers by the Senior Management Teams, identify elements in their practice which are strengths and those which could be developed further;
- Monitoring of pupil progress focusses on the attainment and development of all pupils;
- The setting of performance management targets by the Strategic Director for all Trust Head Teachers with their local governing Bodies;
- Pupil premium pupil achievements continue to be an improvement from previous year attainments.

In September 2014, the Board of Trustees appointed a Strategic Business Manager for NPAT whose role is to oversee the financial aspects of the academies in the Trust and to ensure uniformity of policies and procedures, including delivering Value for Money in all elements of the Trusts activities.

Collaboration and economies of scale

NPAT is passionate about creating an environment of collaborative learning with a sharing of expertise across the Trust. Head Teachers, Senior Management and Key Stage/Phase leaders meet regularly to identify best practices, areas of development and how the schools within NPAT can support each other in these developments. The Trust is particularly effective in enabling the independent moderation of the school's assessments; portfolios of pupils' work confirm the accuracy and value of this moderation across all Key Stages/Phases.

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GOVERNANCE STATEMENT (continued)

Collaborative working also extends to the School Business Managers and administrative staff within NPAT. As well as providing a platform to share good practices, best value principles are adhered to through standardisation, a better use of resources and knowledge & information sharing.

Simon De Senlis Primary School joined the Trust in April 2015 and a review of financial procedures and all budget lines has already resulted in improved economies of scale.

The Trust schools regularly collaborate to reduce procurement and administration costs. Bulk purchasing is carried out where possible to ensure maximum discounts are received. Significant savings have already been made across the Trust in areas including IT equipment purchasing, telecommunication costs, insurance and legal support.

In the 2014-15 financial year, the combined savings made by NPAT relating to collaborative purchasing and Service Level agreements, came to £79,000 representing 31% of influenceable spend, an increase of an additional 2% from 2013-14.

Benchmarking

The Trust regularly benchmarks financial performance against other local schools and academies with regards to staffing costs, utilities and contract prices. A particular emphasis is placed on comparing against schools with high pupil achievement statistics and assessing particular categories of spend including Training and Development, Curriculum resources and ICT.

Reviewing controls and managing risk

With regards to Business Risk, the Trust regularly reviews its' formal risk management policy to assess business, strategic and educational risks and to implement risk management strategies. The process involves identifying the types of risks the Trust faces, scoring and prioritising the risk in terms of the potential impact, assessing the likelihood and identifying means of mitigating the risk.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Northampton Primary Academy Trust for the year 1 September 2014 to 31 August 2015 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 ongoing process for identifying, evaluating and managing the academy trust's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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 local governing bodies of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed the Business Managers of each school within the academy trust to perform peer review.

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

- Testing of income systems;
- Testing of purchases and expenses systems;
- Testing of control account and bank reconciliations;
- Testing of payroll systems.

On a termly basis, the reviewer reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

As accounting officer, the Executive Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the peer reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the local governing bodies and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 7 December 2015 and signed on its behalf, by:



Mr A White
Chair of Trustees



Mr A Lakatos
Accounting Officer

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Northampton Primary Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the academy trust board of trustees are able to identify any material, irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook (2014).

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



Mr A Lakatos
Accounting Officer

Date: 7 December 2015

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The trustees (who act as governors of Northampton Primary Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

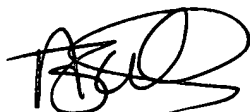
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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

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

Approved by order of the members of the board of trustees on 7 December 2015 and signed on its behalf by:



Mr A White
Chair of Trustees

NORTHAMPTON PRIMARY ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTHAMPTON PRIMARY ACADEMY TRUST

We have audited the financial statements of Northampton Primary Academy Trust for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' responsibilities statement, set out on page 17, the trustees (who are also the directors of the academy 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.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2015 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 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTHAMPTON PRIMARY ACADEMY TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

MHA MacIntyre Hudson

Rebecca Hughes BSc(Hons) FCCA (Senior statutory auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Peterbridge House
The Lakes
Northampton
NN4 7HB

Date:

16 December 2015

NORTHAMPTON PRIMARY ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
NORTHAMPTON PRIMARY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 7 July 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Northampton Primary Academy Trust during the year 1 September 2014 to 31 August 2015 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 Northampton Primary Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Northampton Primary Academy Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Northampton Primary Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF NORTHAMPTON PRIMARY ACADEMY TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Northampton Primary Academy Trust's funding agreement with the Secretary of State for Education dated 1 November 2012, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
NORTHAMPTON PRIMARY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

The work undertaken to draw to our conclusion includes;

- Reviewing the minutes of meetings of the board of trustees and other evidence made available to us relevant to our consideration of regularity;
- A review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the company;
- Testing a sample of payroll payments to staff;
- Testing a sample of payments to suppliers and other third parties;
- Testing a sample of grants received and other income streams;
- Evaluating the internal control procedures and reporting lines, and testing as appropriate.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

MHA MacIntyre Hudson

Chartered Accountants

Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: *16 December 2015*

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfer from LA	2	-	(590,813)	3,896,738	3,305,925	-
LA Donations	2	-	-	1,890,000	1,890,000	2,660,963
Donations	2	159,502	87,954	-	247,456	113,574
Activities for generating funds	3	184,642	-	-	184,642	145,687
Investment income	4	2,658	-	-	2,658	1,258
Incoming resources from charitable activities: funding for the academy trust's educational operations	5	-	8,283,121	105,151	8,388,272	7,118,145
TOTAL INCOMING RESOURCES		346,802	7,780,262	5,891,889	14,018,953	10,039,627
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income	6	123,348	91,116	-	214,464	306,690
Fundraising expenses and other costs	6	177,180	-	-	177,180	124,320
Charitable activities:						
Academy trust's educational operations	7	-	8,342,046	630,996	8,973,042	7,394,510
Governance costs	8	-	36,750	-	36,750	42,213
TOTAL RESOURCES EXPENDED	6	300,528	8,469,912	630,996	9,401,436	7,867,733
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		46,274	(689,650)	5,260,893	4,617,517	2,171,894

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
	Note					
Transfers between Funds	18	76,064	(219,543)	143,479	-	-
NET INCOME FOR THE YEAR		122,338	(909,193)	5,404,372	4,617,517	2,171,894
Actuarial gains and losses on defined benefit pension schemes		-	66,000	-	66,000	(662,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		122,338	(843,193)	5,404,372	4,683,517	1,509,894
Total funds at 1 September 2014		46,754	(579,157)	16,668,053	16,135,650	14,625,756
TOTAL FUNDS AT 31 AUGUST 2015		169,092	(1,422,350)	22,072,425	20,819,167	16,135,650

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 28 to 52 form part of these financial statements.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08172039

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		21,991,104		16,537,301
CURRENT ASSETS					
Debtors	15	461,308		334,643	
Cash at bank and in hand		2,677,435		2,466,432	
		<u>3,138,743</u>		<u>2,801,075</u>	
CREDITORS: amounts falling due within one year	16	(938,057)		(553,726)	
NET CURRENT ASSETS			<u>2,200,686</u>		<u>2,247,349</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>24,191,790</u>		<u>18,784,650</u>
CREDITORS: amounts falling due after more than one year	17		(17,623)		-
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>24,174,167</u>		<u>18,784,650</u>
Defined benefit pension scheme liability	25		(3,355,000)		(2,649,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>20,819,167</u></u>		<u><u>16,135,650</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	18	1,932,650		2,069,843	
Restricted fixed asset funds	18	22,072,425		16,668,053	
Restricted funds excluding pension liability		<u>24,005,075</u>		<u>18,737,896</u>	
Pension reserve		<u>(3,355,000)</u>		<u>(2,649,000)</u>	
Total restricted funds			<u>20,650,075</u>		<u>16,088,896</u>
Unrestricted funds	18		<u>169,092</u>		<u>46,754</u>
TOTAL FUNDS			<u><u>20,819,167</u></u>		<u><u>16,135,650</u></u>

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2015

The financial statements were approved by the trustees, and authorised for issue, on 7 December 2015 and are signed on their behalf, by:



Mr A White
Chair of Trustees

The notes on pages 28 to 52 form part of these financial statements.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	20	413,727	548,649
Returns on investments and servicing of finance	21	2,658	1,257
Capital expenditure and financial investment	21	(298,061)	(173,012)
Cash transferred on conversion to an academy trust	23	57,433	-
CASH INFLOW BEFORE FINANCING		175,757	376,894
Financing	21	35,246	-
INCREASE IN CASH IN THE YEAR		211,003	376,894

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase in cash in the year	211,003	376,894
Cash outflow from decrease in debt and lease financing	(35,246)	-
MOVEMENT IN NET FUNDS IN THE YEAR	175,757	376,894
Net funds at 1 September 2014	2,466,432	2,089,538
NET FUNDS AT 31 AUGUST 2015	2,642,189	2,466,432

The notes on pages 28 to 52 form part of these financial statements.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards 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 academy trust to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the academy trust being notified of an impending distribution or the legacy being received.

Grants receivable

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

Donations

Donations are recognised on a receivable basis where there is certainty of receipt 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.

1.4 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

Charitable activities are costs incurred in the academy trust's educational operations.

Governance costs

Governance costs include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

The policy with respect to impairment reviews of fixed assets is carried out if events or changes in circumstances indicate that the carrying value of any fixed assets may not be recoverable. Shortfalls between the carrying value of fixed asset and their recoverable amounts are recognised as impairments.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Leasehold property	-	2% straight line
Leasehold land	-	0.8% straight line
Office equipment	-	15% straight line
Computer equipment	-	33% straight line

1.6 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.7 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.9 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from Education Funding Agency.

Investment income, gains and losses are allocated to the appropriate fund.

1.10 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Simon De Senlis Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Northampton Primary Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.11 PFI contracts

Some of the buildings used by the academy trust were constructed under a Private Finance Initiative (PFI) Contract between Northamptonshire Local Authority and a Private Contractor. The project was completed prior to the School's conversion to academy status. On conversion, the academy has entered into a Schools Agreement with the Local Authority which transfers the Local Authority's main obligations under the PFI Contract to the academy. The PFI Contract is due to end in 2030.

PFI contract payments

The Academy is responsible for the revenue costs of maintaining the facilities. The payments made to the Local Authority in respect of the PFI Contract unitary charge relating to these revenue costs are therefore expensed to the Statement of Financial Activities in the period to which they relate.

Land and buildings

The land and buildings are leased to the academy by the Local Authority on a long (125 year) lease. As the academy takes on the risks and rewards associated with the land and buildings, including the long-term maintenance of the property once the PFI Contract has ended, the land and buildings are capitalised as fixed assets on the academy's balance sheet at valuation using the depreciated replacement cost basis. These assets are then depreciated over the lesser of their useful economic life and the lease period.

Other assets

Other assets under the PFI Contract (for example, equipment and fixtures & fittings provided as part of the PFI Contract facilities) transfer to the Local Authority at the end of the Contract and then to the academy under the Schools Agreement. The basis of the contract agreement is that at the point of transfer, the assets will be "as new."

The Trustees have considered the risks and rewards associated with these other assets, and believe that the academy does not take on any significant risks in respect of these assets during the PFI Contract term. It has therefore adopted a policy not to record these as assets in its balance sheet until the replacement assets are transferred to it by the Local Authority at the end of the PFI Contract.

1.12 Consolidation

Headlands Primary School has a school fund registered as a charity with the Charity Commission (registration number 1057403), which is under the control of the academy trust. The academy trust did not prepare group accounts as the trustees are of the opinion that the results of the school fund account are not material to the academy trust's financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfer from LA	-	3,305,925	3,305,925	-
LA Donations	-	1,890,000	1,890,000	2,660,963
Donations	159,502	87,954	247,456	113,574
	<u>159,502</u>	<u>5,283,879</u>	<u>5,443,381</u>	<u>2,774,537</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Catering income	17,377	-	17,377	28,234
Lettings income	167,265	-	167,265	88,352
Miscellaneous income	-	-	-	8,402
Recharge income	-	-	-	20,699
	<u>184,642</u>	<u>-</u>	<u>184,642</u>	<u>145,687</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest receivable	2,658	-	2,658	1,258

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General annual grant (GAG)	-	6,861,349	6,861,349	5,882,046
Other EFA grants	-	949,743	949,743	542,314
Capital grants	-	17,231	17,231	(59,251)
	-	7,828,323	7,828,323	6,365,109
Other government grants				
Local authority grants	-	440,557	440,557	445,123
Other government grants	-	32,995	32,995	215,331
	-	473,552	473,552	660,454
Other funding				
Other income	-	86,397	86,397	92,582
	-	86,397	86,397	92,582
	-	8,388,272	8,388,272	7,118,145

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NOTES TO THE FINANCIAL STATEMENTS
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6. RESOURCES EXPENDED

	Staff costs	Non Pay	Expenditure	Total	Total
	2015	Premises	Other costs	2015	2014
	£	2015	2015	£	£
Costs of generating voluntary income	1,809	-	212,655	214,464	306,690
Fundraising expenses	85,672	-	91,508	177,180	124,320
Costs of generating funds	87,481	-	304,163	391,644	431,010
Charitable activities:					
Direct costs	5,521,226	-	564,403	6,085,629	4,826,286
Support costs	516,468	793,203	1,577,742	2,887,413	2,568,224
Subtotal charitable activities	6,037,694	793,203	2,142,145	8,973,042	7,394,510
Governance	768	-	35,982	36,750	42,213
	6,125,943	793,203	2,482,290	9,401,436	7,867,733

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	4,544,856	3,629,773
National insurance	282,647	268,281
Pension cost	693,723	535,910
Educational supplies	249,999	179,689
Staff development	37,942	46,742
Educational trips	54,712	18,063
Recruitment costs	11,555	12,620
Insurance	16,668	14,778
Legal and professional fees	193,527	120,430
	<u>6,085,629</u>	<u>4,826,286</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	350,591	473,821
National insurance	17,565	27,235
Pension cost	148,312	113,193
Depreciation	630,996	602,294
FRS17 pension cost	70,000	71,000
Educational trips	-	66,820
Insurance	61,477	98,569
Technology costs	87,477	77,577
Maintenance of premises and equipment	146,177	90,654
Cleaning	13,768	13,072
Rent and rates	74,770	49,505
Light and heat	117,877	95,903
Security and transport	24,286	20,837
Community costs	139,281	111,191
Catering	386,143	112,689
PFI charges	417,637	350,364
Office overheads	52,656	44,968
Legal and professional fees	145,090	147,546
Bank charges	404	301
Other costs	2,906	685
	<u>2,887,413</u>	<u>2,568,224</u>
	<u><u>8,973,042</u></u>	<u><u>7,394,510</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

8. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	17,000	17,000	17,000
Professional fees	-	16,732	16,732	21,709
Governors clerking	-	2,250	2,250	3,050
Support staff cost	-	768	768	454
	-	36,750	36,750	42,213

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	630,996	602,294
Auditor's remuneration	17,000	17,000
Auditor's remuneration - non-audit	16,732	21,709
Operating lease rentals:		
- land and buildings	391,552	362,099
- other operating leases	25,831	21,164

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	4,870,349	4,195,084
Social security costs	300,762	295,516
Other pension costs (Note 25)	845,438	649,103
	<u>6,016,549</u>	<u>5,139,703</u>
Supply teacher costs	109,394	79,763
Staff restructuring costs	-	13,500
	<u>6,125,943</u>	<u>5,232,966</u>

b. Staff severance payments

Included in the staff restructuring costs are non-contractual severance payments totalling £Nil (2014 - £13,500).

c. Staff numbers

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

	2015 No.	2014 No.
Teachers	73	49
Administration and support	112	106
Management	22	24
	<u>207</u>	<u>179</u>

d. Higher paid staff

The number of employees whose emoluments exceed £60,000 fell within the following bands:

	2015 No.	2014 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	2	1

All of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2015, pension contributions for these staff amounted to £46,709 (2014 - £28,996).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

11. CENTRAL SERVICES

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

- Educational support services
- Legal services
- Other services as arising

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

Amount per pupil.

The actual amounts charged during the year were as follows:

	2015 £
Abington Vale Primary School	24,450
Ecton Brook Primary School	43,350
Headlands Primary School	31,275
Lings Primary School	15,750
Simon de Senlis Primary School	17,166
Total	<u>131,991</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. TRUSTEES' REMUNERATION AND EXPENSES

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

	2015 £	2014 £
L Wolmarans (Headteacher)		
Remuneration	70,000 - 75,000	65,000 - 70,000
Employer's Pension Contributions	5,000 - 10,000	5,000 - 10,000
J Kedwards (Strategic Director)		
Remuneration	75,000 - 80,000	75,000 - 80,000
Employer's Pension Contributions	10,000 - 15,000	10,000 - 15,000
M Currell (Headteacher)		
Remuneration	Nil	15,000 - 20,000
Employer's Pension Contributions	Nil	0 - 5,000
A Lakatos (Headteacher)		
Remuneration	60,000 - 65,000	60,000 - 65,000
Employer's Pension Contributions	5,000 - 10,000	5,000 - 10,000
L Cichuta (Headteacher)		
Remuneration	55,000 - 60,000	35,000 - 40,000
Employer's Pension Contributions	5,000 - 10,000	5,000 - 10,000
T Rees (Headteacher)		
Remuneration	25,000 - 30,000	Nil
Employer's Pension Contributions	0 - 5,000	Nil

During the year, no trustees received any reimbursement of expenses (2014 - £NIL).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £324 (2014 - £196). The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Leasehold property £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 September 2014	4,389,707	12,262,855	440,662	487,314	17,580,538
Additions	-	1,890,000	148,539	149,522	2,188,061
Inherited on conversion	-	3,775,000	28,041	93,697	3,896,738
At 31 August 2015	4,389,707	17,927,855	617,242	730,533	23,665,337
Depreciation					
At 1 September 2014	256,699	350,645	134,398	301,495	1,043,237
Charge for the year	18,889	381,298	77,043	153,766	630,996
At 31 August 2015	275,588	731,943	211,441	455,261	1,674,233
Net book value					
At 31 August 2015	4,114,119	17,195,912	405,801	275,272	21,991,104
At 31 August 2014	4,133,008	11,912,210	306,264	185,819	16,537,301

15. DEBTORS

	2015 £	2014 £
Trade debtors	21,981	3,406
VAT repayable	182,244	67,577
Prepayments and accrued income	257,083	263,660
	461,308	334,643

**16. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Other loans	17,623	-
Trade creditors	139,618	54,971
Other taxation and social security	99,537	76,834
Pension creditors	107,157	79,758
Other creditors	23,656	47,311
Accruals and deferred income	550,466	294,852
	938,057	553,726

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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

	£
Deferred income	
Deferred income at 1 September 2014	131,414
Resources deferred during the year	192,594
Amounts released from previous years	(131,414)
	<hr/>
Deferred income at 31 August 2015	192,594
	<hr/>

At the balance sheet date the academy trust was holding funds received in advance from the EFA of £175,944 (2014 - £121,584) and parental contributions of £16,650 (2014 - £9,830) which relate to the 2015/16 academic year.

17. CREDITORS:
Amounts falling due after more than one year

	2015 £	2014 £
Other loans	17,623	-
	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	46,754	346,802	(300,528)	76,064	-	169,092
Restricted funds						
General Annual Grant (GAG)	594,503	6,861,349	(6,629,011)	(12,599)	-	814,242
Pupil premium	114,681	658,232	(712,213)	-	-	60,700
Other EFA income	23,092	291,511	(284,758)	-	-	29,845
Local Authority	80,830	358,241	(353,026)	36	-	86,081
Other government grants	127,000	32,995	(159,995)	-	-	-
Recharges	-	80,793	(80,793)	-	-	-
Parental contributions	-	87,954	(81,927)	-	-	6,027
School funds	76,064	-	-	(76,064)	-	-
Transfer from Local Authority	1,053,673	22,187	(9,189)	(130,916)	-	935,755
Pension reserve	(2,649,000)	(613,000)	(159,000)	-	66,000	(3,355,000)
	(579,157)	7,780,262	(8,469,912)	(219,543)	66,000	(1,422,350)
Restricted fixed asset funds						
Inherited fixed asset fund	16,267,485	5,786,738	(630,996)	130,861	-	21,554,088
Capital expenditure from other funds	269,816	5,604	-	161,597	-	437,017
Unspent capital grants	130,752	99,547	-	(148,979)	-	81,320
	16,668,053	5,891,889	(630,996)	143,479	-	22,072,425
Total restricted funds	16,088,896	13,672,151	(9,100,908)	(76,064)	66,000	20,650,075
Total of funds	16,135,650	14,018,953	(9,401,436)	-	66,000	20,819,167

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

Restricted general funds will be used for educational purposes in line with the academy trust's objects and its funding agreement with the EFA.

Restricted fixed assets funds amounting to £21,991,104 (2014 - £16,537,301) will be reserved against

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**NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (continued)

future depreciation charges. The balance of £81,321 (2014 - £130,752) relates to unspent capital grants.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Abington Vale Primary School	263,953
Ecton Brook Primary School	1,038,978
Headlands Primary School	577,122
Lings Primary School	191,256
Simon de Senlis Primary School	10,820
Central services	19,611
Total before fixed asset fund and pension reserve	2,101,740
Restricted fixed asset fund	22,072,425
Pension reserve	(3,355,000)
Total	20,819,165

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Abington Vale Primary School	809,657	96,037	128,976	257,933	1,292,603
Ecton Brook Primary School	1,926,100	122,613	213,407	793,104	3,055,224
Headlands Primary School	1,551,819	234,419	123,240	415,364	2,324,842
Lings Primary School	755,001	67,623	153,903	258,329	1,234,856
Simon de Senlis Primary School	508,506	54,169	53,236	150,320	766,231
Central services	-	-	81,334	15,356	96,690
	5,551,083	574,861	754,096	1,890,406	8,770,446

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**NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	21,991,104	21,991,104	16,537,301
Current assets	166,432	2,890,990	81,321	3,138,743	2,801,075
Creditors due within one year	2,660	(940,717)	-	(938,057)	(553,726)
Creditors due in more than one year	-	(17,623)	-	(17,623)	-
Pension scheme liability	-	(3,355,000)	-	(3,355,000)	(2,649,000)
	<u>169,092</u>	<u>(1,422,350)</u>	<u>22,072,425</u>	<u>20,819,167</u>	<u>16,135,650</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources	4,617,517	2,171,894
Returns on investments and servicing of finance	(2,658)	(1,257)
Fixed assets inherited	(3,896,738)	(2,660,969)
Fixed assets donated	(1,890,000)	-
Depreciation of tangible fixed assets	630,996	602,294
Cash inherited on conversion	(57,433)	-
(Increase)/decrease in debtors	(126,665)	70,794
Increase in creditors	366,708	272,893
Pension deficit inherited on conversion	613,000	-
FRS 17 adjustments	159,000	93,000
Net cash inflow from operations	<u>413,727</u>	<u>548,649</u>

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>2,658</u>	<u>1,257</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(298,061)</u>	<u>(173,012)</u>

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21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
Financing		
Salix loan inherited	35,246	-

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	2,466,432	211,003	2,677,435
Debt:			
Finance leases	-	-	-
Debts due within one year	-	(17,623)	(17,623)
Debts falling due after more than one year	-	(17,623)	(17,623)
Net funds	2,466,432	175,757	2,642,189

23. CONVERSION TO AN ACADEMY TRUST

On 1 April 2015 Simon de Senlis Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Northampton Primary Academy Trust from Northamptonshire County Council for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	3,775,000	3,775,000
- Other tangible fixed assets	-	-	121,738	121,738
Budget surplus/(deficit) on LA funds	-	-	57,433	57,433
LGPS pension surplus/(deficit)	-	-	(613,000)	(613,000)
Borrowing obligations	-	-	(35,246)	(35,246)
Net assets/(liabilities)	-	-	3,305,925	3,305,925

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23. CONVERSION TO AN ACADEMY TRUST (continued)

The above net assets include £57,433 that were transferred as cash.

The borrowing obligations relate to a Salix loan that has two years remaining in which to be repaid.

24. MEMBERS' LIABILITY

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

25. PENSION COMMITMENTS

The academy trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Northamptonshire County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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25. PENSION COMMITMENTS (continued)

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

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

The pension costs paid to TPS in the period amounted to £424,269 (2014: £367,584).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £433,000, of which employer's contributions totalled £345,000 and employees' contributions totalled £88,000. The agreed contribution rates for future years are between 19.5% and 24.6% for employers and between 5.5% and 12.5% for employees.

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

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25. PENSION COMMITMENTS (continued)

The academy trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	3.80	1,734,000	6.40	1,297,000
Bonds	3.80	470,000	2.90	347,000
Property	3.80	224,000	4.50	129,000
Cash	3.80	49,000	3.30	55,000
Total market value of assets		<u>2,477,000</u>		<u>1,828,000</u>
Present value of scheme liabilities		<u>(5,832,000)</u>		<u>(4,477,000)</u>
Deficit in the scheme		<u><u>(3,355,000)</u></u>		<u><u>(2,649,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(5,832,000)	(4,477,000)
Fair value of scheme assets	<u>2,477,000</u>	<u>1,828,000</u>
Net liability	<u><u>(3,355,000)</u></u>	<u><u>(2,649,000)</u></u>

The amounts recognised in the Statement of financial activities are as follows:

	2015 £	2014 £
Interest on obligation	(184,000)	(152,000)
Expected return on scheme assets	114,000	81,000
Past service cost	(3,403)	-
Current service cost	<u>(434,000)</u>	<u>(332,000)</u>
Total	<u><u>(507,403)</u></u>	<u><u>(403,000)</u></u>
Actual return on scheme assets	<u><u>58,000</u></u>	<u><u>170,000</u></u>

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25. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	4,477,000	3,111,000
Interest cost	184,000	152,000
Contributions by scheme participants	88,000	80,000
Actuarial (gains) and losses	(123,000)	825,000
Benefits paid	(34,000)	(23,000)
Current service cost	434,000	332,000
Obligation transferred in from LA	806,000	-
Closing defined benefit obligation	<u>5,832,000</u>	<u>4,477,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	1,828,000	1,217,000
Expected return on assets	114,000	81,000
Actuarial gains and (losses)	(57,000)	163,000
Contributions by employer	345,000	310,000
Contributions by employees	88,000	80,000
Benefits paid	(34,000)	(23,000)
Assets transferred in from LA	193,000	-
	<u>2,477,000</u>	<u>1,828,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £743,000 losses (2014 - £809,000 losses).

The academy trust expects to contribute £407,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.50 %
Rate of increase in salaries	4.60 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

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25. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.3	22.3
Females	24.3	24.3
Retiring in 20 years		
Males	24.0	24.0
Females	26.6	26.6

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(5,832,000)	(4,477,000)
Scheme assets	2,477,000	1,828,000
Deficit	(3,355,000)	(2,649,000)
Experience adjustments on scheme liabilities	2,000	(26,000)
Experience adjustments on scheme assets	(57,000)	163,000

26. OPERATING LEASE COMMITMENTS

At 31 August 2015 the academy trust had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
Expiry date:				
Within 1 year	-	-	-	6,487
Between 2 and 5 years	-	-	25,116	14,677
After more than 5 years	492,274	362,099	-	-

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27. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustees has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

The academy trust has entered into a partnership agreement with Weston Favell Church of England Primary School. During the period the academy trust invoiced Weston Favell Church of England Primary School £36,105 (2014 - £19,255) and was invoiced £442 (2014 - £4,803) by Weston Favell Church of England Primary School. At 31 August 2015 the academy trust was owed £450 (2014 - £Nil) from Weston Favell Church of England Primary School.