

**NORTHGATE PRIMARY SCHOOL TRUST**

**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

# NORTHGATE PRIMARY SCHOOL TRUST

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## NORTHGATE PRIMARY SCHOOL TRUST

### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Members</b>	Mrs S Cran Mr R Newman (appointed 3 September 2021) Mr B Neill Mr G Young (resigned 13 October 2020) Mr L Foote Mr M Hooker
<b>Trustees</b>	Mrs S Cran, Community Mrs C Bull, Staff Ms R Fraser, Parent Mrs V Smith, Parent Mr B Neill, Parent (resigned 1 September 2021) Mr P Norton, Parent Mrs J Tanner, Headteacher Mrs E Toker-Turnalar, Community Mr L Foote, Chair of Trustees Mrs C Waltham, Community Mr P Baxter (appointed 3 September 2021) Mrs L Grant (appointed 3 September 2021) Mrs L Dormandy (resigned 31 August 2021)
<b>Company registered number</b>	08128432
<b>Company name</b>	Northgate Primary School Trust
<b>Registered and principal office</b>	Northgate Primary School Trust Cricketfield Lane Bishop's Stortford Hertfordshire CM23 2RL
<b>Company Secretary</b>	Mrs K Morris
<b>Chief Executive Officer</b>	Mrs J Tanner
<b>Senior Leadership Team</b>	Mrs J Tanner, Headteacher Mrs J Lane, Business Manager (resigned 28/02/2021) Mrs K Jones, Deputy Head Mrs K Morris, Business Manager (appointed 01/02/2021) Mrs C Clynes, Assistant Head
<b>Independent Auditors</b>	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

**NORTHGATE PRIMARY SCHOOL TRUST**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**Bankers**

National Westminster Bank Plc  
7 North Street  
Bishops Stortford  
CM23 2LE

## **NORTHGATE PRIMARY SCHOOL TRUST**

### **TRUSTEES' REPORT FOR THE PERIOD ENDED 31 AUGUST 2021**

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Northgate Primary School Trust (the Academy, The Trust or the Charitable Company) for the year ended 31 August 2021. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates a School for pupils aged 3 – 11 serving a catchment area in Bishop's Stortford, Hertfordshire. It has a pupil capacity of 480 and had a roll of 457 in the 2020 school census.

#### **Structure, Governance and Management**

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is known as Northgate Primary School Trust (the School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

#### **Members' Liability**

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

#### **Trustees and Officers' Indemnities**

In September 2019 the Trust opted into an independent insurance scheme through Zurich. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and covers up to £25,000,000. This cover includes a Trustees liability indemnity of £5,000,000.

#### **Method of Recruitment and Appointment or Election of Trustees**

The Members of the Academy may appoint up to seven Trustees in addition to the Headteacher and Local Authority Trustees. The Members also appoint Staff Trustees who are nominated by the Academy staff together with a minimum of two Parent Trustees who have been elected by the parents of the registered pupils at the School. Trustees are subject to retirement after 4 years of service but are eligible for re-appointment or re-election at the end of their term of office.

The arrangements are as set out in the Articles of Association and Funding Agreement.

Trustees are appointed for a fixed term. The Headteacher is an ex officio member of the Governing Body. Parent Trustees and the Staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election.

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

All Trustees are given the opportunity to attend training sessions. During the 2020/21 academic year the Trustees have been provided with literature covering the main elements of the position, including the legal framework and Trustee responsibilities. Each year all members of the Board of Trustees (the Governing Body) are offered updates on relevant issues and changes in legislation etc. The topics covered are regularly reviewed to ensure that Trustees are kept up to date as far as possible. Access to training is available through Hertfordshire County Council through a service agreement, The National Governors Association, The Key for School Governors and Balance Educational Consultancy.

Trustees are appointed based on the skills that they bring to the Governing Body or based on a proposal to them by representative groups. On appointment, Trustees receive an induction letter on the role and responsibilities of Trustees.

## **NORTHGATE PRIMARY SCHOOL TRUST**

### **TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2021**

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training to enable them to perform their role effectively. The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the School and a chance to meet staff and pupils. All new Trustees are entitled to an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chair of Trustees and Headteacher or Deputy Headteacher. All Trustees have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documentation that they will need to undertake their role as Trustees. One Trustee is designated as the Trustee Development Coordinator and they are responsible for overseeing training and development needs. Trustees also undertake to make regular visits to the School to improve their understanding and to offer guidance and support when appropriate and safe to do so.

#### **Organisational Structure**

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Governing Body, which meets on at least 5 occasions per year and each individual sub-committee at least 5 times per year, is responsible for the strategic direction of the Academy. The Governing Body reviews progress towards educational objectives and results; has monthly budget meetings, approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with the School Improvement Partner, and reviews them.

All Trustees are members of the Governing Body. In addition Trustees are members of at least one sub-committee.

Throughout the year the Resources Committee (Finance and Property) has met on 6 occasions, however two Governors, including the Chair of Resources Committee (who has an accounting background), hold regular budget and review meeting with the Accounting Officer and Chief Financial Officer to ensure that full responsibility for monitoring, evaluating and reviewing policy and performance in relation to financial management is adhered to. Due to changing Covid restrictions, Governor meetings have been a mixture of face to face and online through the year. All Governors are also informed when the monthly paperwork is uploaded to the online portal and available for review. The Resources Committee also ensures compliance with reporting and regulatory requirements, receiving reports from the Internal Auditor and drafting the annual budget following input from the other-sub-committees. During this financial year the Resources Committee also assumed the role of Audit Committee.

The Headteacher is the designated Accounting Officer and has overall responsibility for the day-to-day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy supported by a Senior Leadership Team (SLT). The SLT meets frequently (usually fortnightly) to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Governing Body as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

#### **Arrangements for Setting Pay and Remuneration of Key Management Personnel**

Key management personnel includes Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration are approved initially by the HR and Resources Committees and ratified by the Governing Body.

## NORTHGATE PRIMARY SCHOOL TRUST

### TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2021

#### Related Parties and Other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Governing Body being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Members or Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required.

The Trust does not have a formal sponsor but cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- Birchwood Sports Partnership.
- Birchwood High School (Accelerated Maths).
- Herts and Essex High School (Building a Primary / Secondary Partnership).
- Catalyst Teaching Alliance.
- Bishop's Stortford Primary Consortium
- Bishop's Stortford Education Partnership

#### Objectives and Activities

##### Objects and Aims

The principal object and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of all abilities between the ages of 3 and 11, focusing on the ethos of the School, 'Every Child, Every Chance, Every Day'.

##### Objectives, Strategies and Activities

Objectives and strategies for the 2020-21 academic year were as follows:

- To improve attainment and progress in KS2
- To develop a quality sequenced curriculum in Foundation subjects
- To further develop high quality assessment across the curriculum
- To improve progress in KS2 maths and writing and to close the gap with other pupils (SEN & Pupil Premium) and to develop the teaching of early maths
- To develop high quality teaching and learning in computing
- To develop an understanding of the development of the skills behind learning powers
- To reduce incidents of low level behaviour
- To share best practice within School and beyond
- To continue to develop School strategies to support the wellbeing of staff and pupils

##### Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

## NORTHGATE PRIMARY SCHOOL TRUST

### TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2021

#### Strategic report

##### Achievements and Performance

The Trust continues to ensure all pupils achieve their potential, so they can attain highly in national examinations, and have the opportunities to be immersed in an inspiring curriculum, while encouraging a wide range of extra-curricular activities.

This year has again been a very challenging due to the impact of Covid-19 but the School leadership and staff have done an amazing job teaching on line as well as bring the children back into the school as restrictions allowed. The following actions were implemented to minimise the impact of Covid-19 on the children's learning:

- Online teaching when required, included real time video teaching by the class teachers as well as online small group working with both class teachers and teaching Assistants were implemented. Specialist teaching of music was provided live and French through recorded lessons.
- Timetable and staffing adaptation for teaching in 'bubbles' were made quickly and effectively.
- A strong focus was put on pupil wellbeing both online and when in School, including the use of additional interventions, resources, and assessment tools.
- When in School, formative and summative assessment were used to identify gaps, particularly in maths and writing, and the results of these used to adapt teaching accordingly.
- Catch up funding was allocated based on gaps identified by the assessment and accelerated progress has been made in closing these gaps.
- Theme days were targeted to help cover the gaps in the foundation subjects.
- No national assessments were completed this year so no data was submitted.

##### Key Performance Indicators

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2020/21 were 457 against a forecast of 469.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2020/21 this was 85% against set parameters of 80 - 85%. The Trustees are confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures which are all approved by the Governing Body.

The Resources Committee also monitors premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

##### Going Concern

After making appropriate enquiries, the Governing Body 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.

In making this statement the Board of Trustees have taken into due consideration the effects upon the Trust of the COVID-19 pandemic, the partial closure of the School during the period and the changes in practices introduced from the 2020 Autumn term.

Further consideration on the Trust's ability to continue as a going concern as a result of the COVID-19 pandemic can be found in Note 1.3.



## **NORTHGATE PRIMARY SCHOOL TRUST**

### **TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2021**

#### **Financial Review**

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2021 the Trust received £1,949,673 of GAG and other income (excluding capital funding). A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £2,046,819 on general running costs (excluding depreciation). The Academy brought forward from 2019/20, £21,651 restricted funds and £41,759 unrestricted funding. The carry forward for 2020/21 is £3,113 restricted funding and £62,648 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £1,210,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

#### **Reserves Policy**

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure or to cover any shortfall from cash reserves. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £62,648. This has been built up from a mixture of locally raised income and balances transferred from the predecessor School.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2021 was £65,761.

The cash balance has been very healthy all year, ending the year with a balance of £221,292. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the committee / Business Manager reports and attempt to hold a minimum of £100,000 to cover short term cash flow variances.

#### **Investment Policy**

Investment policy and procedure form part of the Academies Financial Regulations (section 11.2) which was approved by the Governing Body on 13th October 2020. The aim of the procedures is to ensure funds that the Academy does not immediately need to cover anticipated expenditure with are invested in such a way as to maximise the Academy's income but with minimal risk. The aim is to research and monitor where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

#### **Principal Risks and Uncertainties**

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Resources Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

## NORTHGATE PRIMARY SCHOOL TRUST

### TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2021

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored, and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- School closure due to Government restrictions (Covid 19) and impact of education on pupils. This situation continues to be reviewed and monitored, systems have been put in place by the Headteacher to enable effective home learning if this were to happen again.
- The Academy has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Academy is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Academy has appointed Price Bailey (external Auditors) and Juniper Financial Services (Internal Auditors) to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

#### **Plans for future periods**

##### **Effectiveness of Leadership**

- To develop high quality coaching and mentoring to support the rapid development of quality teaching

##### **Quality of Education**

- To decrease the attainment gap that has been established as a result of Covid restriction
- To improve attainment in reading, writing and maths for SEN and Pupil Premium pupils
- To further develop high quality teaching in foundation subjects across the School

##### **Personal Development, behaviour and welfare**

- To further develop quality wellbeing support within the School

## NORTHGATE PRIMARY SCHOOL TRUST

### TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2021

#### Behaviour and attitudes

- To reduce incidents of low level behaviour issues.
- To further develop the core value 'Respect' including with of diversity

#### Effectiveness of Early Years Provision

- To embed the new curriculum through high quality indoor and outdoor learning
- To develop high quality assessments linked to the new curriculum, which are reflected in Learning Journeys and classroom practice

#### Fundraising

The Trust has a Parent Association that holds small fundraising events during the year. This has been severely affected by Covid-19, they have continued to raise some money via the 250 club, but all other events were cancelled. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

#### Funds Held as Custodian Trustee on Behalf of Others

The Trust does not currently hold funds on behalf of others.

#### Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees, on  
18 Dec 2021 and signed on its behalf by:



L Foote (Dec 18, 2021, 7:03am)

**Mr L Foote**  
Chair of Trustees

## NORTHGATE PRIMARY SCHOOL TRUST

### GOVERNANCE STATEMENT

#### Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Northgate Primary School Trust and the Secretary of State for Education. The Accounting Officer and chief financial officer 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 period.

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

Trustee	Meetings attended	Out of a possible
Mrs S Cran, LEA	7	7
Mrs C Bull, Staff	6	7
Ms R Fraser, Parent	7	7
Mrs V Smith, Parent	5	7
Mr B Neill, Parent	1	7
Mr P Norton, Parent	7	7
Mrs J Tanner, Headteacher	7	7
Mrs E Toker-Turnalar, Community	3	7
Mr L Foote, Chair of Trustees, Community	7	7
Mrs C Waltham, Community	6	7
Mr P Baxter	0	0
Mrs L Grant	0	0
Mrs L Dormandy, Community	5	7

Review of year:

Following the appointment of the new chair Mr Laurence Foote, 2020/21 has been a relatively stable year for the Governing Body. Recruitment for the replacement of Mr D Clarke, the lawyer on the Board who resigned at the end of 2019/20, has been impacted by COVID-19. Mrs Lucy Dormandy also resigned at the end of 2020/21.

Whilst the impact of COVID-19 disruption continued in 2020/21, the Governing Body are confident in the meetings held via zoom to ensure safeguarding, policy implementation and effective oversight during this pandemic.

Governance reviews:

Training did not take place due to Covid lockdown period. An extraordinary meeting took its place in order that the Headteacher could update the Board of Trustees with developments in Home Learning during the period of enforced school closure.

## NORTHGATE PRIMARY SCHOOL TRUST

### GOVERNANCE STATEMENT (CONTINUED)

#### Governance (continued)

##### Committees

The Resources Committee is a sub-committee of the Board of Trustees. Its purpose is to provide critique and support to the SLT & Board of Trustees in the setting and execution of the School financial plan and associated risk management ensuring sound budgeting practises are deployed to enable execution of the School Development Plan.

Monthly resources meetings with a Resources Governor have strengthened financial proceedings. Key challenges continue to be delivering a balanced budget, with continued limited funding and increased staffing costs.

The Resources Committee, via a sub-committee fulfills the role of an Audit Committee. When Audit Committee is in session, the meeting is chaired by the Audit Committee Chair, who is not the Resources Committee Chair.

Attendance during the period at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J Tanner	6	6
Mrs S Cran	5	6
Mr B Neill	1	6
Mrs V Smith	4	6
Mr L Foote	6	6
Mr P Norton	5	6

##### Review of value for money

As Accounting Officer, the Headteacher 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 Accounting Officer has delivered improved value for money during the year by applying the four principles of Best Value as follows:

- Challenge
- Compare
- Consult
- Compete

These principles are applied in the following ways:

- Allocation of resources to best promote the aims and values of the Academy.
- Targeting of resources to best improve standards and the quality of provision.
- Use of resources to best support the various educational needs of all pupils.
- Making comparisons with other/similar academies using data provided by the Government, e.g. RAISE, quality of teaching & learning, levels of expenditure.
- Challenging proposals, examining them for effectiveness, efficiency, and cost, e.g. setting of annual pupil achievement targets.
- Requiring suppliers to compete on grounds of cost, quality and suitability of service, product and backup, e.g. provision of computer suite, redecoration, seeking quotes for minor supplies and services
- Investigating minor areas where few improvements can be achieved.

## NORTHGATE PRIMARY SCHOOL TRUST

### GOVERNANCE STATEMENT (CONTINUED)

#### Review of value for money (continued)

Best Value will be monitored by way of:

- In-house monitoring by the Headteacher and curriculum managers, e.g. classroom practice, work sampling
- Termly target setting meetings between the Headteacher and curriculum managers
- Annual Performance Management of all staff
- Annual Budget Planning
- Headteacher monthly financial review
- Regular meetings to review and monitor the budget and report to the Resources Committee
- Analysis of pupil performance data, e.g. SATs results, standardised test results against all academies and similar LA schools
- Benchmark data for all academies and LA schools and analyse the results
- Analysis of DfE pupil performance data, e.g. RAISE
- Ofsted Inspection reports

#### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Northgate Primary School Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the Annual Report and financial statements.

#### Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 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 Resources 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; and
- Identification and management of risks.

**NORTHGATE PRIMARY SCHOOL TRUST**

**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

The Board of Trustees has decided to employ Juniper Education as Internal Auditor.

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:

- Governance and Financial Management
- Banking
- Payroll
- Governance and Financial Reporting
- Income
- Assets
- Payroll and Expenses
- Governance and Financial Accounting
- Expenditure

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

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

**Review of effectiveness**

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

- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the school resource management self-assessment tool;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

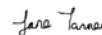
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 18 Dec 2021

and signed on their behalf by:



Mr L Foote (Dec 18, 2021, 7:03am)  
**Mr L Foote**  
Chair of Trustees



J Tanner (Dec 20, 2021, 9:57am)  
**Mrs J Tanner**  
Accounting Officer

## NORTHGATE PRIMARY SCHOOL TRUST

### STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Northgate Primary School Trust I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the 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 2020.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2020.

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.

*Jane Tanner*

J Tanner (Dec 20, 2021, 9:57am)

**Mrs J Tanner**

Accounting Officer

Date: 20 Dec 2021



## NORTHGATE PRIMARY SCHOOL TRUST

### STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE PERIOD ENDED 31 AUGUST 2021

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 2020 to 2021;
- 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 the Board of Trustees and signed on its behalf by:



Mr L Foote (Dec 18, 2021, 7:03am)

**Mr L Foote**  
Chair of Trustees

Date: 18 Dec 2021

## **NORTHGATE PRIMARY SCHOOL TRUST**

### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NORTHGATE PRIMARY SCHOOL TRUST**

#### **Opinion**

We have audited the financial statements of Northgate Primary School Trust (the 'Trust') for the period ended 31 August 2021 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 2020 to 2021 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 Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the period 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 2020 to 2021 issued by the Education and Skills Funding Agency.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

## NORTHGATE PRIMARY SCHOOL TRUST

### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NORTHGATE PRIMARY SCHOOL TRUST (CONTINUED)

#### Other information

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

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

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

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

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

#### Responsibilities of Trustees

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

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

## NORTHGATE PRIMARY SCHOOL TRUST

### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NORTHGATE PRIMARY SCHOOL TRUST (CONTINUED)

#### **Auditors' responsibilities for the audit of the financial statements**

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

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

We gained an understanding of the legal and regulatory framework applicable to the Trust and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding. The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of any large or unusual transactions to determine whether they were significant to our assessment.
- We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meetings and other relevant sub-committees of the Board such as the Finance Committee and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Trust. We assessed details of any breaches where applicable in order to assess the impact upon the Trust.
- We reviewed the risk management processes and procedures in place including a review of the Risk Register and Board Assurance Reporting and the Internal Scrutiny Reports.
- We have reviewed any correspondence with the ESFA / DfE and the procedures in place for the reporting of incidents to the Trustees including reporting of any serious incidents to the Regulator if necessary.

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

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

## NORTHGATE PRIMARY SCHOOL TRUST

### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NORTHGATE PRIMARY SCHOOL TRUST (CONTINUED)

#### Use of our Report

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



**Gary Miller (Senior Statutory Auditor)**

for and on behalf of

**Price Bailey LLP**

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

Date: 21 December 2021

## **NORTHGATE PRIMARY SCHOOL TRUST**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NORTHGATE PRIMARY SCHOOL TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 7th November 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Northgate Primary School Trust during the period 1 September 2020 to 31 August 2021 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 Northgate Primary School Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Northgate Primary School 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 Northgate Primary School Trust and ESFA, for our work, for this Report, or for the conclusion we have formed.

#### **Respective responsibilities of Northgate Primary School Trust's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirements of Northgate Primary School Trust's funding agreement with the Secretary of State for Education dated 1st August 2012 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

## NORTHGATE PRIMARY SCHOOL TRUST

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NORTHGATE PRIMARY SCHOOL TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

#### Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

#### 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 period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant  
**Price Bailey LLP**

Date: 21 December 2021

**NORTHGATE PRIMARY SCHOOL TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE PERIOD ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	52,975	16,823	168,228	238,026	274,351
Charitable activities	4	37,538	1,943,754	-	1,981,292	1,805,844
Other trading activities	5	25,958	-	-	25,958	25,424
Investments	6	30	-	-	30	393
<b>Total income</b>		<u>116,501</u>	<u>1,960,577</u>	<u>168,228</u>	<u>2,245,306</u>	<u>2,106,012</u>
<b>Expenditure on:</b>						
Charitable activities	7	95,612	2,089,115	273,372	2,458,099	2,140,976
<b>Total expenditure</b>		<u>95,612</u>	<u>2,089,115</u>	<u>273,372</u>	<u>2,458,099</u>	<u>2,140,976</u>
<b>Net movement in funds before other recognised gains/(losses)</b>		20,889	(128,538)	(105,144)	(212,793)	(34,964)
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	22	-	(280,000)	-	(280,000)	(35,000)
<b>Net movement in funds</b>		<u>20,889</u>	<u>(408,538)</u>	<u>(105,144)</u>	<u>(492,793)</u>	<u>(69,964)</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		41,759	(798,349)	3,921,041	3,164,451	3,234,415
Net movement in funds		20,889	(408,538)	(105,144)	(492,793)	(69,964)
<b>Total funds carried forward</b>		<u>62,648</u>	<u>(1,206,887)</u>	<u>3,815,897</u>	<u>2,671,658</u>	<u>3,164,451</u>

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

The notes on pages 25 to 48 form part of these financial statements.



**NORTHGATE PRIMARY SCHOOL TRUST**  
**REGISTERED NUMBER: 08128432**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	3,815,879	3,773,753
		3,815,879	3,773,753
<b>Current assets</b>			
Debtors	14	99,920	229,715
Cash at bank and in hand		221,292	138,870
		321,212	368,585
Creditors: amounts falling due within one year	15	(255,433)	(157,887)
		65,779	210,698
<b>Net current assets</b>			
		3,881,658	3,984,451
<b>Total assets less current liabilities</b>			
		3,881,658	3,984,451
<b>Net assets excluding pension liability</b>			
Defined benefit pension scheme liability	22	(1,210,000)	(820,000)
		2,671,658	3,164,451
<b>Total net assets</b>		2,671,658	3,164,451
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	16	3,815,897	3,921,041
Restricted income funds	16	3,113	21,651
Pension reserve	16	(1,210,000)	(820,000)
		2,609,010	3,122,692
<b>Total restricted funds</b>			
<b>Unrestricted income funds</b>	16	62,648	41,759
		2,671,658	3,164,451
<b>Total funds</b>		2,671,658	3,164,451

The financial statements on pages 22 to 48 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr L Foote (Dec 18, 2021, 7:03am)  
Chair of Trustees

Date: 18 Dec 2021

**NORTHGATE PRIMARY SCHOOL TRUST**

**STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	18	70,452	(133,242)
<b>Cash flows from investing activities</b>	19	11,970	110,017
<b>Change in cash and cash equivalents in the period</b>		82,422	(23,225)
Cash and cash equivalents at the beginning of the period		138,870	162,095
<b>Cash and cash equivalents at the end of the period</b>	20, 21	<u>221,292</u>	<u>138,870</u>

The notes on pages 25 to 48 from part of these financial statements

## NORTHGATE PRIMARY SCHOOL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

#### 1. Accounting policies

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.

##### 1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### 1.2 Company status

The Trust is a Company limited by guarantee. The Members of the Company are named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Trust's registered office is Northgate Primary School, Cricketfield Lane, Bishop's Stortford, CM23 2RL.

##### 1.3 Going concern

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

The Trust derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Trust can continue operating for a period of at least 12 months following the date of this Report. The financial statements do not contain any adjustments that would be required if the Trust were not able to continue as a going concern.

## NORTHGATE PRIMARY SCHOOL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

#### 1. Accounting policies (continued)

##### 1.4 Income

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

- **Grants**

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

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

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

- **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.

##### 1.5 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.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

##### 1.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

## NORTHGATE PRIMARY SCHOOL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

#### 1. Accounting policies (continued)

##### 1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

##### 1.8 Taxation

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

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

##### 1.9 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Long term leasehold land	- Straight line basis over the duration of the lease
Long term leasehold property	- 50 years straight line
Furniture and equipment	- 5 years straight line
Computer equipment	- 3 years 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.

##### 1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## NORTHGATE PRIMARY SCHOOL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

#### 1. Accounting policies (continued)

##### 1.12 Liabilities

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

##### 1.13 Financial instruments

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

Financial Assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial Liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in 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.

##### 1.14 Operating leases

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

##### 1.15 Pensions

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

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

## NORTHGATE PRIMARY SCHOOL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

#### 1. Accounting policies (continued)

##### 1.15 Pensions (continued)

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

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

##### 1.16 Fund accounting

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

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

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

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

#### 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 Trustees make 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 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
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**3. Income from donations and capital grants**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	52,975	16,823	-	69,798	118,012
Capital grants	-	-	168,228	168,228	156,339
<b>Total 2021</b>	52,975	16,823	168,228	238,026	274,351
Total 2020	103,650	14,362	156,339	274,351	

In 2020, income from donations was £118,012 of which £103,360 was unrestricted and £14,362 restricted.

In 2020, capital grants of £156,339 were in relation to restricted fixed assets.



**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**4. Funding for the Trust's provision of education**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 as restated £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	1,563,750	1,563,750	1,400,958
Other DfE/ESFA grants				
Rates Relief	-	7,987	7,987	7,619
Pupil Premium	-	31,762	31,762	25,980
PE & Sports Grant	-	19,590	19,590	19,610
UIFSM	-	74,726	74,726	72,844
Teacher Pay Grant	-	22,273	22,273	86,059
Teacher Pension Grant	-	62,930	62,930	-
	-	-	1,783,018	1,613,070
<b>Other Government grants</b>				
Local Authority Grants	-	125,836	125,836	144,632
	-	125,836	125,836	144,632
<b>Catering Income</b>	37,538	-	37,538	48,142
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Covid 19 catch up funding	-	34,900	34,900	-
	-	34,900	34,900	-
<b>Total 2021</b>	<b>37,538</b>	<b>1,943,754</b>	<b>1,981,292</b>	<b>1,805,844</b>
Total 2020	48,142	1,757,702	1,805,844	

In 2020, income from DfE/ESFA grants was £1,613,070 of which all was restricted.

In 2020, income from other Government grants was £144,632 of which all was restricted.

In 2020, income from catering was £48,142 of which all was unrestricted.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the Trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**5. Other trading activities**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	25,958	25,958	24,964
Other income	-	-	460
<b>Total 2021</b>	<b>25,958</b>	<b>25,958</b>	<b>25,424</b>
Total 2020	25,424	25,424	

In 2020, rental income was £24,964 of which all was unrestricted.

In 2020, other income was £460 all of which was unrestricted.

**6. Investment income**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	30	30	393
Total 2020	393	393	

In 2020, all investment income was in relation to unrestricted funds.

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**7. Expenditure**

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Provision of Education:					
Direct costs	1,514,342	-	168,085	1,682,427	1,584,676
Support costs	157,409	385,956	232,307	775,672	556,300
<b>Total 2021</b>	<u>1,671,751</u>	<u>385,956</u>	<u>400,392</u>	<u>2,458,099</u>	<u>2,140,976</u>
Total 2020	<u>1,603,115</u>	<u>181,300</u>	<u>356,561</u>	<u>2,140,976</u>	

In 2021, of the total expenditure, £95,612 (2020: £199,076) was from unrestricted funds, £2,089,115 (2020: £1,847,743) was from restricted funds and £273,372 (2020: £94,157) was from restricted fixed asset funds.

In 2020, direct expenditure consisted of £1,457,533 staff costs and £127,143 other costs.

In 2020, support expenditure consisted of £145,582 staff costs, £181,300 premises costs and £229,418 other costs.

**8. Charitable activities**

	2021 £	2020 £
Direct costs	1,658,427	1,584,676
Support costs	775,672	556,300
	<u>2,434,099</u>	<u>2,140,976</u>

**Analysis of support costs**

	2021 £	2020 £
Support staff costs	157,409	145,582
Depreciation	114,162	94,157
Technology costs	33,046	6,437
Premises costs (excluding depreciation)	259,071	87,143
Other support costs	185,445	198,165
Governance costs	26,539	24,816
	<u>775,672</u>	<u>556,300</u>

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**9. Net income/(expenditure)**

Net income/(expenditure) for the period includes:

	2021 £	2020 £
Operating lease rentals	28,619	16,593
Depreciation of tangible fixed assets	114,162	94,157
Fees paid to Auditors for:		
- audit	4,785	4,645
- other services	5,290	5,140
	233,856	215,635

**10. Staff**

**a. Staff costs**

Staff costs during the period were as follows:

	2021 £	2020 £
Wages and salaries	1,192,958	1,144,569
Social security costs	104,724	96,195
Pension costs	369,205	354,984
	1,666,887	1,595,748
Agency staff costs	4,864	7,367
	1,671,751	1,603,115

**b. Staff numbers**

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

	2021 No.	2020 No.
Teachers	23	23
Administration and support	32	26
Management	4	3
	59	52

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**10. Staff (continued)**

**c. Higher paid staff**

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

	2021 No.	2020 No.
In the band £70,001 - £80,000	1	1

**d. Key management personnel**

The key management personnel of the 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 Trust was £328,308 (2020 - £337,585).

Included in the above are employer pension contributions of £57,265 (2020 - £59,438) and employer National Insurance Contributions of £27,437 (2020 - £27,909)

**11. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2021 £	2020 £
Mrs J Tanner, Headteacher	Remuneration	70,000 - 75,000	70,000 - 75,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
Mrs C Bull, Staff	Remuneration	35,000 - 40,000	35,000 - 40,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Mrs S Cran	Remuneration	0 - 5,000	
	Pension contributions paid	0 - 5,000	

During the period ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

**12. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2021 is included in the total insurance cost.

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**13. Tangible fixed assets**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	4,261,000	167,653	125,438	4,554,091
Additions	-	156,288	-	156,288
At 31 August 2021	4,261,000	323,941	125,438	4,710,379
<b>Depreciation</b>				
At 1 September 2020	575,954	99,566	104,818	780,338
Charge for the period	71,252	35,511	7,399	114,162
At 31 August 2021	647,206	135,077	112,217	894,500
<b>Net book value</b>				
At 31 August 2021	3,613,794	188,864	13,221	3,815,879
At 31 August 2020	3,685,046	68,087	20,620	3,773,753

**14. Debtors**

	2021 £	2020 £
Trade debtors	11,023	1,558
VAT recoverable	20,191	15,544
Prepayments and accrued income	68,706	212,613
	99,920	229,715

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**15. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	22,802	46,850
Other taxation and social security	25,724	19,984
Other creditors	31,121	28,155
Accruals and deferred income	175,786	62,898
	<u>255,433</u>	<u>157,887</u>
	2021 £	2020 £
Deferred income at 1 September 2020	48,362	43,718
Resources deferred during the period	45,752	48,362
Amounts released from previous periods	(48,362)	(43,718)
	<u>45,752</u>	<u>48,362</u>

Resources deferred at the year ended 31 August 2021 relate to contributions towards rates relief and Universal Infant Free School Meal income.

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**16. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
Unrestricted funds	41,759	116,501	(95,612)	-	-	62,648
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	1,563,750	(1,563,750)	-	-	-
Other DfE/ESFA	-	202,816	(199,703)	-	-	3,113
Restricted trip donations	-	16,823	(16,823)	-	-	-
Other Government grants	-	125,836	(125,836)	-	-	-
Pupil Premium	20,747	31,762	(52,509)	-	-	-
Sports grant	904	19,590	(20,494)	-	-	-
Pension reserve	(820,000)	-	(110,000)	-	(280,000)	(1,210,000)
	<u>(798,349)</u>	<u>1,960,577</u>	<u>(2,089,115)</u>	<u>-</u>	<u>(280,000)</u>	<u>(1,206,887)</u>
<b>Restricted fixed asset funds</b>						
CIF	147,288	159,210	(159,210)	(147,288)	-	-
Restricted fixed asset funds	3,773,753	-	(114,162)	156,288	-	3,815,879
DFC	-	9,018	-	(9,000)	-	18
	<u>3,921,041</u>	<u>168,228</u>	<u>(273,372)</u>	<u>-</u>	<u>-</u>	<u>3,815,897</u>
<b>Total Restricted funds</b>	<u>3,122,692</u>	<u>2,128,805</u>	<u>(2,362,487)</u>	<u>-</u>	<u>(280,000)</u>	<u>2,609,010</u>
<b>Total funds</b>	<u><u>3,164,451</u></u>	<u><u>2,245,306</u></u>	<u><u>(2,458,099)</u></u>	<u><u>-</u></u>	<u><u>(280,000)</u></u>	<u><u>2,671,658</u></u>



## NORTHGATE PRIMARY SCHOOL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

#### 16. Statement of funds (continued)

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

##### **Pupil Premium**

This funding is to be used to raise achievement and improve the attainment of disadvantaged children who are eligible for free school meals.

##### **Sports grant**

This represents funds received from ESFA for the support of sport activities within the School.

##### **Other Government grants**

This represents various small grants from local and national Government bodies for the provision of specific services to pupils of the School including SEN, SEYFF and UIFSM.

##### **Restricted trips donations**

This represents contributions made by parents to the running of educational visits for the pupils of the School and the associated costs of running the trips.

##### **Pension reserve**

This fund represents the Trustee's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Trust on conversion from a state controlled school.

##### **Restricted fixed assets fund**

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

##### **Condition Improvement Fund (CIF)**

This represents a grant received toward a specific building or maintenance project. Any funds left unspent must be returned to the DfE.

£147,288 was transferred to the restricted fixed asset fund to represent the value of fixed assets purchased using condition improvement funding.

##### **Devolved Formula Capital (DFC)**

The Trust is to use the DFC allocation to maintain and improve its buildings & facilities.

##### **General Annual Grant (GAG)**

This represents funding from the ESFA to be used for the normal running costs of the Trust, including education and support costs.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

##### **Other DfE/ESFA**

This represents funding for specific restricted activities as prescribed by the DfE/ESFA.

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**16. Statement of funds (continued)**

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General Funds - all funds	63,226	177,609	(199,076)	-	-	41,759
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	1,400,958	(1,382,708)	(18,250)	-	-
Other DfE/ESFA	-	166,522	(166,522)	-	-	-
Restricted trip donations	-	14,362	(14,362)	-	-	-
Other Government grants	23	145,840	(145,863)	-	-	-
Pupil Premium	7,126	24,772	(11,151)	-	-	20,747
Sports grant	4,431	19,610	(23,137)	-	-	904
Pension reserve	(681,000)	-	(104,000)	-	(35,000)	(820,000)
	<u>(669,420)</u>	<u>1,772,064</u>	<u>(1,847,743)</u>	<u>(18,250)</u>	<u>(35,000)</u>	<u>(798,349)</u>
<b>Restricted fixed asset funds</b>						
CIF	-	147,288	-	-	-	147,288
Restricted fixed asset funds	3,821,195	-	(94,157)	46,715	-	3,773,753
Other capital grants	17,477	-	-	(17,477)	-	-
DFC	1,937	9,051	-	(10,988)	-	-
	<u>3,840,609</u>	<u>156,339</u>	<u>(94,157)</u>	<u>18,250</u>	<u>-</u>	<u>3,921,041</u>
<b>Total Restricted funds</b>	<u>3,171,189</u>	<u>1,928,403</u>	<u>(1,941,900)</u>	<u>-</u>	<u>(35,000)</u>	<u>3,122,692</u>
<b>Total funds</b>	<u><u>3,234,415</u></u>	<u><u>2,106,012</u></u>	<u><u>(2,140,976)</u></u>	<u><u>-</u></u>	<u><u>(35,000)</u></u>	<u><u>3,164,451</u></u>

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	3,815,879	3,815,879
Current assets	62,648	258,546	18	321,212
Creditors due within one year	-	(255,433)	-	(255,433)
Provisions for liabilities and charges	-	(1,210,000)	-	(1,210,000)
<b>Total</b>	<u>62,648</u>	<u>(1,206,887)</u>	<u>3,815,897</u>	<u>2,671,658</u>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	3,773,753	3,773,753
Current assets	41,759	179,538	147,288	368,585
Creditors due within one year	-	(157,887)	-	(157,887)
Provisions for liabilities and charges	-	(820,000)	-	(820,000)
<b>Total</b>	<u>41,759</u>	<u>(798,349)</u>	<u>3,921,041</u>	<u>3,164,451</u>

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

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

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(212,793)	(34,964)
<b>Adjustments for:</b>		
Depreciation	114,162	94,157
Capital grants from DfE and other capital income	(168,228)	(156,339)
Interest receivable	(30)	(393)
Defined benefit pension scheme finance cost	110,000	104,000
Decrease/(increase) in debtors	129,795	(162,262)
Increase in creditors	97,546	22,559
<b>Net cash provided by/(used in) operating activities</b>	<b>70,452</b>	<b>(133,242)</b>

**19. Cash flows from investing activities**

	2021 £	2020 £
Interest receivable	30	393
Purchase of tangible fixed assets	(156,288)	(46,715)
Capital grants from DfE Group	168,228	156,339
<b>Net cash provided by investing activities</b>	<b>11,970</b>	<b>110,017</b>

**20. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	221,292	138,870
<b>Total cash and cash equivalents</b>	<b>221,292</b>	<b>138,870</b>

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**21. Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	138,870	82,422	221,292
	<u>138,870</u>	<u>82,422</u>	<u>221,292</u>

## NORTHGATE PRIMARY SCHOOL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

#### 22. Pension commitments

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

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

Contributions amounting to £31,042 were payable to the schemes at 31 August 2021 (2020 - £27,972) and are included within creditors.

#### 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; and
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £187,538 (2020 - £175,487).

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

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

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**22. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2021 was £111,000 (2020 - £112,000), of which employer's contributions totalled £88,000 (2020 - £90,000) and employees' contributions totalled £ 23,000 (2020 - £22,000). The agreed contribution rates for future years are 21.1 per cent for employers and 5.5 - 12.5% per cent for employees.

As described in note 1.15 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

**Principal actuarial assumptions**

	2021	2020
	%	%
Rate of increase in salaries	3.3	2.6
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7
Inflation assumption (CPI)	2.9	2.2
RPI	3.9	3.2
	3.9	3.2

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

	2021	2020
	Years	Years
Retiring today		
Males	22.1	21.9
Females	24.5	24.1
Retiring in 20 years		
Males	23.2	22.8
Females	26.2	25.5
	26.2	25.5

**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**22. Pension commitments (continued)**

As at 31 August 2021 the Trust had a pension liability of £1,210,000 (2020 - £820,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined obligation in the following way:

**Sensitivity analysis**

	2021 £000	2020 £000
Discount rate +0.1%	(56)	(60)
Discount rate -0.1%	56	60
Mortality assumption - 1 year increase	112	17
Mortality assumption - 1 year decrease	(112)	(17)
CPI rate +0.1%	56	51
CPI rate -0.1%	(56)	(51)
	<u>          </u>	<u>          </u>

**Share of scheme assets**

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

	2021 £	2020 £
Equities	844,000	697,000
Other bonds	461,000	461,000
Property	175,000	119,000
Cash and other liquid assets	111,000	40,000
<b>Total market value of assets</b>	<u>1,591,000</u>	<u>1,317,000</u>

The actual return on scheme assets was £179,000 (2020 - £42,000).

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

	2021 £	2020 £
Current service cost	(183,000)	(181,000)
Interest income	23,000	22,000
Interest cost	(38,000)	(35,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<u>(198,000)</u>	<u>(194,000)</u>



**NORTHGATE PRIMARY SCHOOL TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2021**

**22. Pension commitments (continued)**

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

	2021 £	2020 £
<b>At 1 September</b>	2,137,000	1,859,000
Interest cost	38,000	35,000
Employee contributions	23,000	22,000
Actuarial losses	436,000	55,000
Benefits paid	(16,000)	(15,000)
Current service cost	183,000	181,000
<b>At 31 August</b>	<u>2,801,000</u>	<u>2,137,000</u>

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

	2021 £	2020 £
<b>At 1 September</b>	(1,317,000)	(1,178,000)
Interest income	(23,000)	(22,000)
Actuarial losses	(156,000)	(20,000)
Employer contributions	(88,000)	(90,000)
Employee contributions	(23,000)	(22,000)
Benefits paid	16,000	15,000
<b>At 31 August</b>	<u>(1,591,000)</u>	<u>(1,317,000)</u>

**23. Operating lease commitments**

At 31 August 2021 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	13,156	13,156
Later than 1 year and not later than 5 years	44,561	52,625
Later than 5 years	10,184	15,276
	<u>67,901</u>	<u>81,057</u>

## NORTHGATE PRIMARY SCHOOL TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 AUGUST 2021

#### 24. Members' liability

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

#### 25. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The partner of member Mr M Hooker is employed by the Trust as a Teaching Assistant. The remuneration package is in line with the standard payscales for the role undertaken and their employment contract is subject to normal terms and conditions.

No other related party transactions took place in the period of account, other than certain Trustee's remuneration and expenses already disclosed in note 11 (2020 - £NIL).