

NORTHAMPTON PRIMARY ACADEMY TRUST
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

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NORTHAMPTON PRIMARY ACADEMY TRUST

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr P Hall-Jones (resigned 9 December 2019) Mr C Malpas Mr S Richards Mrs C Waterman Mr A White
Trustees	Mr J Fazackerley Ms K Govier (appointed 19 June 2020) Ms J Kedwards, CEO & Accounting Officer Mr S Lock Mr J Marscheider (appointed 16 October 2020) Mr T Rees Mr G Smith Mrs J Stapleton Mr J Stockdale, appointed as Chair of Trustees 10 July 2020 Mr A White, resigned as Chair of Trustees 10 July 2020 (resigned 31 August 2020) Mr N Wilson (resigned 18 October 2019)
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 Mr I Sharpe, Chief Operations Officer Mr M Rapps, Trust School Improvement Lead Mrs L Cichuta, Headteacher - Abington Vale Primary Mrs B Williams, Head of School - Blackthorn Primary Mrs R Arundel, Headteacher - East Hunsbury Primary Mrs D Archer, Joint Headteacher - Ecton Brook Primary Mr N Woods, Joint Headteacher - Ecton Brook Primary Mr D Smith, Headteacher - Headlands Primary Mrs J Ramshaw, Executive Headteacher - Lings Primary Mr M Bushell, Head of School - Lings Primary Mrs E Jacox, Head of School - Lings Primary Ms S Heslop, Headteacher - Rectory Farm Primary Mrs J Fennelly, Headteacher - Simon de Senlis Primary Mrs S Mawer, Headteacher - Thorplands Primary - Appointed 1 September 2019 Mrs C Searing, Headteacher - Upton Meadows Primary

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

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

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates 10 Academies for pupils aged 4-11 serving a catchment area in Northampton. Its academies have a combined pupil capacity of 4,057 and had a roll of 3,929 in the last School census in October 2019.

Structure, governance and management

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.

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' 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 £63,254. See note 12 for further details.

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.

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.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Organisational structure

The Trust comprises of 10 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 and Thorplands Primary School. The Trust continues its partnership agreement with Weston Favell Church of England Primary School.

The Trustees 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:

Standards

- To review the Trust Schools Improvement Plan, pupil outcomes, staff CPD and well-being issues;
- To ensure the Head Teachers perform their responsibilities in order to improve the educational performance of the School.

Audit

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

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 that budget 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;
- To ensure all key requirements of the Academies Financial Handbook are being met and that all key scrutiny, decisions and approvals throughout the year are effectively scheduled.

The board of Trustees met seven times during the year as a full board and the Education Standards and Performance committee and Business and Finance committee once per term. The Head Teacher Operational Board meet fortnightly and the School Business Managers meet on a termly basis. Chairs of Governors meet termly.

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

Arrangements for setting pay and remuneration of key management personnel

NPAT adheres to its own pay policy which is broadly in line with the Local Authority agreed pay policy. This policy is reviewed and endorsed annually by the NPAT Board of Directors 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.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

Trade Union Facilities Time

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

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 Operational Group and a Trustee from the School is a Trustee on the NPAT Board of Trustees as required in our Articles of Association.

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

There are no related parties which either control or significantly influence the decisions and operations of the Trust.

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

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:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Academy Trust's equal opportunities policy, the Academy Trust 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.

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 we have done the following as examples of this:

- 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.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

- Where possible we source goods and services from local suppliers to support the local community, give new businesses opportunities and reduce the impact on the environment.
- Use 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.
- Careful consideration is always given to all of our stakeholders in our decision making to help ensure successful outcomes.

Objectives and activities

Objects and aims

The principle aim of the Trust is to provide a high quality education that helps give all of its pupils the opportunity to fulfil their educational potential and become good and emotionally balanced young people.

Further aims are as follows:

- To ensure our Schools are well led and managed;
- 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;
- To provide high quality learning opportunities within a broad, rigorous and balanced curriculum;
- To work together with professionalism, integrity and trust to provide high quality provision for all.

Objectives, strategies and activities

With responsibility for approximately 4,200 children across Northampton, 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. NPAT schools are underpinned by the following NPAT Values:

Aspiration & Ambition: Every child to achieve their best, every school a great school and every individual a better version of themselves.

Working Together: Achieving more through collaboration and cooperation. My school is your school; your children are 'our' children.

Integrity: A sense of moral purpose and open and honest working. Do all the good you can, in all the ways you can, as long as ever you can.

Community: Schools at the heart of their community, working together for educational excellence across Northamptonshire.

Creativity and Innovation: thinking differently about the future whilst building on the past.

Sports and the Arts: A genuine commitment to participation and excellence in sports and the arts.

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

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

(continued)

Trust development priorities for Northampton Primary Academy Trust are as follows:

- Raise the academic attainment of all children in all schools across the Trust and reduce the inequality for disadvantaged children;
- Secure high-quality leadership at all levels across schools;
- Develop a broad, rich and rigorous curriculum offer in Science, History, Geography, R.E. and Art;
- Improve the quality of Teacher professional development to ensure the most effective classroom practice;
- For the Trust and all schools to have a balanced three-year budget plan by the end of the year;
- Develop high quality effective and consistent policies and procedures to ensure statutory compliance;
- Continue to develop robust governance at all levels across the Trust that provides effective support and challenge;
- Develop a sustainable approach to our day to day operations whilst growing the Trust;
- Develop a highly professional Central Team that allows Education Leaders and Teachers to focus on the core business of School Improvement and outcomes for children;
- To continue to grow the Trust as outlined in the Trust's Growth Strategy in a sustainable way so growth does not have a negative impact on our current schools.

Public benefit

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

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

There has been much achieved during the reporting year by Northampton Primary Academy Trust. The number of schools remains at eleven, including our partnership school Weston Favell CE Primary, with no further growth during the year. The Central Team capacity has once again increased with further staff added to the School Improvement Team, and the Trust is now responsible for 4,105 pupils and has over 800 staff, governors and volunteers.

At the start of the reporting period no one envisaged that a global pandemic would turn out to be the major impact on the Trust's plans for the year and probably the Trust's greatest challenge since it was formed in 2012. However, despite the problems Covid-19 presented, the Trust worked collaboratively as usual to find solutions that allowed education to continue whilst keeping our whole community as safe as possible. We have captured the impact of Covid-19 on the work of the Trust as you progress through our report.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Following a period of agreed consolidation last year to embed both practice and processes following rapid increase in schools we started to turn our attention again towards our next phase of growth. Trustees set a direction of sustainable and measured growth with a focus on being able to grow the Trust wider than the immediate area of Northampton and the primary sector. Conversations continued with potential schools and plans were put in place to showcase the Trust through further Open Mornings and training events. Unfortunately, Covid-19 meant these events were put on hold. However, being recognised by the DfE as a Trust sponsor that has a reputation for turning around schools in the most challenging of circumstances, we were once again approached by the Regional Schools Commissioner towards the end of the year with regard to taking on a school in need and negotiations are in their early stages. We hope that next year will see our growth plans resume. The Free school project continues to move forward slowly. Following the acquisition of a site last year, the DfE decided to review the need for pupil places before progressing the project further. It is hoped that the school will now open in 2023.

Despite the lack of DfE grants to support Trust growth we continued to grow the Central Team further and make some key appointments to add further capacity. Zoe Hall was appointed as Maths lead for the Trust complimenting the role of the Trust's English Lead. Mark Rapps continued as Executive Head and became School Improvement Lead and an Associate Head working alongside Jill Ramshaw and Darren Smith in the same role. At the start of the year Sam Mawer started her career as a Head Teacher at Thorplands Primary School and in January Becca Williams became the substantive Head Teacher at Blackthorn Primary School.

The financial year saw the central contribution remain at 5% of GAG School Budget Share from all of the Trust's schools. Achieving sustainable budgets in our schools continued to be challenging and a key priority for Trustees. The improving accuracy of reforecasts throughout the year and a move to monthly management accounting gave school leaders, governors and Trustees a clear picture of the financial position in every school as we move towards achieving a Trust wide three-year sustainable budget position. During the year Internal Control Action Plans (ICAP) were developed for every school and training sessions provided with the aim to ensure consistency and compliance with existing and new financial processing. For Business and Finance staff across the Trust these developments have meant a challenging year for all involved especially when the impact of Covid-19 is considered as well. Despite the opportunity provided by the ESFA to delay some reporting due to Covid-19 we decided to continue with a business as usual approach to ensure financial oversight was maintained. As a Trust we are confident that we continue to use our resources appropriately, ensuring best value for money in the delivery of effective teaching and learning for the benefit of our pupils.

Governance continues to be a strength of the Trust at all levels. The year saw a lot of work go into improving the quality of the people who give their time to support governance at school and Trust board level. Jeremy Stockdale, an experienced Business Consultant filled a vacancy on the board at the start of the year, and Karen Govier, a HR Consultant joined the Board of Trustees following the resignation of Nicholas Wilson. We continue to run two training sessions per term along with our own induction training for new Trust Trustees to further improve their knowledge and understanding of the role. Sessions throughout the year covered safeguarding, business and finance, complaints, looked after children and exclusions. Our Trust appointed clerks provided great assistance with the structure of governance throughout the year. Unfortunately, our fourth Governance Conference was cancelled due to Covid-19. Despite Covid-19 we continued with governance at all levels albeit remotely. Our Board of Trustees took full accountability with the approval of risk assessments to ensure our schools were Covid-19 secure and as safe as possible for our staff, pupils and volunteers. Our Local Governing Bodies played an important role in monitoring the implementation of our risk assessments and the well-being of staff in our schools.

The safety of our children continues to be our highest priority. Safeguarding audits and Trustee monitoring ensured that our schools remain compliant and provide the highest standards of care. Audit feedback reflected a thorough understanding by our staff and Trustees of safeguarding legislation and the way our staff continue to deal with sensitive issues on a daily basis in a caring and professional manner.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Particular reference must be made to the safeguarding measures that were put in place for our vulnerable families during the Covid-19 lockdown. Our staff made regular contact with families to ensure they were coping with the lockdown situation and being provided with the support they needed in the most challenging of times.

Clear Trust policies and processes around HR, Health and Safety and GDPR developed in prior years ensured that matters in these areas were dealt with in a consistent manner across our schools. A two year programme of Health and Safety training and developments came to fruition with independent audits capturing the good practice that is now in place across our Trust. The Trust also took the decision to centralise its catering provision and following a rigorous procurement process, a new supplier was appointed to provide nutritious meals to our pupils and allow financial efficiencies to be made.

Ofsted visited two of our schools during the year under the new Ofsted inspection framework which came into force at the start of the year. In October 2019 Lings Primary School was inspected and achieved a grade of 'Requires Improvement'. This fairly reflected the journey the school had been on since the Trust had to intervene in 2017 following an extremely poor set of outcomes at KS2. The inspection report was extremely positive and confirmed the improving journey that the school is on with both the Trust, school leaders and staff being praised for the improvements being made on behalf of its pupils. In January Ofsted visited our first sponsored school, Rectory Farm, who joined us in February 2017 as a 'Requires Improvement' school. Despite the report stating 'Good' judgements in most areas, the lead inspector was not satisfied that the implementation of the new curriculum was not yet broad enough in the foundation subjects despite their being plans to develop these once the core subjects had been embedded. As a result, the overall judgement of the school remained 'Requires Improvement'. The Trust appealed the judgement with Ofsted as it did not fairly reflect the position of the school and the improvement journey made. Our appeal was unsuccessful and the original judgement was upheld.

Increasing academic outcomes for our pupils continues to be one of the Trustee's key education priorities. The school improvement cycle for the year started with the Annual Trust School Improvement Meeting (ATSIM) for every school with an in depth review of where every school is and the support required from the Trust to achieve the clear targets agreed for further success. The introduction of the Associate Head model and School Improvement Group visits provided the Trustees with a clear oversight of the school improvement journey within every school. The visits undertaken ensured that school leaders were taking the necessary steps to deliver their school improvement plan and improve outcomes. More targeted support was provided where needed for schools in greater need. During the year the curriculum writing project continued to gather momentum with staff across the Trust developing resources. Following the initial implementation of the project, teachers from all of our schools embraced the curriculum framework with positive feedback being provided. There is no doubt that the curriculum project will improve both pupil outcomes and a reduction in work load for our teachers. Throughout the year the Trust continued to invest in teacher professional development with a wide range of opportunities being provided for our teachers to improve themselves further. Standardised assessment by all schools showed the impact of teaching and learning throughout the year. Trust-wide data drops helped senior leaders to predict their targets for the end of year tests. School-led pupil progress meetings ensure that all pupils get the intervention and support required to achieve their potential. The impact of Covid-19 on teaching and learning affected all of our pupils and this will not be fully understood for some time to come. Once lockdown was announced our schools worked tirelessly to ensure that our children could continue to learn at home as best as they could given the unprecedented circumstances involved. Resources were developed that facilitated both online and home learning packs that provided our pupils with an opportunity to continue their learning away from school.

Our Trust continues to create opportunities that enrich the lives of both pupils and staff in many, many areas. Although the safety, academic performance and progress of our pupils will always be our primary focus, there have once again been many notable achievements both in and out of the classroom.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

The Trust continues to be proud to work in partnership with wide variety of organisations who add value to the opportunities our pupils receive in the arts, music and sport. The Royal Shakespeare Company and The National Gallery provided all of our pupils a broad range of curriculum-based projects and artistic opportunities from these two renowned organisations. Unfortunately, due to Covid-19 the Royal Derngate performance of Shakespeare's 'The Merchant of Venice' had to be cancelled along with trips planned to London to visit the National Gallery for the Take One Picture project. Music continues to inspire our pupils. All pupils still receive the opportunity to learn an instrument during their time at primary school, and many continue to develop their musical skills though peripatetic instrumental lessons. Our schools' bands, choirs and drama groups never fail to impress. On the sports field our pupils continue to receive the highest standard of sports coaching from professionals within the Trust and continue to be involved in sport at the highest level through inter and intra school opportunities and through continued engagement with Northampton's well-known teams and clubs. We look forward to future performances where our pupils will be able to showcase their talents once more after Covid-19. We are very grateful for the opportunities provided from all of our partners in the arts, music and sport.

Finally, the Board of Trustees are incredibly proud of what our staff, pupils and volunteers have achieved for our communities this year but especially so since Covid-19 came into everyone's lives. In times of crisis you find out the true strength of an organisation. However, the commitment shown since the global pandemic started has been on another level. The collaborative approach of all of our leaders and central team, combined with dedication of our staff across all eleven schools, ensured we remained open to our key worker families so we could take care of their children so that parents could play their part in the National response to Covid-19. The Trust rapidly put in place processes, procedures and risk assessments to ensure a consistent approach across all schools towards keeping staff and pupils as safe as possible. We were delighted that we were able to welcome some year groups back in June and schools continued to provide a range of resources to pupils who had to continue to learn at home. Attendance throughout lockdown was higher than the national average during lockdown and showed the confidence our families had in our schools to keep their children safe. Thankfully, on the whole, staff, pupils and volunteers remained well and we had no confirmed cases in any of our schools by the time the summer term ended. Thank you to everyone who played their part and went above and beyond in doing so. In extraordinary times we continued 'achieving extraordinary things'.

Attainment and Progress July 2020

There are no outcomes to report on during this reporting period as all primary school testing was cancelled by the government due to the impact of Covid-19. However, at the Spring data drop just prior to lockdown, all but one of our schools reported that their outcomes for 2020 would be at or above National Average. This would have meant that 2020 would have been the best set of outcomes in the Trust's history.

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Strategic report (continued)**Achievements and performance (continued)****Key performance indicators**

2019-20	Total ESFA revenue funding per pupil	Total Staff Costs as a proportion of Total Income (%)	Average Teacher cost	Teaching costs per pupil	Total Staff costs as Proportion of Total Expense (%)	Pupil Teacher Ratio
Abington Vale	4,357	76%	48,149	2,103	73%	22.89
Blackthorn	5,650	67%	45,810	2,332	74%	19.64
East Hunsbury	4,558	75%	55,672	2,816	82%	19.77
Ecton Brook	5,157	71%	54,699	2,429	72%	22.52
Headlands	4,791	78%	51,426	2,267	84%	22.68
Lings	5,481	66%	50,037	2,579	70%	19.40
Rectory Farm	5,903	76%	56,637	2,556	71%	22.16
Simon de Senlis	4,400	75%	49,264	2,285	73%	21.56
Thorplands	5,748	68%	49,670	2,210	70%	22.47
Upton Meadows	4,639	76%	47,782	2,221	70%	21.52
Trust Average	5,068	73%	50,915	2,380	75%	21.46

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

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.

The impact of Covid-19 on our Trust has been significant during this year and will continue to be so in the years to come also. The Trustees have made comment in their Strategic Report regarding Covid-19 and would also add the following regarding its impact on the Trust as a going concern:

- Trustees have been pleased with how schools have continued with business as usual as much as possible from both an educational and business perspective. Staff have adapted to the control measures and processes put in place to ensure that pupils in school and those at home have been able to access education.
- Trustees are concerned about the short and long term financial impact. In the short term we are seeing increased staffing and cleaning costs which are challenging to meet within existing funding and will impact on our reserves without further government financial support. Long term as we understand the full impact of Covid-19 on our pupils, we hope that funding will be available to meet the needs of pupils who may have been placed at a disadvantage due to the impact Covid-19 has had on their education.
- Our schools are not in a position self-generate income due to Covid-19 restrictions and this is having an impact on school budgets and reserves.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

- Trustees and school governors have played a key part in monitoring the implementation of protective measures and the monitoring of well-being of staff and pupils throughout the pandemic.
- Although we have been able to maintain some networking opportunities across the Trust virtually, we have lost some due to Covid-19 which help develop our staff and volunteers.

Promoting the success of the company

The board 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;
- Documentation produced throughout Covid-19 was used as a benchmark by partner organisations; and
- Long term established partnerships with well-known organisations in the arts and sport to provide opportunities that enrich the lives of our pupils.

Financial review

Most of the Academy's income is obtained from the DfE in the form of recurrent grants disbursed via the Education Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received during the year ended 31 August 2020 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 2020, total expenditure of £21,932,680 (2019 - £21,279,712) (excluding depreciation) was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset funds and before transfers) was £857,398 (2019 - £647,043).

At 31 August 2020 the net book value of fixed assets was £45,777,125 (2019 - £46,965,397) 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.

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

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review (continued)

The LGPS deficit of the Academy Trust, being the total of all ten primary Schools, was £10,977,000. At 31 August 2019 the pension scheme deficit was £9,754,000.

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.

Within the Trust, if the level of free reserves (total funds less the amounts held in Fixed Assets and restricted funds) is less than is needed, the Trust will build up free reserves to the level required, ideally over a five year period. However, the current levels of funding across the Trust does mean that it is more and more challenging year upon year to maintain reserves at an appropriate level.

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.

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review (continued)

At 31 August 2020 the total funds comprised:

	£
Unrestricted	479,424
Restricted: Fixed asset funds	46,161,737
Pension reserve	(10,977,000)
Restricted other	1,743,013
	<hr/>
	37,407,174

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.
- To optimise returns on invested funds.

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 Finance Committee. Approval must be signed off and recorded in the committee minutes. Interest bearing deposit accounts with Lloyds Bank plc.

Higher Interest Accounts available from Lloyds Bank plc with fixed periods of 2 weeks, 6 weeks, 3 months, 6 months and 12 months. The longer the period the higher the interest rate. Minimum investments are £10,000 (£50,000 – 12 Months).

Reviewing

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

Headteacher Risks and Uncertainties

Through the Academy's risk management procedures, it has considered its Headteacher risks and uncertainties and planned mitigating action wherever possible. The Headteacher 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.

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review (continued)

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 Academy funding methodology;
- Regular challenge and support on standards and performance between Schools;
- Use of external consultants to monitor and develop core curriculum areas;
- Succession planning strategies;
- Trust Financial Controller;
- Board of Trustees Business and Finance committee.

Fundraising

Being involved in fundraising is an exciting opportunity for children to learn about people with specific needs and provide support to those who are less fortunate. Across the Trust children work with both National and local charities to raise awareness and funds. The raising of funds for others is always carried out in line with the specific charity's guidelines. The Trust does not use professional fundraisers for raising funds. All fundraising during the year for our schools is normally carried out in conjunction with each school's PTA who are charities in their own right. Funds they raise are monitored by their own Trustees and they consult with schools about methods of fundraising and the use of funds raised.

Streamlined energy and carbon reporting

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

	2020
Energy consumption used to calculate emissions (kWh):	235,530
Scope 1 emissions (in tonnes of CO2 equivalent):	
Gas consumption	31
Owned transport	4
Total scope 1	<u>35</u>
Scope 2 emissions (in tonnes of CO2 equivalent):	
Purchased electricity	11
Total gross emissions (in tonnes of CO2 equivalent)	<u>46</u>

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 2020 UK Government's Conversion Factors for Company Reporting.

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Streamlined energy and carbon reporting (continued)

Intensity measurement

The chosen intensity measurement ration 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 PFI schools. The PFI contractors are addressing structural elements of these buildings including replacement roofs and windows with Blackthorn Primary School having significant investment.

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 centralization to ensure best value for money;
- Continue to review governance structure to improve strategic development of the Trust and its LGBs;
- 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: 18th December 2020

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
Ms J Kedwards, CEO & Accounting Officer	7	7
Ms K Govier (appointed 19 June 2020)	1	1
Mr J Fazackerley	6	7
Mr J Stockdale, appointed as Chair of Trustees 10 July 2020	5	7
Mr G Smith	4	7
Mr T Rees	6	7
Mrs J Stapleton	7	7
Mr S Lock	5	7
Mr A White, resigned as chair of Trustees 10 July 2020 (resigned 31 August 2020)	6	7

We would like to acknowledge the time Trustees have given during the past year. Karen Govier joined the board towards the end of the year bringing a knowledge of HR. The board continue to go from strength to strength and 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 the Trustees have focused particularly on strategies for Growth, Educational Standards and Performance and Business and Finance. Developments in the quality of both the pupil and finance data during the past year supported the Trustees in their decision making. Executive Officers worked closely with Trustees to ensure that the data met their expectations and those of the regulatory authorities. The board of Trustees also provided invaluable support with regard to the whole issue of Covid-19 supporting executive officers and schools with appropriate support and challenge to ensure that schools were as safe as possible throughout the pandemic.

The Business and Finance Committee is a sub-committee of the main board of Trustees. Its purpose is to monitor the effectiveness of the 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.

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Fazackerley, Chair	3	3
Ms J Kedwards	3	3
Ms K Govier, appointed 19 June 2020	1	1
Mrs J Stapleton	3	3
Mr J Stockdale	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.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr G Smith, Chair	4	4
Ms J Kedwards	4	4
Mr T Rees	4	4
Mr S Lock	1	4
Mr N Wilson	1	1

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 resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the 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 2019 to 31 August 2020 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 Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of Trustees has considered the need for a specific internal audit function, for the year to 31 August 2019 this role was completed by the Trust Financial Controller. Internal Scrutiny for the year was completed by an external provider. For the academic year to 31 August 2021 the Trust will continue with this.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included the requirements of the AFH and Trust internal controls and procedures. These checks confirmed that the Trust is in the process of embedding new financial controls, individual school action plans will be agreed to manage this process during the academic year to 31 August 2021.

The Trustees are committed that, on a termly basis, the CFO continues to report to the board of Trustees through the Business and Finance 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 reviewer;
- 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 and Finance 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: 18th December 2020



.....
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 Academies Financial Handbook 2019.

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 Academies Financial Handbook 2019.

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: 18th December 2020

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

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 2019 to 2020;
- 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: 18th December 2020

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 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (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 our 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 our opinion:

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

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 Trustees' Responsibilities Statement, 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.

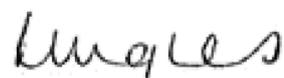
Auditor's responsibilities for the audit of the financial statements

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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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 our 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

Peterbridge House

The Lakes

Northampton

NN4 7HB

Date: 21 January 2021

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 6 November 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, 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 2019 to 31 August 2020 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 Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 Academies Accounts Direction 2019 to 2020 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 2019 to 31 August 2020 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
Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: 21 January 2021

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		154,545	292,432	409,566	856,543	1,291,647
Charitable activities	4	-	20,506,987	-	20,506,987	19,739,888
Other trading activities	5	118,406	-	-	118,406	190,380
Investments	6	2,912	-	-	2,912	1,390
Total income		275,863	20,799,419	409,566	21,484,848	21,223,305
Expenditure on:						
Raising funds		202,551	472,523	-	675,074	772,694
Charitable activities		84,981	21,172,625	1,563,256	22,820,862	21,749,229
Total expenditure	7	287,532	21,645,148	1,563,256	23,495,936	22,521,923
Net expenditure		(11,669)	(845,729)	(1,153,690)	(2,011,088)	(1,298,618)
Transfers between funds	16	(12,735)	(97,454)	110,189	-	-
Net movement in funds before other recognised gains/(losses)		(24,404)	(943,183)	(1,043,501)	(2,011,088)	(1,298,618)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	212,000	-	212,000	(2,937,000)
Net movement in funds		(24,404)	(731,183)	(1,043,501)	(1,799,088)	(4,235,618)

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 2020**

Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Reconciliation of funds:					
Total funds brought forward	503,828	(8,502,804)	47,205,238	39,206,262	43,441,880
Net movement in funds	(24,404)	(731,183)	(1,043,501)	(1,799,088)	(4,235,618)
Total funds carried forward	479,424	(9,233,987)	46,161,737	37,407,174	39,206,262

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

The notes on pages 33 to 64 form part of these financial statements.

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)
REGISTERED NUMBER: 08172039

**BALANCE SHEET
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	45,777,125	46,965,397
Current assets			
Debtors	14	645,580	894,011
Cash at bank and in hand	20	3,425,879	2,347,318
		4,071,459	3,241,329
Creditors: amounts falling due within one year	15	(1,464,410)	(1,246,464)
Net current assets		2,607,049	1,994,865
Total assets less current liabilities		48,384,174	48,960,262
Defined benefit pension scheme liability	24	(10,977,000)	(9,754,000)
Total net assets		37,407,174	39,206,262
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	16	46,161,737	47,205,238
Restricted income funds	16	1,743,013	1,251,196
Restricted funds excluding pension liability	16	47,904,750	48,456,434
Pension reserve	16	(10,977,000)	(9,754,000)
Total restricted funds	16	36,927,750	38,702,434
Unrestricted income funds	16	479,424	503,828
Total funds		37,407,174	39,206,262

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 28 to 64 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
Mr J Stockdale
Chair of Trustees
Date: 18th December 2020

The notes on pages 33 to 64 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 2020**

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	18	1,041,067	231,429
Cash flows from investing activities	19	37,494	(103,453)
Change in cash and cash equivalents in the year		1,078,561	127,976
Cash and cash equivalents at the beginning of the year		2,347,318	2,219,342
Cash and cash equivalents at the end of the year	20, 21	3,425,879	2,347,318

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Northampton Primary Academy Trust meets the definition of a public benefit entity under FRS 102.

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.

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.3 Income (continued)

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **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 2020

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	- 2-3% straight line
Long term leasehold property	- 2-3% 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 2020

1. Accounting policies (continued)

1.8 Provisions

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

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

1.9 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.

1.10 Leased assets

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

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.11 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/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.12 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.

1.13 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.

NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)**PFI contract payments**

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

Land and buildings

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

Other assets

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

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

1.14 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.

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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 24, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	154,545	292,432	-	446,977	701,011
Capital Grants	-	-	409,566	409,566	590,636
	<u>154,545</u>	<u>292,432</u>	<u>409,566</u>	<u>856,543</u>	<u>1,291,647</u>
Total 2019	<u>27,426</u>	<u>673,585</u>	<u>590,636</u>	<u>1,291,647</u>	

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Funding for the Academy Trust's Educational Operations

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	15,962,702	15,962,702	15,469,426
Other DfE/ESFA grants	1,643,137	1,643,137	1,205,425
Pupil premium	1,247,926	1,247,926	1,317,378
	<hr/>	<hr/>	<hr/>
	18,853,765	18,853,765	17,992,229
	<hr/>	<hr/>	<hr/>
Other government grants			
Local authority grants	1,283,217	1,283,217	1,323,421
	<hr/>	<hr/>	<hr/>
	1,283,217	1,283,217	1,323,421
	<hr/>	<hr/>	<hr/>
Other funding			
Other income	370,005	370,005	424,238
	<hr/>	<hr/>	<hr/>
	370,005	370,005	424,238
	<hr/>	<hr/>	<hr/>
	20,506,987	20,506,987	19,739,888
	<hr/>	<hr/>	<hr/>
Total 2019	19,739,888	19,739,888	

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Catering income	3,183	3,183	15,229
Lettings income	115,223	115,223	175,151
	<u>118,406</u>	<u>118,406</u>	<u>190,380</u>
	<u><u>118,406</u></u>	<u><u>118,406</u></u>	<u><u>190,380</u></u>
Total 2019	<u>190,380</u>	<u>190,380</u>	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	2,912	2,912	1,390
	<u>2,912</u>	<u>2,912</u>	<u>1,390</u>

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on raising voluntary income:					
Direct costs	326,262	-	223,386	549,648	571,066
Expenditure on fundraising trading activities:					
Direct costs	1,825	-	123,601	125,426	201,628
Academy's educational operations:					
Direct costs	13,539,548	-	723,356	14,262,904	14,709,124
Allocated support costs	3,441,686	2,230,102	2,886,170	8,557,958	7,040,105
	<u>17,309,321</u>	<u>2,230,102</u>	<u>3,956,513</u>	<u>23,495,936</u>	<u>22,521,923</u>
	<u><u>17,309,321</u></u>	<u><u>2,230,102</u></u>	<u><u>3,956,513</u></u>	<u><u>23,495,936</u></u>	<u><u>22,521,923</u></u>
Total 2019	<u>16,728,145</u>	<u>1,898,292</u>	<u>3,895,486</u>	<u>22,521,923</u>	

Net income/(expenditure) for the period includes:

	2020 £	2019 £
Operating lease rentals	436,663	518,099
Depreciation	1,563,256	1,238,947
Fees payable to the auditor for: audit	27,000	25,000
Fees payable to the auditor for: other services	15,000	14,000
	<u><u>1,985,919</u></u>	<u><u>1,795,046</u></u>

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Analysis of expenditure by activities

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Educational operations	14,262,904	8,557,958	22,820,862	21,749,229
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2019	14,709,124	7,040,105	21,749,229	
	<hr/>	<hr/>	<hr/>	

Analysis of direct costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	13,539,548	13,539,548	13,637,690
Educational supplies	324,784	324,784	418,125
Staff development	85,562	85,562	133,552
Educational trips	72,203	72,203	279,447
Recruitment costs	5,992	5,992	2,876
Insurance	63,254	63,254	53,989
Governance costs	171,561	171,561	183,445
	<hr/>	<hr/>	<hr/>
	14,262,904	14,262,904	14,709,124
	<hr/>	<hr/>	<hr/>
Total 2019	14,709,124	14,709,124	
	<hr/>	<hr/>	

Analysis of support costs

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. Analysis of expenditure by activities (continued)**Analysis of support costs (continued)**

	Total funds 2020 £	Total funds 2019 £
Pension costs	191,000	173,000
Staff costs	3,441,686	2,986,460
Depreciation	1,563,256	1,238,947
Legal costs	49,898	8,964
Technology costs	193,827	178,584
Premises costs	666,846	659,345
Governance costs	36,559	65,125
Other support costs	2,414,886	1,729,680
	8,557,958	7,040,105

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Staff**a. Staff costs**

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	12,193,486	12,502,487
Social security costs	996,387	994,919
Pension costs	3,865,394	2,962,049
	<hr/> 17,055,267	<hr/> 16,459,455
Agency staff costs	241,186	248,322
Staff restructuring costs	12,868	20,368
	<hr/> <hr/> 17,309,321	<hr/> <hr/> 16,728,145

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	190	195
Administration and support	396	407
Management	18	16
	<hr/> 604	<hr/> 618

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Staff (continued)**c. Higher paid staff**

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	6	6
In the band £70,001 - £80,000	6	4
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-
	<u> </u>	<u> </u>

All of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2020, pension contributions for these staff amounted to £217,518 (2019 - £130,380)

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,398,741 (2019 - £1,376,255).

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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:

	2020	2019
	£	£
Abington Vale Primary School	78,250	79,154
Ecton Brook Primary School	123,004	124,212
Headlands Primary School	86,395	78,793
Lings Primary School	69,852	61,476
Simon de Senlis Primary School	77,789	74,146
Rectory Farm Primary School	46,098	45,951
East Hunsbury Primary School	83,808	78,790
Thorplands Primary School	49,115	48,159
Upton Meadow Primary School	81,515	79,351
Blackthorn Primary School	68,471	75,889
Total	764,297	745,921

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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:

		2020	2019
		£	£
Ms J Kedwards, CEO	Remuneration	90,000 -	85,000 -
		95,000	90,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Mr T Rees, Education Director	Remuneration	N/A	50,000 -
			55,000
	Pension contributions paid	N/A	5,000 -
			10,000

During the year ended 31 August 2020, expenses totalling £124 were reimbursed or paid directly to 1 Trustee (2019 - £161 to 1 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 2020 was included in the total insurance cost of £63,254 (2019 - £65,781).

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and fixtures £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2019	4,693,349	44,341,291	2,253,236	1,367,173	52,655,049
Additions	-	-	251,764	123,220	374,984
At 31 August 2020	<u>4,693,349</u>	<u>44,341,291</u>	<u>2,505,000</u>	<u>1,490,393</u>	<u>53,030,033</u>
Depreciation					
At 1 September 2019	675,225	2,959,450	925,139	1,129,838	5,689,652
Charge for the year	143,713	976,417	305,996	137,130	1,563,256
At 31 August 2020	<u>818,938</u>	<u>3,935,867</u>	<u>1,231,135</u>	<u>1,266,968</u>	<u>7,252,908</u>
Net book value					
At 31 August 2020	<u>3,874,411</u>	<u>40,405,424</u>	<u>1,273,865</u>	<u>223,425</u>	<u>45,777,125</u>
At 31 August 2019	<u>4,018,124</u>	<u>41,381,841</u>	<u>1,328,097</u>	<u>237,335</u>	<u>46,965,397</u>

14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	18,283	47,319
VAT Repayable	137,369	234,362
Prepayments and accrued income	489,928	612,330
	<u>645,580</u>	<u>894,011</u>

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	172,292	438,374
Other taxation and social security	240,776	204,320
Other creditors	275,892	17,209
Accruals and deferred income	775,450	586,561
	1,464,410	1,246,464
	2020	2019
	£	£
Deferred income at 1 September 2019	335,254	456,173
Resources deferred during the year	302,315	335,254
Amounts released from previous periods	(335,254)	(456,173)
	302,315	335,254

At the balance sheet date the Academy Trust was holding funds received in advance relating to universal free school meal grants, pupil premium, trip income and music tuition, which relate to the 2020/21 academic year.

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	503,828	275,863	(287,532)	(12,735)	-	479,424
Restricted general funds						
General Annual Grant (GAG)	78,646	15,962,704	(15,861,864)	(49,999)	-	129,487
Pupil premium	97,363	1,247,926	(1,112,521)	-	-	232,768
Other DfE/ESFA income	486,140	1,643,137	(1,444,736)	(30,157)	-	654,384
Local Authority Recharges	-	-	7,157	(7,157)	-	-
Parental contributions	68,751	119,661	(131,156)	-	-	57,256
Miscellaneous	314,327	540,063	(459,738)	-	-	394,652
Pension reserve	(9,754,000)	-	(1,435,000)	-	212,000	(10,977,000)
	(8,502,804)	20,799,419	(21,645,148)	(97,454)	212,000	(9,233,987)

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Restricted fixed asset funds						
Inherited fixed asset fund	45,369,782	-	(1,563,256)	374,984	-	44,181,510
Capital expenditure from other funds	1,595,614	-	-	-	-	1,595,614
Unspent capital grants	239,842	409,566	-	(264,795)	-	384,613
	<u>47,205,238</u>	<u>409,566</u>	<u>(1,563,256)</u>	<u>110,189</u>	<u>-</u>	<u>46,161,737</u>
Total Restricted funds	<u>38,702,434</u>	<u>21,208,985</u>	<u>(23,208,404)</u>	<u>12,735</u>	<u>212,000</u>	<u>36,927,750</u>
Total funds	<u>39,206,262</u>	<u>21,484,848</u>	<u>(23,495,936)</u>	<u>-</u>	<u>212,000</u>	<u>37,407,174</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 £45,777,124 (2019 - £46,965,397) will be reserved against future depreciation charges. The balance of £384,613 (2019 - £239,842) 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 2020.

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds (continued)**Total funds analysis by academy**

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£	£
Abington Vale Primary School	497,563	564,820
Ecton Brook Primary School	221,489	203,329
Headlands Primary School	325,113	148,950
Lings Primary School	212,526	156,677
Simon de Senlis Primary School	75,293	47,699
Rectory Farm Primary School	22,793	57,507
East Hunsbury Primary School	212,181	16,092
Thorplands Primary School	36,013	11,376
Upton Meadow Primary School	98,735	89,505
Blackthorn Primary School	263,726	109,349
Central Services	257,005	349,720
Total before fixed asset funds and pension reserve	2,222,437	1,755,024
Restricted fixed asset fund	46,161,737	47,205,238
Pension reserve	(10,977,000)	(9,754,000)
Total	37,407,174	39,206,262

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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 2020 £	Total 2019 £
Abington Vale Primary School	1,453,094	195,506	48,221	472,533	2,169,354	2,025,174
Ecton Brook Primary School	2,300,137	245,665	114,678	679,107	3,339,587	3,332,980
Headlands Primary School	1,706,664	258,795	94,949	553,739	2,614,147	2,460,550
Lings Primary School	1,286,176	144,251	73,420	447,978	1,951,825	1,675,735
Simon de Senlis Primary School	1,438,061	207,515	65,570	388,268	2,099,414	2,118,386
Rectory Farm Primary School	818,507	100,169	46,177	231,259	1,196,112	1,109,126
East Hunsbury Primary School	1,892,867	215,170	114,264	243,392	2,465,693	2,445,821
Thorplands Primary School	882,115	198,203	29,400	279,595	1,389,313	1,440,274
Upton Meadow Primary School	990,324	310,792	52,099	712,015	2,065,230	2,032,217
Blackthorn Primary School	1,140,938	165,188	32,611	374,425	1,713,162	1,700,976
Central Services	-	640,325	19,720	268,798	928,843	941,737
Academy Trust	13,908,883	2,681,579	691,109	4,651,109	21,932,680	21,282,976

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	552,655	219,196	(243,337)	(24,686)	-	503,828
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted general funds						
General Annual Grant (GAG)	62,966	15,469,426	(15,456,273)	2,527	-	78,646
Pupil premium	93,824	1,317,378	(1,313,839)	-	-	97,363
Other DfE/ESFA income	288,632	1,205,425	(994,240)	(13,677)	-	486,140
Local Authority	3,489	1,323,421	(1,107,285)	(13,656)	-	205,969
Recharges	374,261	-	(371,482)	(2,779)	-	-
Parental contributions	2,570	484,060	(417,879)	-	-	68,751
Miscellaneous	107,336	613,763	(401,849)	(4,923)	-	314,327
Transfer from Local Authority	273,907	-	(21,528)	(252,379)	-	-
Pension reserve	(5,865,000)	-	(952,000)	-	(2,937,000)	(9,754,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(4,658,015)	20,413,473	(21,036,375)	(284,887)	(2,937,000)	(8,502,804)
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NORTHAMPTON PRIMARY ACADEMY TRUST

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Restricted fixed asset funds						
Inherited fixed asset fund	45,892,561	-	(1,239,086)	716,307	-	45,369,782
Capital expenditure from other funds	1,595,614	-	-	-	-	1,595,614
Unspent capital grants	59,065	590,636	(3,125)	(406,734)	-	239,842
	<u>47,547,240</u>	<u>590,636</u>	<u>(1,242,211)</u>	<u>309,573</u>	<u>-</u>	<u>47,205,238</u>
Total Restricted funds	<u>42,889,225</u>	<u>21,004,109</u>	<u>(22,278,586)</u>	<u>24,686</u>	<u>(2,937,000)</u>	<u>38,702,434</u>
Total funds	<u><u>43,441,880</u></u>	<u><u>21,223,305</u></u>	<u><u>(22,521,923)</u></u>	<u><u>-</u></u>	<u><u>(2,937,000)</u></u>	<u><u>39,206,262</u></u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	45,777,125	45,777,125
Current assets	479,424	3,207,423	384,612	4,071,459
Creditors due within one year	-	(1,464,410)	-	(1,464,410)
Provisions for liabilities and charges	-	(10,977,000)	-	(10,977,000)
Total	<u>479,424</u>	<u>(9,233,987)</u>	<u>46,161,737</u>	<u>37,407,174</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Analysis of net assets between funds (continued)**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	46,965,397	46,965,397
Current assets	496,744	2,504,744	239,841	3,241,329
Creditors due within one year	7,084	(1,253,548)	-	(1,246,464)
Provisions for liabilities and charges	-	(9,754,000)	-	(9,754,000)
Total	503,828	(8,502,804)	47,205,238	39,206,262

18. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(2,011,088)	(1,298,618)
Adjustments for:		
Depreciation	1,563,256	1,238,947
Capital grants from DfE and other capital income	(409,566)	(590,636)
Interest receivable	(2,912)	(1,390)
Defined benefit pension scheme cost less contributions payable	1,244,000	779,000
Defined benefit pension scheme finance cost	191,000	173,000
Decrease in debtors	248,431	33,204
Increase/(decrease) in creditors	217,946	(102,078)
Net cash provided by operating activities	1,041,067	231,429

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. Cash flows from investing activities

	2020	2019
	£	£
Interest receivable	2,912	1,390
Purchase of tangible assets	(374,984)	(716,306)
Proceeds from the sale of tangible fixed assets	-	20,827
Capital grants from DfE Group	409,566	590,636
Net cash provided by/(used in) investing activities	37,494	(103,453)

20. Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash in hand	3,425,879	2,347,318
Total cash and cash equivalents	3,425,879	2,347,318

21. Analysis of changes in net debt

	At 1 September 2019	Cash flows	At 31 August 2020
	£	£	£
Cash at bank and in hand	2,347,318	1,078,561	3,425,879
	2,347,318	1,078,561	3,425,879

22. Capital commitments

	2020	2019
	£	£
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	16,797	113,143

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Contingent liabilities

Due to an ongoing HR issue that started in 2018 there is a possible financial risk to the Trust. At the time of writing the potential costs of this are unknown. We have been advised that the outcome may not be known until 2022.

24. 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. 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 2016.

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.

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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,575,031 (2019 - £1,116,591).

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 2020 was £1,244,000 (2019 - £1,296,000), of which employer's contributions totalled £983,000 (2019 - £1,031,000) and employees' contributions totalled £261,000 (2019 - £265,000). The agreed contribution rates for future years are 5.5 per cent for employers and 12.5 per cent for employees.

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 school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the 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.

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	1.70	1.90
Expected return on scheme assets at 31 August	1.70	1.90
Discount rate for scheme liabilities	2.70	2.60
Commutation of pensions to lump sums	50.00	50.00
Expected return on scheme assets at 31 August	2.20	2.30

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

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

24. Pension commitments (continued)

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.5	21.2
Females	23.7	23.2
<i>Retiring in 20 years</i>		
Males	22.3	22.3
Females	25.1	24.7

Sensitivity analysis

	2020	2019
	£	£
Discount rate +0.5%	2,927,000	2,655,000
Discount rate -0.5%	(2,927,000)	(2,655,000)
Mortality assumption - 1 year increase	647,000	561,000
Mortality assumption - 1 year decrease	(647,000)	(561,000)
CPI rate +0.5%	2,697,000	2,320,000
CPI rate -0.5%	(2,697,000)	(2,320,000)

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

	2020	2019
	£	£
Equities	7,268,000	6,430,000
Corporate bonds	1,685,000	1,518,000
Property	1,264,000	804,000
Cash and other liquid assets	316,000	179,000
Total market value of assets	10,533,000	8,931,000

The actual return on scheme assets was £494,000 (2019 - £390,000).

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

24. Pension commitments (continued)

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

	2020 £	2019 £
Current service cost	(2,199,000)	(1,744,000)
Past service cost	(28,000)	(66,000)
Interest income	178,000	222,000
Interest cost	(369,000)	(395,000)
Total amount recognised in the Statement of Financial Activities	(2,418,000)	(1,983,000)

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

	2020 £	2019 £
At 1 September	18,685,000	13,194,000
Interest cost	369,000	395,000
Employee contributions	261,000	265,000
Actuarial losses	104,000	3,105,000
Benefits paid	(135,000)	(84,000)
Past service costs	28,000	66,000
Current service costs	2,199,000	1,744,000
At 31 August	21,511,000	18,685,000

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

	2020 £	2019 £
At 1 September	8,931,000	7,329,000
Interest income	178,000	222,000
Actuarial gains	316,000	168,000
Employer contributions	983,000	1,031,000
Employee contributions	261,000	265,000
Benefits paid	(135,000)	(84,000)
At 31 August	10,534,000	8,931,000

NORTHAMPTON PRIMARY ACADEMY TRUST**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

The amounts recognised in the Balance Sheet are as follows:

	2020 £	2019 £
Closing defined benefit obligation	(21,511,000)	(18,685,000)
Closing fair value of scheme assets	10,534,000	8,931,000
	<u>(10,977,000)</u>	<u>(9,754,000)</u>

Other finance income

	2020 £	2019 £
Interest income on pension scheme assets	178,000	222,000
Interest on pension scheme liabilities	(369,000)	(395,000)
	<u>(191,000)</u>	<u>(173,000)</u>

25. Operating lease commitments

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Within 1 year	567,348	436,663
Between 1 and 5 years	2,111,777	1,645,783
After more than 5 years	4,414,536	5,845,861
	<u>7,093,661</u>	<u>7,928,307</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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 Academies Financial 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 entered into a partnership agreement with Weston Favell church of England Primary School. During the period the Academy Trust invoiced Weston Favell Church of England Primary School £96,622 (2019 - £81,021) and was invoiced £103,084 (2019 - £141,396) by Weston Favell Church of England Primary School. At 31 August 2020 the Academy Trust owed Weston Favell Church of England Primary School £Nil (2019 - £7,610).

One of the Academy Trust's trustees, T Rees, is part of the senior team of Ambition Institute, Executive Director of School Leadership. During the period the Academy Trust invoiced Ambition Institute £1,440 (2019 - £Nil) and was invoiced £30,580 (2019 - £Nil) by Ambition Institute. At 31 August 2020 the Academy Trust owed Ambition Institute £Nil (2019 - £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.