

Company Registration Number: 08172039 (England & Wales)

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

TUESDAY



ABXBDPBD

A03

14/02/2023

#38

COMPANIES HOUSE

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 15
Governance Statement	16 - 19
Statement on Regularity, Propriety and Compliance	20
Statement of Trustees' Responsibilities	21
Independent Auditor's Report on the Financial Statements	22 - 25
Independent Reporting Accountant's Report on Regularity	26 - 27
Statement of Financial Activities Incorporating Income and Expenditure Account	28 - 29
Balance Sheet	30 - 31
Statement of Cash Flows	32
Notes to the Financial Statements	33 - 65

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr D Coniff Mr C Malpas (resigned 13 January 2022) Mr S Richards Mrs C Waterman Mr A White
Trustees	Mrs S Appleby-Kabi (appointed 26 January 2022) Mrs R Corkin Mr J Fazackerley Ms K Govier (resigned 12 July 2022) Mr R Hardcastle Ms J Kedwards, CEO & Accounting Officer Mr J Marscheider Mr T Rees (resigned 31 December 2021) Mrs J Stapleton Mr J Stockdale, Chair of Trustees
Company registered number	08172039
Company name	Northampton Primary Academy Trust
Principal and registered office	Headlands Primary School Bushland Road Northampton Northamptonshire NN3 2NS
Senior management team	Ms J Kedwards, Chief Executive Officer Mrs A Basra, Chief Financial Officer (appointed 31 January 2022, resigned 5 December 2022) Mr M Rapps, Trust School Improvement Lead Mrs A Carter, Trust Curriculum and Professional Learning Lead Ms T Bannister, Head of Operations and Compliance (resigned 29 October 2021) Mrs J Ricketts, Chief Operating Officer (appointed 19 April 2022) Mr S Perry, Chief Financial Officer (resigned 31 January 2022) Mrs L Cichuta, Headteacher - Abington Vale Primary School Mrs R Williams, Headteacher - Blackthorn Primary School Mrs R Arundel, Headteacher - East Hunsbury Primary (resigned 18 April 2022) Mrs K Pennington, Headteacher - East Hunsbury Primary (appointed 19 April 2022) Mrs D Archer, Joint Headteacher - Ecton Brook Primary School Mr N Woods, Joint Headteacher - Ecton Brook Primary School Mr D Smith, Headteacher - Headlands Primary School & Stanton Cross Primary School Mr M Wilson, Headteacher - Lings Primary School Ms S Heslop, Headteacher - Rectory Farm Primary School Mrs J Fennelly, Headteacher - Simon de Senlis Primary Mrs S Mawer, Headteacher - Thorplands Primary Mrs C Searing, Headteacher - Upton Meadows Primary School

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Independent auditor MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Peterbridge House
The Lakes
Northampton
NN4 7HB

Bankers Lloyds Bank plc
PO Box 1000
Andover
BX1 1LT

Solicitors Browne Jacobson LLP
44 Castle Gate
Nottingham
NG1 7BJ

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates 11 schools for pupils aged 4-11 serving a catchment area in Northampton. Its schools have a combined pupil capacity of 3,980 mainstream school-age children with additional capacity for 100 children with special educational needs in special unit provisions and 155-part time pre-school children in nursery or pre-school provisions. The Trust also works in partnership with Weston Favell Church of England Primary School which has an additional 420 children and 29 pre-school children.

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Academy Trust.

The Trustees of Northampton Primary Academy Trust (NPAT) are also the 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 during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

b. 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. See note 26 for further details.

Trustees

The Trustees role is to advance education for the public good. They are responsible for setting policy, approving strategic plans and the Trust budget, monitoring the individual Academies by the use of budgets and pupil data and making major decisions about the strategic direction of the Trust, capital expenditure and senior staff appointments. The core strategic functions of the board of Trustees are to ensure the following:

School effectiveness

- To ensure that schools are effective in educational, financial and operational performance and uphold the Trust vision and values;
- To review and monitor implementation and effectiveness of the Trust Education Strategy and Plan; and
- To maintain oversight of Headteacher performance.

Audit

- To review the risks to internal financial control and ensure processes are in place to reduce those risks; and
- To ensure there is a robust and effective process for checking financial systems, controls, transactions and risks in place.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

Finance and Resources

- To ensure that effective, formalised systems are established to ensure the Trust's financial health;
- To approve budgets and significant changes to budgets for the financial year and to ensure that approval is minuted;
- To regularly consider and review information provided on financial performance;
- To approve the Trust's audited financial statements before submission to ESFA and that approval is minuted; and
- To ensure all key requirements of the Academy Trust Handbook are being met and that all key scrutiny, decisions and approvals throughout the year are effectively scheduled.

The board of Trustees met at least six times during the year as a full board and the Education Standards and Performance committee and Business and Finance committee at least once per term (minimum three times). Additional extraordinary meetings are scheduled as needed. The Head Teacher Development Group meet fortnightly using a combination of face to face, online and hybrid formats. The School Business Managers meet on a termly basis, usually face to face. Chairs of Governors meet termly in a dissemination of information and development forum.

The Chief Executive Officer is the Accounting Officer as required by the Funding Agreement with the DfE.

c. Trustees' indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of Trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was included in the total insurance cost of £88,759. See note 12 for further details.

d. Method of recruitment and appointment or election of Trustees

The NPAT Members are responsible for appointing Trustees. We have successfully recruited new members and Trustees via Academy Ambassadors, Inspiring Governance and LinkedIn. The board of Trustees is made up of skilled professionals from the field of education and business and finance from both the public and private sector.

e. Policies 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, education, 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 and their needs.

Local Governing Bodies

In most cases, and where a school's provision is deemed Good by Ofsted, the Board of Trustees delegates the day-to-day monitoring of school performance to local governing bodies (LGBs). The responsibilities and accountabilities of LGBs are outlined in the Trust Scheme of Delegation. LGBs work as committees to the Board and follow a work plan outlined by the Board.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

f. Organisational structure

The Trust comprises of 11 Primary Schools:

- Abington Vale Primary School,
- Ecton Brook Primary School,
- Lings Primary School,
- Headlands Primary School,
- Simon De Senlis Primary School,
- Rectory Farm Primary School,
- East Hunsbury Primary School,
- Upton Meadows Primary School,
- Blackthorn Primary School,
- Thorplands Primary School; and
- Langland Community School (joined in January 2022).

The Trust also continues its partnership agreement with Weston Favell Church of England Primary School.

g. Arrangements for setting pay and remuneration of key management personnel

NPAT adheres to its own Pay Policy and Executive Pay Policy. These policies are reviewed and endorsed annually by the NPAT Board of Trustees with regard to the setting of key management personnel pay.

Following performance management meetings, pay recommendations within the recommended salary scales are sent to the relevant LGB Pay Award committee along with evidence of targets met. Head Teacher performance management takes place with an external advisor, the NPAT CEO and LGB representatives.

h. Related parties and other connected charities and organisations

The Academy Trust has a partnership agreement in place with Weston Favell Church of England Primary School. The Head Teacher of the School is a member of the Head Teacher Development Group and is an Associate Head for the Trust. Similarly, the Chair of the Weston Favell Church of England Primary School Board of Trustees is a Trustee on the NPAT Board of Trustees.

Some individual schools remain members of local school cluster groups; these are informal relationships with no written agreements in place.

Further details of related party transactions can be seen on note 27.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

i. Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Academy Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Pay Policy
- Safer Recruitment Policy
- Whistleblowing Policy
- Grievance Policy
- Appraisal and Capability Policy
- Equality Policy
- Code of Conduct Flexible Working Policy
- Management of Absence Policy

In accordance with the Trust's Equality Policy, NPAT has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

j. Engagement with suppliers, customers and others in a business relationship with the Academy Trust

The Trust has a reputation for achieving and maintaining high standards and this is evident in the relationships we develop with our staff, our pupils and their families and our school communities as a whole. We also look for similar high standards with those companies we engage with contractually to supply goods and services. The Trust strongly believes in collaboration and seeks the views of others where it can have a positive impact on decisions to be made. In the reporting period the Trust has:

- Consulted with employees on policies and procedural changes to ensure the successful delivery of outcomes for everyone within our school communities.
- Built relationships with new suppliers to ensure that they understand what it means to work with the Trust and the impact of what they do to make and how it impacts on our pupils.
- Continued to identify opportunities to consolidate contracts across the Trust to achieve value for money.
- Used robust procurement with Trust wide representation to ensure that all suppliers achieve high standards of service and will have a positive impact on the lives of our pupils.
- Where possible, and where we can ensure good value for money, we source goods and services from local suppliers to support the local community, give new businesses opportunities and reduce the impact on the environment.

k. Trade Union Facilities Time

There were no employees who were relevant union officials during the relevant period.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities

a. Objects and aims

With responsibility for approximately 4,500 children across Northamptonshire and Milton Keynes, the Trust is driven by our aspirational vision: to achieve educational excellence, create opportunities and enrich lives.

To achieve this, our mission is to develop a multi-academy trust of highly effective and sustainable schools.

Our ambition is captured in our motto: '**Achieving Extraordinary Things**'.

We want all children to leave NPAT schools at least in line with their peers in terms of educational outcomes, ready and able to access the secondary curriculum successfully at their next schools. We aim to do this through an exciting and rigorous curriculum which offers cultural capital and develops each child holistically.

Further objectives are as follows:

- To work collaboratively with professionalism, integrity and trust to provide high-quality educational provision for all;
- To ensure our schools are well led and managed at every level;
- To provide a safe and stimulating environment where everyone in the school community works together in a collaborative way for the benefit of everyone;
- To develop within the community pride, perseverance, productivity and personal responsibility so that there is a culture where everyone is valued and able to succeed; and
- To provide high quality learning opportunities for all children within a broad, evidence based curriculum.

b. Objectives, strategies and activities

The aim of the NPAT Education Strategy is to continuously improve our educational provision and raise the academic attainment of all children across the trust. The strategy also aims to reduce the inequality for disadvantaged children. This will be achieved by engaging with evidence and:

- Improving the quality of teacher professional development to ensure the most effective classroom practice;
- Securing high quality leadership at all levels across schools;
- Ensuring schools have an effective approach to the teaching of English and Mathematics;
- Developing a broad, rich and rigorous curriculum offer in Science, History, Geography, R.E., Art and wider curriculum subjects and
- Developing and implementing an effective, evidence based strategy to target improved educational provision for disadvantaged children.

In addition, wider Trust strategic aims include:

- Ensure the Trust and all schools have a balanced three-year budget plan year on year;
- To develop high quality effective and consistent policies and procedures to ensure statutory compliance;
- Ensure robust governance at all levels across the Trust that provides effective support and challenge in all areas delegated by the Board of Trustees;
- Grow the Trust by at least the equivalent of 2 schools each year ensuring sustainability and positive impact on existing schools; and
- Ensure a sustainable approach to our day to day operations whilst growing the Trust.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

c. Public benefit

The Trust promotes education for the benefit of the local community of Northampton and Milton Keynes 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.

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

Strategic report

Achievements and performance

The Trust continued to grow during the year with Langland Community School welcomed into the Trust from 1 January 2022. Langland Community School is a one form entry Primary school located in Milton Keynes, the Trust's first Primary school outside of Northampton.

During the year, the central team continued with further growth projects resulting in the successful opening of a new free school, Stanton Cross Primary, and the transfer of Park Junior School, Wellingborough, both with effect from 1 September 2022. The addition of these schools has expanded the Trust beyond West Northamptonshire into North Northamptonshire.

a. Key performance indicators

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 KPIs have initially been applied to financial reporting and business monitoring.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

2021-22

	Total ESFA revenue funding per pupil	Total Staff Costs as a proportion of Total Revenue Income (%)	Average Teacher cost	Teacher costs per pupil	Total Staff Costs as Proportion of Total Revenue Expense (%)	Pupil Teacher Ratio
Abington Vale	4,980	71%	50,076	2,234	73%	22.42
Blackthorn	6,324	66%	50,227	3,081	69%	16.3
East Hunsbury	5,301	76%	56,339	3,111	79%	18.11
Ecton Brook	5,485	73%	65,491	2,787	73%	23.49
Headlands	5,484	82%	51,471	2,717	82%	18.94
Langlands	4,619	69%	60,495	1,986	85%	20.31
Lings	5,695	65%	53,164	2,643	70%	20.12
Rectory Farm	6,250	69%	50,775	2,701	72%	18.80
Simon de Senlis	5,035	68%	53,796	2,577	71%	20.88
Thorplands	5,984	75%	54,259	2,691	76%	20.16
Upton Meadows	4,986	80%	49,089	2,446	78%	20.07
Trust Average	5,467	72%	54,107	2,634	75%	19.96

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

2020-21

	Total ESFA revenue funding per pupil	Total Staff Costs as a proportion of Total Revenue Income (%)	Average Teacher cost	Teacher costs per pupil	Total Staff Costs as Proportion of Total Revenue Expense (%)	Pupil Teacher Ratio
Abington Vale	4,807	71%	50,467	2,213	74%	22.81
Blackthorn	6,005	73%	45,656	2,857	70%	15.98
East Hunsbury	4,921	79%	58,142	2,980	81%	19.51
Ecton Brook	5,338	71%	57,328	2,639	74%	21.73
Headlands	5,163	68%	50,887	2,466	83%	20.63
Lings	5,695	69%	49,685	2,843	72%	17.47
Rectory Farm	6,042	67%	50,806	2,458	69%	20.67
Simon de Senlis	4,770	71%	40,491	2,488	73%	16.27
Thorplands	5,825	74%	57,586	2,689	76%	21.41
Upton Meadows	4,801	79%	53,370	2,430	76%	21.97
Trust Average	5,337	72%	51,442	2,606	75%	19.85

b. Going concern

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

c. Promoting the success of the company

The board of Trustees believe that promoting success is vital to the continued development and growth of the Trust for all stakeholders. Our reputation says everything about us and who we are as an organisation. The Trust continues to be held in high regard and many of our successes during the year are covered in the strategic report. The following are some examples of how our success promotes the Trust and continues to strengthen our reputation:

- Candidates for staff vacancies within the Trust are actively looking for employment with us;
- Senior staff regularly offer advice and support to other schools and Trusts and how to develop their organisations;
- The Trust has a strong relationship with the Regional Schools' Commissioners office and is recognised as a Trust that can sponsor schools requiring support;
- Trust documentation is often used as a benchmark by partner organisations; and
- Long term established partnerships with well known organisations in the arts and sports field to provide opportunities that enrich the lives of our pupils.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Financial review

Much of the Academy's income is obtained from the DfE in the form of recurrent grants disbursed via the Education Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust also received grants for fixed assets from the ESFA and other funding bodies. In accordance with Charities Statement of Recommended Practice, 'Accounting and Reporting Charities' (SORP 2019), 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 2022, total expenditure of £26,179,955 (2021 - £22,881,714) (excluding depreciation) was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds and pension adjustment) was £437,871 (2021 - £640,078).

At 31 August 2022 the net book value of fixed assets was £60,841,110 (2021 - £45,372,556) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

During the year ended 31 August 2022, total income of £Nil (2021 - £388,226) was received from both the ESFA and Local Authority relating to Covid grants, of this £86,930 (2021 - £281,335) is included in expenditure.

Part of the expenditure included investment into external quality assurance to provide Trustees with an independent evaluation of school provision and performance.

The LGPS deficit of the Academy Trust, being the total of all Schools, was £3,397,000. At 31 August 2021 the pension scheme deficit was £15,486,000.

a. Reserves policy

The purpose of the reserves policy for NPAT is to ensure the stability of all of its School operations, to provide protection allowing the ability to adjust quickly to financial circumstances, such as large unplanned expenditure, cyclical maintenance and working capital requirements.

Whilst it is not mandatory to hold reserves, it is generally considered good business practice to do so. Reserves should be held in order to provide sufficient working capital to cover delays between spending and receipt of grant income, to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred and to build up funding for planned future capital projects.

The Trust reserve policy states that at no time will the level of total revenue reserves held by the Trust fall below the equivalent of one months payroll expenses for the Trust. Each academy within the Trust is required to maintain reserves at a minimum of 5% of their general annual grant funding. These minimum requirements for revenue reserves exclude ring fenced reserves held for specific projects. Where academies fall short of the minimum requirements action plans will be agreed with the Head of school, central finance team and the Trust Chief Executive Officer/Accounting Officer to address the shortfall over an agreed time frame. The current cost pressures being faced by all academies within the Trust in respect of unfunded pay rises and general inflation does mean it is becoming more and more challenging to maintain reserves at an appropriate levels.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Purpose for Reserves

The following purposes are considered appropriate for NPAT:

1. Current reserves that are established to manage known risks which are not insurable or where insurance does not provide value for money. An example of this is staff sickness fund where the premium to protect against losses incurred are very high and exclude cover in certain areas.
2. Specific reserves to fund previously agreed and approved projects which have not yet completed. This may include repair and maintenance projects or specific IT projects.
3. Capital reserves established in order to fund capital expenditure and other investments that would not be affordable if financed from a single year's funding.
4. General reserve to provide for unexpected and unpredictable needs. The target for these reserves should be equal to one month's average payroll costs. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.
5. Cash flow management reserves used to enable variable cash demands across the Trust or specific parts of the Trust to be managed.

Reporting and monitoring

The reserve levels will be reviewed by the NPAT board of directors on an annual basis. The review will encompass the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves.

All reserves are the responsibility of Trustees and are reported and reviewed on a central basis at Business and Finance Committee meetings.

At 31 August 2022 the total funds comprised:

	£
Unrestricted	744,835
Restricted: Fixed asset funds	62,015,185
Pension reserve	(3,397,000)
Restricted other	2,555,551
	<u>61,918,571</u>

b. Investment policy

NPAT does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

Purposes

- To ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements;
- To ensure there is no risk of loss in capital value of any cash funds invested;
- To protect the capital value of any invested funds against inflation; and
- To optimise returns on invested funds.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Guidelines

Regular cash flow reports are prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding creditors that are due for payment. Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested following approval from the Business and Finance Committee. Approval must be signed off and recorded in the committee minutes.

Reviewing

The Trustees will carry out a review of this policy on a regular basis to ensure that any new or changed legislation is adhered to.

Risks and Uncertainties

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

- Change in government funding regime - the academies receive 93.7% 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;
- Poor leadership;
- Loss of key senior personnel; and
- Complacency in safeguarding processes and systems.

Key controls that the Academy Trust 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;
- Regular challenge and support on standards and performance between Schools;
- Use of external consultants to monitor and develop core curriculum areas;
- Succession planning strategies;
- Review, monitoring and challenge provided by LGB's and the Trust Business and Finance Committee.

Fundraising

The Trust operates in accordance with the Charities (Protection and Social Investment) Act 2016.

The Trust's approach to fundraising is to support the independent work of parents and friends groups linked to our individual schools. The Trust does not work with any commercial participators / professional fundraisers. The Trust ensures any fundraising conforms to recognised standards and has received no fundraising complaints. The Trust will ensure protection of the public, including vulnerable people; from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate on its behalf.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

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

	2022	2021
Energy consumption used to calculate emissions (kWh)	3,151,607	2,449,345
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	575	448
Owned transport	3	3
Total scope 1	578	451
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	286	316
Total gross emissions (in tonnes of CO2 equivalent):	864	767

Qualification and Reporting Methodology

- We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.
- Intensity measurement

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

Measures taken to improve energy efficiency

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

We are using School Capital Allocation funding to address structural issues in some of our schools to provide better insulation through the replacement of roofs and windows in our non-Private Finance Initiative (PFI) schools and PFI contractors are addressing structural elements of PFI buildings including replacement roofs and windows.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

The Trust has identified the following areas of future development:

- Seeking further like minded schools or academies to join or partner the Trust;
- The recruitment of additional Central Team roles to support school improvement, governance and business and finance developments;
- Increased pooling of resources and supplier centralisation to ensure best value for money;
- Continue to review governance structures to improve strategic development of the Trust and its LGBs; and
- Continue to assess centralisation of non-core activities to allow Schools to focus on core educational objectives.

Funds held as custodian on behalf of others

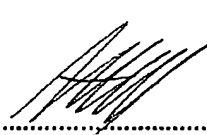
The Academy Trust does not act as custodian trustee on behalf of others.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, and signed on its behalf by:


.....
Mr J Stockdale
Chair of Trustees

Date: 5/12/2022

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between 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 Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 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
Mrs S Appleby-Kabi, (appointed 26 January 2022)	3	5
Mrs R Corkin	6	7
Mr J Fazackerley	6	7
Ms K Govier, (resigned 12 July 2022)	5	7
Mr R Hardcastle	7	7
Ms J Kedwards, CEO & Accounting Officer	7	7
Mr J Marscheider	6	7
Mr T Rees, (resigned 31 December 2021)	2	2
Mr J Stockdale, Chair of Trustees	7	7

Sandra Appleby joined the Board of Trustees in January 2022. Sandra has taught and led in primary schools in London and the East Midlands for more than 25 years and is currently Headteacher and Senior Regional Director of Primary Education for the David Ross Education Trust.

The Board continues to develop its skills and expertise through continuous learning and to provide executive leaders with effective support and challenge to ensure the Trust is achieving its vision and strategic targets. Our Trustees are fully engaged both in and out of meetings by making contributions to the strategic direction of the Trust and the monitoring of key activities.

During the year, Trustees have further developed thinking around strategies for Growth, Educational Standards and Performance and Business, Finance, Audit and Risk. Executive Officers continue to work closely with Trustees to ensure that their expectations and those of the regulatory authorities are fully discharged. The Board continues to work with the Executive Officers to develop a sustainable operating model for the Trust which will allow it to continue to expand in terms of school and pupil numbers whilst maintaining educational and governance standards.

The Business, Finance, Risk and Audit Committee is a sub-committee of the main Board of Trustees. Its

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

purpose is to monitor the effectiveness of all Business and Finance functions across the Trust to ensure that all funding received is used to deliver the best outcomes for our children and in line with the expectations of the regulating authorities. Trust risks are closely monitored and Trustees ensure that the trust continues to move forwards.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs R Corkin	2	3
Mr J Fazackerley, Chair of the Committee	3	3
Ms J Kedwards, CEO	3	3
Mr J Marscheider	3	3
Mrs J Stapleton	2	3
	3	3

The Education Standards and Performance Committee is a sub-committee of the main Board of Trustees. The committee is responsible for the strategy, planning and monitoring of matters relating to educational standards, teaching and learning across the Trust. This year has seen the further development of our trust specific curriculum, written by subject experts from within the trust.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Ms K Govier, (resigned 12 July 2022)	0	3
Mr R Hardcastle, Chair of the Committee	3	3
Ms J Kedwards, CEO	3	3
Mr T Rees, (resigned 31 December 2021)	1	1
Mr J Stockdale, Chair of Trustees	3	3

Governance Review

This reporting year the Trust commissioned an external review of governance using an independent governance specialist. Part of the scope of the work included reviewing the role of the local governing bodies to ensure a consistent approach throughout the Trust. As a result of this there has been a review of process with revision of all governance documentation such as governor workplan and monitoring documentation.

A governance review will be conducted not more than every three years by a governance specialist and following any significant changes in the Trust or in the legal and regulatory environment.

Review of value for money

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

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the 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 Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

The Board of Trustees employed East Midlands HR as internal auditor/scrutineer for the year to 31 August 2022.

The focus of East Midlands HR during the financial year was to review compliance with HR policies and legislation. The review included a range of checks into the HR processes undertaken across the Trust, including employee files, recruitment checks, absence management, employee relations, payroll processes and policies.

The Trustees are committed that, on a termly basis, the CFO continues to report to the Board of Trustees through the Business, Finance, Risk and Audit Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

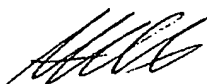
Review of effectiveness

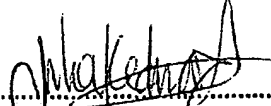
As accounting officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditor;
- the work of the internal scrutiny auditor;
- the work of the executive managers within the 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 Business, Finance, Risk and Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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


.....
Mr J Stockdale
Chair of Trustees
Date: 5/12/2022


.....
Ms J Kedwards
Accounting Officer

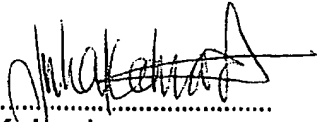
NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

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


.....
Ms J Kedwards
Accounting Officer

Date: 5/12/2022

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

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

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

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

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

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


.....
Mr J Stockdale
Chair of Trustees

Date: 5/12/2022

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHAMPTON PRIMARY ACADEMY TRUST**

Opinion

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

In specific opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHAMPTON PRIMARY ACADEMY TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and specific Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in specific report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or specific knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and,
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for specific 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 specific audit.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHAMPTON PRIMARY ACADEMY TRUST (CONTINUED)**

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
NORTHAMPTON PRIMARY ACADEMY TRUST (CONTINUED)**

Use of our report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 specific audit work, for this report, or for the opinions we have formed.



Rebecca Hughes BSc(Hons) FCCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Northampton

Date: 15 December 2022

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 AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 13 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Northampton Primary Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Northampton Primary Academy Trust and ESFA 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 ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Northampton Primary Academy Trust and ESFA, 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 Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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 & SKILLS FUNDING AGENCY
(CONTINUED)**

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body 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 Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

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

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors

Date: *15 December 2022*

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants:	3					
Net Pension liability transferred from other trusts		-	(536,000)	-	(536,000)	-
Other donations and capital grants		95,691	447,017	17,271,864	17,814,572	1,172,139
Other trading activities	5	262,760	-	-	262,760	253,469
Investments	6	628	-	-	628	575
Charitable activities	4	-	23,974,306	-	23,974,306	21,808,538
Total income		359,079	23,885,323	17,271,864	41,516,266	23,234,721
Expenditure on:						
Raising funds		115,281	510,059	-	625,340	380,785
Charitable activities		84,391	25,470,224	1,535,756	27,090,371	23,978,094
Total expenditure	7	199,672	25,980,283	1,535,756	27,715,711	24,358,879
Net income/(expenditure)		159,407	(2,094,960)	15,736,108	13,800,555	(1,124,158)
Transfers between funds	16	(18,629)	(444,947)	463,576	-	-
Net movement in funds before other recognised gains/(losses)		140,778	(2,539,907)	16,199,684	13,800,555	(1,124,158)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	14,926,000	-	14,926,000	(3,091,000)
Net movement in funds		140,778	12,386,093	16,199,684	28,726,555	(4,215,158)

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Note					
Reconciliation of funds:					
Total funds brought forward	604,057	(13,227,542)	45,815,501	33,192,016	37,407,174
Net movement in funds	140,778	12,386,093	16,199,684	28,726,555	(4,215,158)
Total funds carried forward	744,835	(841,449)	62,015,185	61,918,571	33,192,016

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

The notes on pages 33 to 65 form part of these financial statements.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08172039

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	60,841,110	45,372,556
Current assets			
Debtors	14	956,191	811,723
Cash at bank and in hand	20	5,611,510	3,960,275
		<u>6,567,701</u>	<u>4,771,998</u>
Creditors: amounts falling due within one year	15	(2,093,240)	(1,466,538)
Net current assets		<u>4,474,461</u>	<u>3,305,460</u>
Total assets less current liabilities		<u>65,315,571</u>	<u>48,678,016</u>
Defined benefit pension scheme liability	23	(3,397,000)	(15,486,000)
Total net assets		<u><u>61,918,571</u></u>	<u><u>33,192,016</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	16	62,015,185	45,815,501
Restricted income funds	16	2,555,551	2,258,458
		<u>64,570,736</u>	<u>48,073,959</u>
Restricted funds excluding pension liability	16	64,570,736	48,073,959
Pension reserve	16	(3,397,000)	(15,486,000)
Total restricted funds	16	<u>61,173,736</u>	<u>32,587,959</u>
Unrestricted income funds	16	744,835	604,057
Total funds		<u><u>61,918,571</u></u>	<u><u>33,192,016</u></u>

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements on pages 28 to 65 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
Mr J Stockdale
Chair of Trustees

Date:

5/12/2022

The notes on pages 33 to 65 form part of these financial statements.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	18	1,383,053	658,863
Cash flows from investing activities	19	268,182	(124,467)
Change in cash and cash equivalents in the year		1,651,235	534,396
Cash and cash equivalents at the beginning of the year		3,960,275	3,425,879
Cash and cash equivalents at the end of the year	20, 21	5,611,510	3,960,275

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies

Northampton Primary Academy Trust is a private company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1. The nature of the academy trust's operations and principal activity are detailed in the Trustees Report.

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

The financial statements are prepared in £ sterling, rounded to the nearest £1.

1.1 Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.3 Income (continued)

- **Sponsorship income**
Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.
- **Donations**
Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.
- **Other income**
Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.
- **Transfer on conversion**
Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

1.4 Expenditure

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

- **Expenditure on raising funds**
This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- **Charitable activities**
These are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.5 Taxation

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

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

1.6 Tangible fixed assets

Assets costing £1,000 or more (or £500 for IT equipment) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2-7% straight line
Long term leasehold property	- 2-7% straight line
Leasehold land	- 0.8% straight line
Furniture and fixtures	- 15% straight line
Computer equipment	- 33.33% straight line

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

1.7 Liabilities

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.8 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.9 Leased assets

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.10 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.

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

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.10 Pensions (continued)

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

1.11 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 the funders where the asset acquired or created is held for a specific purpose.

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

1.12 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.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.13 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.

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations					
Net Pension liability transferred on conversion	-	(536,000)	-	(536,000)	-
Subtotal	-	(536,000)	-	(536,000)	-

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Income from donations and capital grants (continued)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	95,691	356,640	-	452,331	224,585
Capital Grants	-	-	1,029,864	1,029,864	947,554
Assets/surplus on conversion	-	90,377	16,242,000	16,332,377	-
Subtotal	95,691	447,017	17,271,864	17,814,572	1,172,139
Total 2022	95,691	(88,983)	17,271,864	17,278,572	1,172,139
Total 2021	41,886	182,699	947,554	1,172,139	

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Funding for the Academy Trust's Educational Operations

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
DfE/ESFA grants			
General Annual Grant (GAG)	18,293,242	18,293,242	16,456,462
Other DfE/ESFA grants			
UIFSM	446,058	446,058	496,518
Pupil premium	1,267,422	1,267,422	1,173,841
Teachers pension grant	17,840	17,840	517,433
Other DfE/ESFA grants	857,989	857,989	635,372
	<u>20,882,551</u>	<u>20,882,551</u>	<u>19,279,626</u>
Other Government grants			
Local authority grants	2,650,457	2,650,457	1,831,975
	<u>2,650,457</u>	<u>2,650,457</u>	<u>1,831,975</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	-	305,320
	<u>-</u>	<u>-</u>	<u>305,320</u>
Other funding			
Other income	441,298	441,298	391,617
	<u>441,298</u>	<u>441,298</u>	<u>391,617</u>
	<u><u>23,974,306</u></u>	<u><u>23,974,306</u></u>	<u><u>21,808,538</u></u>

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	133,414	133,414	153,800
Lettings income	129,346	129,346	99,669
	<u>262,760</u>	<u>262,760</u>	<u>253,469</u>

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income	<u>628</u>	<u>628</u>	<u>575</u>

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on raising voluntary income:					
Direct costs	165,264	-	344,795	510,059	289,924
Expenditure on fundraising trading activities:					
Direct costs	17,880	-	97,401	115,281	90,861
Academy's educational operations:					
Direct costs	15,477,452	-	1,346,390	16,823,842	15,615,516
Allocated support costs	4,609,619	2,433,228	3,223,682	10,266,529	8,362,578
Total 2022	<u>20,270,215</u>	<u>2,433,228</u>	<u>5,012,268</u>	<u>27,715,711</u>	<u>24,358,879</u>

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

Net income/(expenditure) for the period includes:

	2022 £	2021 £
Operating lease rentals	931,255	821,645
Depreciation	1,535,756	1,477,165
Fees payable to the auditor for: audit	32,000	28,000
Fees payable to the auditor for: other services	16,000	16,000
	<u>1,574,011</u>	<u>1,342,810</u>

8. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	16,823,842	10,266,529	27,090,371	23,978,094
	<u>16,823,842</u>	<u>10,266,529</u>	<u>27,090,371</u>	<u>23,978,094</u>

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	15,477,572	15,477,572	14,766,503
Educational supplies	526,641	526,641	380,815
Staff development	156,058	156,058	76,938
Educational trips	239,671	239,671	45,005
Recruitment costs	14,651	14,651	12,737
Insurance	39,424	39,424	61,806
Other direct costs	369,825	369,825	271,712
	<u>16,823,842</u>	<u>16,823,842</u>	<u>15,615,516</u>

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Pension costs	314,000	196,000
Staff costs	4,609,619	3,285,043
Depreciation	1,535,756	1,477,165
Legal costs	22,378	13,807
Technology costs	256,178	210,549
Premises costs	897,472	718,856
Governance costs	32,270	24,165
Other support costs	2,598,856	2,436,993
	10,266,529	8,362,578

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	13,930,931	12,878,348
Social security costs	1,175,585	1,073,332
Pension costs	4,938,509	4,008,286
	20,045,025	17,959,966
Agency staff costs	218,138	209,218
Staff restructuring costs	7,052	45,271
	20,270,215	18,214,455

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. Staff (continued)

a. Staff costs (continued)

Staff restructuring costs comprise:

	2022	2021
	£	£
Redundancy payments	4,500	9,258
Severance payments	2,552	36,013
	7,052	45,271

b. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £7,052 (2021: £3,635). Individually, the payments were: £4,500 and £2,552.

c. Staff numbers

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

	2022	2021
	No.	No.
Teachers	209	199
Administration and support	425	418
Management	22	15
	656	632

d. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	5	6
In the band £70,001 - £80,000	5	6
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	1	1

All of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2022, pension contributions for these staff amounted to £231,112 (2021: £243,764)

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. Staff (continued)

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,531,739 (2021: £1,400,792).

10. 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
- Business, governance and finance services

The Academy Trust charges for these services on the following basis:

5% of GAG is recharged.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Abington Vale Primary School	92,612	83,678
Ecton Brook Primary School	143,635	130,291
Headlands Primary School	105,762	91,230
Lings Primary School	93,741	75,622
Simon de Senlis Primary School	96,026	81,925
Rectory Farm Primary School	52,102	49,581
East Hunsbury Primary School	101,462	85,688
Thorplands Primary School	49,576	48,279
Upton Meadow Primary School	82,918	83,007
Blackthorn Primary School	60,415	60,452
Langland Community School	36,413	-
Total	914,662	789,753

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

11. 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 staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£	£
Ms J Kedwards, CEO	Remuneration	90,000 -	90,000 -
		95,000	95,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000

During the year ended 31 August 2022, expenses totalling £NIL were reimbursed or paid directly to Trustees (2021 - £NIL to Trustee) in relation to travel expenses.

12. 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 £10,000,000 on any one claim and the cost for the year ended 31 August 2022 was included in the total insurance cost of £80,759 (2021 - £88,880).

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. Tangible fixed assets

	Freehold property £	Leasehold property £	Furniture and fixtures £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2021	5,253,720	44,443,434	2,803,277	1,602,198	54,102,629
Additions	168,755	-	416,959	176,596	762,310
Transfers on conversion	-	16,242,000	-	-	16,242,000
At 31 August 2022	5,422,475	60,685,434	3,220,236	1,778,794	71,106,939
Depreciation					
At 1 September 2021	908,230	4,855,305	1,543,848	1,422,690	8,730,073
Charge for the year	-	1,072,279	354,609	108,868	1,535,756
At 31 August 2022	908,230	5,927,584	1,898,457	1,531,558	10,265,829
Net book value					
At 31 August 2022	4,514,245	54,757,850	1,321,779	247,236	60,841,110
At 31 August 2021	4,345,490	39,588,129	1,259,429	179,508	45,372,556

The building of Stanton Cross Primary School was completed prior to 31 August 2022 and the school opened to new pupils on 1 September 2022. The buildings were constructed and paid for by North Northamptonshire Council. A valuation of the current buildings of Stanton Cross Primary School was undertaken by FHP as at 31 August 2022 at a valuation of £10,745,000.

The building is currently occupied under a licence to occupy, while the technicalities of the lease are finalised. The academy has received confirmations from their legal advisors that the long leasehold will be in place shortly. The building is included as a short leasehold at 31 August 2022, awaiting formal notification of the long lease in due course.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	15,961	11,725
VAT Repayable	311,952	262,506
Prepayments and accrued income	628,278	537,492
	<u>956,191</u>	<u>811,723</u>

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	505,540	148,061
Other taxation and social security	330,342	308,832
Other creditors	274,092	257,215
Accruals and deferred income	983,266	752,430
	<u>2,093,240</u>	<u>1,466,538</u>

	2022 £	2021 £
Deferred income at 1 September	325,181	302,315
Resources deferred during the year	291,855	325,181
Amounts released from previous periods	(325,181)	(302,315)
	<u>291,855</u>	<u>325,181</u>

At the balance sheet date the Academy Trust was holding funds received in advance relating to universal free school meal grants £267,919 (2021: £285,439), trip income £21,518 (2021: £31,742) and Northamptonshire County Council £2,418 (2021: £8,000) which relate to the 2022/23 academic year.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	604,057	359,079	(199,672)	(18,629)	-	744,835
Restricted general funds						
General Annual Grant (GAG)	739,212	18,293,241	(17,910,493)	(199,072)	-	922,888
Pupil premium	157,291	1,267,422	(1,259,671)	(24,013)	-	141,029
Other DfE/ESFA income	684,061	1,246,706	(1,245,213)	(86,715)	-	598,839
Local Authority	48,216	2,740,837	(2,376,294)	(70,202)	-	342,557
Parental contributions	671	324,214	(282,711)	-	-	42,174
Miscellaneous	542,077	473,903	(515,794)	(14,945)	-	485,241
COVID-19 catch-up premium	86,930	-	(86,930)	-	-	-
Start Up Grant	-	75,000	(2,177)	(50,000)	-	22,823
Pension reserve	(15,486,000)	(536,000)	(2,301,000)	-	14,926,000	(3,397,000)
	(13,227,542)	23,885,323	(25,980,283)	(444,947)	14,926,000	(841,449)

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Statement of funds (continued)

Restricted fixed asset funds						
Inherited fixed asset fund	43,776,942	16,242,000	(1,535,756)	762,311	-	59,245,497
Capital expenditure from other funds	1,595,614	-	-	-	-	1,595,614
Unspent capital grants	442,945	1,029,864	-	(298,735)	-	1,174,074
	<u>45,815,501</u>	<u>17,271,864</u>	<u>(1,535,756)</u>	<u>463,576</u>	<u>-</u>	<u>62,015,185</u>
Total Restricted funds	<u>32,587,959</u>	<u>41,157,187</u>	<u>(27,516,039)</u>	<u>18,629</u>	<u>14,926,000</u>	<u>61,173,736</u>
Total funds	<u>33,192,016</u>	<u>41,516,266</u>	<u>(27,715,711)</u>	<u>-</u>	<u>14,926,000</u>	<u>61,918,571</u>

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 ESFA.

Restricted fixed assets funds amounting to £60,841,110 (2021: £45,372,556) will be reserved against future depreciation charges. The balance of £1,174,074 (2021: £442,945) 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 it could carry forward at 31 August 2022.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds - all funds	479,424	295,930	(113,960)	(57,337)	-	604,057
Restricted general funds						
General Annual Grant (GAG)	129,487	16,456,457	(16,418,961)	572,229	-	739,212
Pupil premium	232,768	1,173,841	(1,180,543)	(68,775)	-	157,291
Other DfE/ESFA income	654,384	1,652,717	(1,417,137)	(205,903)	-	684,061
Local Authority	274,466	1,831,975	(1,756,241)	(301,984)	-	48,216
Recharges	-	4,725	(7,435)	2,710	-	-
Parental contributions	57,256	102,469	(94,827)	(64,227)	-	671
Miscellaneous	394,652	463,733	(256,220)	(60,088)	-	542,077
COVID-19 catch-up premium	-	305,320	(218,390)	-	-	86,930
Pension reserve	(10,977,000)	-	(1,418,000)	-	(3,091,000)	(15,486,000)
	(9,233,987)	21,991,237	(22,767,754)	(126,038)	(3,091,000)	(13,227,542)

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Statement of funds (continued)

Restricted fixed asset funds						
Inherited fixed asset fund	44,181,510	-	(1,477,165)	1,072,597	-	43,776,942
Capital expenditure from other funds	1,595,614	-	-	-	-	1,595,614
Unspent capital grants	384,613	947,554	-	(889,222)	-	442,945
	<u>46,161,737</u>	<u>947,554</u>	<u>(1,477,165)</u>	<u>183,375</u>	<u>-</u>	<u>45,815,501</u>
Total Restricted funds	<u>36,927,750</u>	<u>22,938,791</u>	<u>(24,244,919)</u>	<u>57,337</u>	<u>(3,091,000)</u>	<u>32,587,959</u>
Total funds	<u>37,407,174</u>	<u>23,234,721</u>	<u>(24,358,879)</u>	<u>-</u>	<u>(3,091,000)</u>	<u>33,192,016</u>

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Abington Vale Primary School	571,382	570,466
Ecton Brook Primary School	298,233	333,115
Headlands Primary School	275,240	384,497
Lings Primary School	352,238	247,555
Simon de Senlis Primary School	205,592	108,662
Rectory Farm Primary School	89,290	48,158
East Hunsbury Primary School	270,421	244,303
Thorplands Primary School	76,030	50,232
Upton Meadow Primary School	35,829	83,739
Blackthorn Primary School	209,807	186,107
Langland Community School	202,773	-
Stanton Cross Primary School	85,710	-
Central Services	627,841	605,681
Total before fixed asset funds and pension reserve	3,300,386	2,862,515
Restricted fixed asset fund	62,015,185	45,815,501
Pension reserve	(3,397,000)	(15,486,000)
Total	61,918,571	33,192,016

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Abington Vale Primary School	1,415,513	294,715	104,771	559,145	2,374,144	2,159,130
Ecton Brook Primary School	2,476,581	164,142	130,521	841,516	3,612,760	3,305,801
Headlands Primary School	2,199,782	152,286	139,580	572,905	3,064,553	2,783,458
Lings Primary School	1,527,847	135,296	143,235	558,653	2,365,031	2,179,342
Simon de Senlis Primary School	1,615,199	161,270	140,450	559,575	2,476,494	2,249,251
Rectory Farm Primary School	861,351	122,786	47,178	317,496	1,348,811	1,305,315
East Hunsbury Primary School	1,979,896	179,383	159,679	457,257	2,776,215	2,667,522
Thorplands Primary School	887,568	185,155	35,755	301,706	1,410,184	1,367,104
Upton Meadow Primary School	1,555,452	136,008	88,653	478,952	2,259,065	2,128,744
Blackthorn Primary School	1,096,709	175,272	57,139	489,758	1,818,878	1,758,238
Langland Community School	647,795	165,278	14,208	385,718	1,212,999	-
Stanton Cross Primary School	18,718	84,400	3,703	5,939	112,760	-
Central Services	-	770,145	57,419	520,497	1,348,061	977,809
Academy Trust	16,282,411	2,726,136	1,122,291	6,049,117	26,179,955	22,881,714

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	60,841,110	60,841,110
Current assets	744,835	4,648,791	1,174,075	6,567,701
Creditors due within one year	-	(2,093,240)	-	(2,093,240)
Provisions for liabilities and charges	-	(3,397,000)	-	(3,397,000)
Total	744,835	(841,449)	62,015,185	61,918,571

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	45,372,556	45,372,556
Current assets	604,057	3,724,996	442,945	4,771,998
Creditors due within one year	-	(1,466,538)	-	(1,466,538)
Provisions for liabilities and charges	-	(15,486,000)	-	(15,486,000)
Total	604,057	(13,227,542)	45,815,501	33,192,016

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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

	2022 £	2021 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	13,800,555	(1,124,158)
Adjustments for:		
Depreciation	1,535,756	1,477,165
Capital grants from DfE and other capital income	(1,029,864)	(947,554)
Interest receivable	(628)	(575)
Defined benefit pension scheme obligation inherited	536,000	-
Defined benefit pension scheme cost less contributions payable	1,987,000	1,222,000
Defined benefit pension scheme finance cost	314,000	196,000
Increase in debtors	(144,468)	(166,143)
Increase in creditors	626,702	2,128
Income from donated land and buildings	(16,242,000)	-
Net cash provided by operating activities	1,383,053	658,863

19. Cash flows from Investing activities

	2022 £	2021 £
Interest receivable	628	575
Purchase of tangible assets	(762,310)	(1,072,596)
Capital grants from DfE Group	1,029,864	947,554
Net cash provided by/(used in) investing activities	268,182	(124,467)

20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	5,611,510	3,960,275
Total cash and cash equivalents	5,611,510	3,960,275

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

21. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	3,960,275	1,651,235	5,611,510
	<u>3,960,275</u>	<u>1,651,235</u>	<u>5,611,510</u>

22. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>199,230</u>	<u>1,200</u>

23. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £1,996,509 (2021 - £1,784,286).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,241,000 (2021 - £1,274,000), of which employer's contributions totalled £955,000 (2021 - £1,002,000) and employees' contributions totalled £286,000 (2021 - £272,000). The agreed contribution rates for future years are between 5.5 per cent and 12.5 per cent for employees. The agreed contribution rates for future years 22.5% for employers.

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

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

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.55 - 3.90	1.65
Expected return on scheme assets at 31 August	2.90 - 3.05	2.90
Discount rate for scheme liabilities	4.20 - 4.25	3.40
Commutation of pensions to lump sums	50.00	50.00

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

	2022	2021
	Years	Years
Retiring today		
Males	21.0 - 21.7	21.7
Females	24.1 - 24.6	24.1
Retiring in 20 years		
Males	22.3 - 22.8	22.8
Females	25.8 - 26.0	25.8

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	445,000	762,000
Discount rate -0.1%	(445,000)	(762,000)
Mortality assumption - 1 year increase	691,000	881,000
Mortality assumption - 1 year decrease	(691,000)	(881,000)
CPI rate +0.1%	424,000	711,000
CPI rate -0.1%	(424,000)	(711,000)

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	9,927,000	9,289,000
Corporate bonds	2,302,000	2,773,000
Property	2,014,000	1,664,000
Cash and other liquid assets	144,000	139,000
Total market value of assets	14,387,000	13,865,000

The actual return on scheme assets was £(961,000) (2021 - £2,194,000).

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

	2022 £	2021 £
Current service cost	(2,942,000)	(2,224,000)
Interest income	205,000	189,000
Interest cost	(519,000)	(385,000)
Total amount recognised in the Statement of Financial Activities	(3,256,000)	(2,420,000)

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

	2022 £	2021 £
At 1 September	29,350,000	21,511,000
Upon conversion	917,000	-
Interest cost	519,000	385,000
Employee contributions	276,000	272,000
Actuarial (gains)/losses	(16,043,000)	5,096,000
Benefits paid	(177,000)	(138,000)
Current service costs	2,942,000	2,224,000
At 31 August	17,784,000	29,350,000

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	13,864,000	10,534,000
Upon conversion	381,000	-
Interest income	205,000	189,000
Actuarial (losses)/gains	(1,117,000)	2,005,000
Employer contributions	955,000	1,002,000
Employee contributions	276,000	272,000
Benefits paid	(177,000)	(138,000)
At 31 August	14,387,000	13,864,000

The amounts recognised in the Balance Sheet are as follows:

	2022 £	2021 £
Closing defined benefit obligation	(17,784,000)	(29,350,000)
Closing fair value of scheme assets	14,387,000	13,864,000
	<u>(3,397,000)</u>	<u>(15,486,000)</u>

Other finance income

	2022 £	2021 £
Interest income on pension scheme assets	205,000	189,000
Interest on pension scheme liabilities	(519,000)	(385,000)
	<u>(314,000)</u>	<u>(196,000)</u>

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

24. Operating lease commitments

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Within 1 year	69,787	52,354
Between 1 and 5 years	76,316	68,570
	<u>146,103</u>	<u>120,924</u>

25. Long-term commitments

a. Other contractual commitments

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under other contractual commitments was:

	2022 £	2021 £
Amounts due within 1 year	861,467	766,910
Amounts due between 1 and 5 years	3,445,869	3,067,639
Amounts due after 5 years	8,522,205	8,691,644
	<u>12,829,541</u>	<u>12,526,193</u>

The academy trust occupies premises which are subject to a private finance initiative (PFI) contract. The trust itself is not party to this service concession contract, however the academy trust has entered into a supporting agreement towards the costs of the local authority. The above relates to commitments to operating payments including costs for catering, cleaning, utilities and other ancillary services.

26. 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.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

27. Related party transactions

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

The Academy Trust has been in partnership with Weston Favell Church of England Primary School since 2012. During the period the Academy Trust invoiced Weston Favell Church of England Primary School £102,196 (2021: £96,425) and was invoiced £17,946 (2021: £25,689) by Weston Favell Church of England Primary School. At 31 August 2022 the Academy Trust owed Weston Favell Church of England Primary School £Nil (2021: £Nil).

One of the Academy Trust's trustees, T Rees (resigned 31 December 2021), is part of the senior team of Ambition Institute, Executive Director of School Leadership. During the period the Academy Trust invoiced Ambition Institute £Nil (2021: £2,255) and was invoiced £Nil (2021: £3,500) by Ambition Institute. At 31 August 2022 the Academy Trust owed Ambition Institute £Nil (2021: £Nil).

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

28. Conversion to an Academy Trust

On 1 January 2022 the Langland Community School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Northampton Primary Academy Trust from Milton Keynes Council for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. 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 a net gain in the Statement of Financial Activities as transfer from local authority on conversion.

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

	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets			
Leasehold land and buildings	-	5,497,000	5,497,000
	-	5,497,000	5,497,000
Current assets			
Cash	90,377	-	90,377
	90,377	5,497,000	5,587,377
Non-current liabilities			
LGPS pension deficit	(536,000)	-	(536,000)
	(445,623)	5,497,000	5,051,377

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Conversion to an Academy Trust (continued)

Stanton Cross Primary School opened as a brand new academy under the Academies Act 2010 and all the operations and assets were transferred to Northampton Primary Academy Trust for £nil consideration.

This has been accounted for as a transaction that is in substance a gift. The assets transferred were valued at their fair value and recognised in the balance sheet (note 13) under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as a transfer from local authority on conversion.

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

	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets		
Leasehold land and buildings	10,745,000	10,745,000

29. Post balance sheet events

Park Junior, Wellingborough joined the Trust with effect from 1 September 2022. Park Junior, Wellingborough is a two form entry junior school with a pupil capacity of 240.