

**REGISTERED COMPANY NUMBER: 10605768 (England and Wales)**

Trustees' Report and  
Financial Statements for the Year Ended 31st August 2019  
for

Weaver Trust Limited  
(A Company Limited by Guarantee)

UHY Hacker Young  
St John's Chambers  
Love Street  
Chester  
Cheshire  
CH1 1QN

Contents of the Financial Statements  
for the Year Ended 31st August 2019

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Weaver Trust Limited

Reference and Administrative Details  
for the Year Ended 31st August 2019

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**MEMBERS**

J D Stannard CBE  
M J Cladingbowl  
D L Wright  
M Jackson

**TRUSTEES**

M Jackson (Chairman)  
T G Pettit (resigned 5.10.18)  
A S Williams (Executive Head & Accounting Officer)  
D L Wright  
J M Field  
I Burnett  
C Ridge (appointed 24.1.19)  
M Francis (appointed 24.1.19)  
J Haydon (appointed 15.3.19)

**COMPANY SECRETARY**

Oliver & Co Secretarial Services Limited

**SENIOR MANAGEMENT TEAM**

A J S Lawson (Headteacher)  
A S Williams (CEO & Accounting Officer)

**REGISTERED OFFICE**

Barnton Community Primary School  
Townfield Lane  
Barnton  
Northwich  
Cheshire  
CW8 4QL

**REGISTERED COMPANY NUMBER**

10605768 (England and Wales)

**AUDITORS**

UHY Hacker Young  
St John's Chambers  
Love Street  
Chester  
Cheshire  
CH1 1QN

**BANKERS**

Lloyds Bank Plc  
76-78 Stamford New Road  
Altrincham  
WA14 1BS

**SOLICITORS**

Oliver & Co  
117 Foregate Street  
Chester  
Cheshire  
CH1 1HE

Trustees' Report  
for the Year Ended 31st August 2019

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st August 2019. The trustees have adopted the provisions of 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) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The trust operates 2 primary academies in Cheshire. Its academies have a combined pupil capacity of 630 (excluding Nursery provision) and had a roll of 523 in the school census on 6th May 2019.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

#### **Our Aims**

Weaver Trust is a charitable multi-academy trust specialising in primary academies. We are building a thriving community of schools including converter and sponsored primary academies that succeed on behalf of their children. We bring an understanding of the unique role of successful primary education as a pre-requisite for even greater success at secondary school level.

We will aim to maintain a group of exceptional primary academies that is uncompromising in drive and commitment to sharing best practice, with our overarching aim being outstanding personal success.

Our mission is to ensure 'excellent practice for excellent outcomes'.

Our vision is that Weaver Trust will:

- Engage pupils in learning, through motivational teaching and irresistible opportunities
- Empower children with a tangible sense of purpose and ambition for better life chances
- Achieve excellent outcomes for pupils, staff and communities

Our vision is underpinned by the following values:

- Innovative - providing a curriculum packed with creative learning opportunities in and beyond the classroom, encouraging questioning minds
- Responsible - developing a sense of responsibility for ourselves, as independent learners, for our community and our world
- Caring - ensuring a nurturing and considerate approach to all in our trust, developing self-belief and resilience in every child to allow each to achieve their full potential

#### **Our Objectives**

Our objectives are set to reflect the educational aims and ethos of the Trust.

Our key objectives for the coming year include:

To build a thriving community of schools, including converter and sponsored primary academies, which succeed on behalf of their children.

To bring an understanding of the unique role of successful primary education as a pre-requisite for even greater success at secondary school level.

To develop a group of exceptional primary academies that is uncompromising in drive and commitment to sharing best practice, with our overarching aim being outstanding personal success.

To maintain a family of autonomous schools that is uncompromising in its search for excellence.

#### **For children**

A wholly inclusive approach, developing self-belief and resilience in every child, to allow each to achieve their full potential

#### **For schools**

Appreciating the unique nature of partner schools, sharing best practice and promoting the highest levels of academic outcomes for all, so that the Trust as a whole is greater than the sum of its parts

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

#### **For teachers**

Valuing the 'teacher' - any adult working with children, including governors and parents as well as all the professional staff - together, we are committed to creating an inspiring environment with amazing opportunities to ensure every child achieves their full potential

#### **For Success**

Schools can succeed anywhere and we are committed to ensuring the very best outcomes for children in our trust, excellent practice for excellent outcomes.

#### **Public benefit**

In setting our objectives our trustees have given careful consideration to the Charity Commission's public benefit guidance.

The trust strives to promote and support the advancement of education within the local area. The school provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport. For example, the school works with specialists to provide bespoke approaches to music and the arts, sports coaches for the enhancement and breath of sports provided and charities, with pupils and staff undertaking voluntary work.

Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities.

For example:

- Local sports clubs
- After school activities
- Third parties i.e. Community Band, Brownie Groups.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

**STRATEGIC REPORT**

**Achievement and performance**

*Charitable activities*

In the academic year 2018 / 2019, KS2 data for 2018 (ASP) shows that attainment remains at least well above the national average for all measures. This is remarkable for both schools in the Trust. However, for one of our schools this is a huge achievement given that historically attainment has never been so high.

Progress measures too are remarkable and are reflective of the highest of aspirations we have for children in our Trust and testament to the curriculum taught by skilled staff.

**2018 Trust Summary Data**

	<u>Good Level of Development</u>	<u>Good Level of Development</u>	
<u>Year Group</u>	<u>Barnton</u>	<u>Grange</u>	
Reception	65%	60%	
	<u>Phonics</u>	<u>Phonics</u>	
<u>Year Group</u>	<u>Barnton</u>	<u>Grange</u>	
Year 1	86%	70%	
	<u>Reading</u>	<u>Writing</u>	<u>Maths</u>
<u>Year Groups</u>	<u>Barnton / Grange</u>	<u>Barnton / Grange</u>	<u>Barnton / Grange</u>
Year 2 / ARE	77% / 68%	74% / 68%	76% / 64%
Year 2 / GDS	27% / 18%	15% / 14%	27% / 14%
Year 6 / ARE	91% / 89%	80% / 83%	93% / 94%
Year 6 GDS	32% / 28%	27% / 22%	36% / 39%
	<u>Maths &amp; English Combined</u>	<u>Maths &amp; English Combined</u>	
<u>Year Group 6</u>	<u>Barnton</u>	<u>Grange</u>	
Age Related Expectations	77%	78%	
Greater Depth	20%	6%	

***Key financial performance indicators***

The Governors consider that the following are key performance indicators for the Academy Trust:

- Pupils numbers (leading directly to the Education and Skills Funding Agency ("ESFA") funding level);
- General financial stability - aim for income to match expenditure each year;
- Percentage of income received from ESFA spent on total staff costs;
- Income per pupil;
- Staff costs as a percentage of grant income;
- Staff costs as a percentage of total costs;
- Ofsted inspection results;
- Capital expenditure per pupil.

The Governors have been pleased that expectations for all key performance indicators listed have been successfully met during the period.



Trustees' Report  
for the Year Ended 31st August 2019

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**STRATEGIC REPORT**

**Financial review**

*Financial position*

Most of the Academy's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2019, total expenditure of £3,116,000 was covered by recurrent grant funding from the ESFA together with other incoming resources and reserves brought forward. The excess of income over expenditure for the year (excluding restricted fixed asset funds and transfer on conversion) was £122,000 .

At 31 August 2019, the net book value of fixed assets was £6,938,000 and movements in tangible fixed assets are shown in the notes to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

As at 31st August 2019 , total reserves were as follows: -

Unrestricted Fund £310,000  
Restricted General Fund £NIL

Total Fixed Asset Reserves amounted to £7,148,000

Pension Reserve amounted to (£1,112,000)

Overall Reserves £6,346,000

*Investment policy and objectives*

The trustees have the ability to invest the funds of the Trust as they see fit. Currently the Trust does not have any long term investments with the cash reserves of the trust being held in bank accounts. The trustees have no plans for any long term investment purchases in the near future.

*Reserves policy*

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

The trustees will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils.

The trustees have determined that the appropriate level of free reserves should be equivalent to one month's cost. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

The trustees will monitor the level of reserves to ensure that they are maintained at the required level. In the event that they are partly used the trust will strive to rebuild free reserves up to the level needed.

The balance on the restricted general fund (excluding pensions reserves) plus the balance on the unrestricted fund as at 31st August 2019 amounted to £310,000

## **STRATEGIC REPORT**

### **Financial review**

#### *Going concern*

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future.

For this reason it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### **Fundraising**

Both schools have a Parent and Friends Association to co-ordinate fundraising activities. This would include Christmas and Summer Fayres, a Bonfire Night exhibition and MacMillan Coffee Morning. Occasionally an additional event may take place if raising money for a particular project. Every child benefits from this fundraising as money raised for the purpose of the school goes back to supporting the cost of resources, educational visits and other activities.

### **Principal risks and uncertainties**

The Trust is exposed to a variety of financial risks. The trustees have appointed a Finance Committee, who scrutinise and monitor school performance, and have a Financial Officer and accountant who produce accounts for the trustees to scrutinise and check. Termly management accounts will be produced and all financial spend is signed off monthly by the school's shared accountant. The policies set by the board of trustees are implemented by the Headteacher.

### **Future plans**

The trustees allocate the budget each year on receipt of their GAG from the ESFA. Approximately 81% of the budget is taken up each year by staffing costs with the remainder allocated for the running of the school on a day to day basis ensuring the staff has sufficient financial resources to develop and influence curriculum and pupil development to achieve the key academic performance indicators set by the trustees.

Each October the SSDP is approved by the trustees with delegated spend for key priorities given and approved. Through a system of distributed leadership, key decisions are made that improve the quality of learning for all.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Charity constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Weaver Trust are also the directors of the charitable company for the purpose of company law. The charitable company is known as Weaver Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details page.

### **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 cease to be a member.

### **Trustees' Indemnities**

The Academy Trust maintains Trustees', Governors' and Officers' liability insurance which gives appropriate cover for any legal action brought against them. The Academy Trust has also granted indemnities to each of its Governors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 236 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Governors or other officers may incur to third parties in the course of acting as Governors or officers of the Academy Trust.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Recruitment and appointment of new trustees**

The number of members shall not be less than four. The members as designated in the articles of association may appoint up to twelve trustees. The total number of trustees, including the CEO, who are employees of the Trust shall not exceed one third of the total number of trustees.

A Local Governing Body will be established, with two parent governors and one staff governor elected. The members as designated in the articles of association may appoint up to ten governors. All governors shall upon their appointment give a written undertaking to the foundation members/trustees to uphold the objectives of the Trust.

Members may appoint additional governors provided that the total number of governors (including ex officio governors) would not thereby exceed 25% of the total number of governors.

The Secretary of State may appoint such additional Governor as he thinks fit, if he has given the Governors a warning notice and the Governors have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period.

### **Organisational structure**

Subject to provisions of the Companies Act 2006, the Articles of Association and any directions given by special resolution, the business of the Trust is managed by the trustees in accordance with the Scheme of Delegation.

### **Induction and training of new trustees**

The training and induction provided for new Trustees depends on their previous experience. All new Trustees are given a tour of the school and the chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustee.

New Trustees attend an Induction and have access to a full programme of courses which they will choose to attend, based on their role and experience and are subject to a formal training and induction process. Training can take place internally or involving external organisations. The Headteacher also fully briefs all trustees on the daily operation of the school.

A review of the training needs of the trustees has been carried out during the period and the necessary requirements for further training and the induction of any new trustees will be considered in each period. Governor and Trustee training is comprehensive and reviewed regularly.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Key management remuneration**

The key management personnel of the academy trust comprise the trustees and senior leadership team as disclosed on the Reference and Administrative page.

The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the board of trustees, after taking advice from the Chief Executive Officer and following guidance from the relevant professional pay review bodies. The CEO is not involved in setting their own remuneration package.

The CEO is the only staff trustee. The CEO is remunerated, and only receives remuneration in respect of services she provides under her contract of employment and not in respect of her role as a trustee. Specific disclosures concerning staff trustees' remuneration is included in notes to the financial statements.

The day to day running of the remuneration policy is delegated to the CEO and monitored by the finance and resources committee. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the board of trustees.

Remuneration of key management personnel is set at an individual level, and where possible the trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked closely to pay spines, helping trustees conclude that each individual is remunerated at an appropriate level. As such salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The board always bears in mind the charitable status of the academy trust and it recognises the fact that the trust receives funding under a funding agreement with the Secretary of State for Education, and therefore ensures the remuneration paid to senior management personnel never exceeds a reasonable amount that provides value for money to the trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

Total remuneration paid to senior management personnel is set out in the notes to the financial statements.

### **Related parties**

At present, the only related party transactions are trustees' remuneration, as shown within the notes to the financial statements. In addition, we are not part of any network where policies are shared.

Weaver Trust Limited

Trustees' Report  
for the Year Ended 31st August 2019

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Relevant union officials**

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	NIL
Total pay bill	NIL
Percentage of total pay bill spent on facility time	NIL

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	NIL
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**FUNDS HELD AS CUSTODIAN FOR OTHERS**

There are no funds held by the Trust as custodian for others.

**AUDITORS**

The auditors, UHY Hacker Young, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors is unaware

- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 9th December 2019 and signed on the board's behalf by:

M Jackson - Chairman



Governance Statement  
for the Year Ended 31st August 2019

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**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Weaver Trust Limited 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 of loss.

The board of the trustees has delegated the day-to-day responsibility to the Executive 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 Weaver Trust Limited and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
M Jackson	6	6
D L Wright	4	6
J M Field	4	6
A S Williams	6	6
M Francis	4	4
C Ridge	3	4
J Haydon	2	2
I Burnett	6	6

This year, following a Skills Audit and its subsequent analysis, we recruited three new Trustees, and have welcomed them to the board.

**Governance Reviews**

Work has continued on ensuring all gaps in skills analysis have been filled and roles reviewed to ensure all trustees better understand their role and can be held to account. It is our intention to commission a review of governance in the next academic year and have already spoken to an NLG to undertake this work.

The Finance and Audit Committee is a sub-committee of the main board of trustees. Its purpose is to plan and monitor the financial and other resources of the school effectively, and to ensure the school provides a safe educational environment. One of the Committee's responsibilities is routine budget setting and monitoring.

Attendance at the Finance and Audit Committee meetings in the period was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
A Williams	6	6
D Wright	6	6
C Ridge	4	4
T Pettit	1	1
M Jackson	1	1

**Review of Value for Money**

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

Governance Statement  
for the Year Ended 31st August 2019

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**Review of Value for Money**

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

- Ensuring efficient levels of staffing to meet the needs of all learners
- Undertaken procurement to ensure that the best deals have been secured for our Trust
- Shared specialist staff across the schools in the Trust

**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 charitable company 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 Weaver Trust Limited for the period 1st September 2018 to 31st August 2019 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 charitable company 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 charitable company's significant risks that has been in place for the period 1st September 2018 to 31st August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The Risk and Control Framework**

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Howard Worth as Internal Auditor. In addition, Hacker Young was appointed to undertake the External Audit and perform additional checks.

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

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

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

Governance Statement  
for the Year Ended 31st August 2019

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**Review of Effectiveness**

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

- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committee and ensures continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 9th December 2019 and signed on its behalf by:

M Jackson - Chairman



A S Williams - Accounting Officer



Weaver Trust Limited

Statement on Regularity, Propriety and Compliance  
for the Year Ended 31st August 2019

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As accounting officer of Weaver Trust Limited I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company 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 2018.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of all funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2018.

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.



A S Williams - Accounting Officer

9th December 2019

Statement of Trustees Responsibilities  
for the Year Ended 31st August 2019

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The trustees (who act as governors of Weaver Trust Limited and 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 issued by the Education and Skills Funding Agency, 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" 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] 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 to 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 the ESFA/DfE have been applied for the purposes intended.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

Approved by order of the board of trustees on 9th December 2019 and signed on its behalf by:

M Jackson - Chairman



### **Opinion**

We have audited the financial statements of Weaver Trust Limited (the 'charitable company') for the year ended 31st August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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' and the Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

### **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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

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

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

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

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

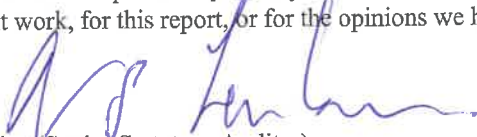
#### **Our responsibilities for the audit of the financial statements**

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

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

#### **Use of our report**

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Nicolaus Jenkins (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young  
St John's Chambers  
Love Street  
Chester  
Cheshire  
CH1 1QN

9th December 2019

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Weaver Trust Limited during the period 1st September 2018 to 31st August 2019 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 Weaver Trust Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Weaver Trust Limited and the 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 Weaver Trust Limited and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Weaver Trust Limited's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Weaver Trust Limited's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2018, 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 2018 to 2019. 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 1st September 2018 to 31st August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

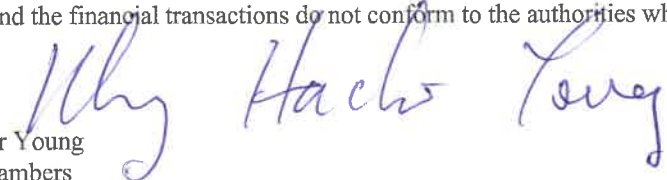
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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 charitable company's income and expenditure.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2018 to 31st August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

  
UHY Hacker Young  
St John's Chambers  
Love Street  
Chester  
Cheshire  
CH1 1QN

9th December 2019

Weaver Trust Limited

Statement of Financial Activities  
for the Year Ended 31st August 2019

				31.8.19	31.8.18	
	Notes	Unrestricted fund £'000	Restricted funds £'000	Restricted Fixed Asset Funds £'000	Total funds £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	3	2	25	286	313	206
Transfer from Local Authority on conversion	26	-	(176)	1,879	1,703	-
<b>Charitable activities - Other</b>						
Funding for the academy's educational operations	4	359	2,675	-	3,034	2,316
Other trading activities	5	40	-	-	40	5
Investment income	6	1	-	-	1	-
<b>Total</b>		<u>402</u>	<u>2,524</u>	<u>2,165</u>	<u>5,091</u>	<u>2,527</u>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>						
Academy's educational operations		<u>135</u>	<u>2,847</u>	<u>134</u>	<u>3,116</u>	<u>2,183</u>
<b>NET</b>						
<b>INCOME/(EXPENDITURE)</b>		267	(323)	2,031	1,975	344
<b>Transfers between funds</b>	21	<u>(145)</u>	<u>-</u>	<u>145</u>	<u>-</u>	<u>-</u>
<b>Other recognised gains/(losses)</b>						
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>(481)</u>	<u>-</u>	<u>(481)</u>	<u>166</u>
<b>Net movement in funds</b>		122	(804)	2,176	1,494	510
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		188	(308)	4,972	4,852	4,342
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>310</u></u>	<u><u>(1,112)</u></u>	<u><u>7,148</u></u>	<u><u>6,346</u></u>	<u><u>4,852</u></u>

All of the charitable company's activities derive from acquisitions in the current year.

The notes form part of these financial statements

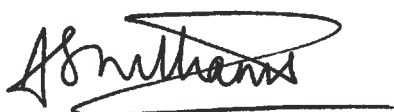
Weaver Trust Limited

Balance Sheet  
At 31st August 2019

	Notes	31.8.19 £'000	31.8.18 £'000
<b>FIXED ASSETS</b>			
Tangible assets	13	6,938	4,873
<b>CURRENT ASSETS</b>			
Debtors	14	307	196
Cash at bank		536	379
		<u>843</u>	<u>575</u>
<b>CREDITORS</b>			
Amounts falling due within one year	15	(271)	(184)
<b>NET CURRENT ASSETS</b>		<u>572</u>	<u>391</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,510	5,264
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	(52)	(56)
<b>PENSION LIABILITY</b>	22	(1,112)	(356)
<b>NET ASSETS</b>		<u>6,346</u>	<u>4,852</u>
<b>FUNDS</b>	21		
Unrestricted funds		310	188
Restricted funds		6,036	4,664
<b>TOTAL FUNDS</b>		<u>6,346</u>	<u>4,852</u>

The financial statements were approved by the Board of Trustees on 9th December 2019 and were signed on its behalf by:

M Jackson -Chairman

A S Williams -Executive Head & Accounting Officer

The notes form part of these financial statements

Weaver Trust Limited

Cash Flow Statement  
for the Year Ended 31st August 2019

	Notes	31.8.19 £'000	31.8.18 £'000
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	297	84
<b>Net cash provided by (used in) operating activities</b>		<u>297</u>	<u>84</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(408)	(222)
Capital grants from DfE/ESFA		265	189
Sale of tangible fixed assets		7	-
<b>Net cash provided by (used in) investing activities</b>		<u>(136)</u>	<u>(33)</u>
<b>Cash flows from financing activities:</b>			
New loans in year		-	63
Loan repayments in year		(4)	-
<b>Net cash provided by (used in) financing activities</b>		<u>(4)</u>	<u>63</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		157	114
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>379</u>	<u>265</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>536</u></u>	<u><u>379</u></u>

The notes form part of these financial statements



Notes to the Cash Flow Statement  
for the Year Ended 31st August 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.8.19 £'000	31.8.18 £'000
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	1,975	344
<b>Adjustments for:</b>		
Depreciation	134	71
Capital grants from DfE/ESFA	(265)	(189)
Transfer from Local Authority on conversion	(1,703)	-
Increase in debtors	(111)	(102)
Increase/(decrease) in creditors	87	(109)
Difference between pension charge and cash contributions	180	69
<b>Net cash provided by (used in) operating activities</b>	<u>297</u>	<u>84</u>

Notes to the Financial Statements  
for the Year Ended 31st August 2019

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**1. STATEMENT OF ACCOUNTING POLICIES**

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Weaver Trust Limited meets the definition of a public benefit entity under FRS 102.

**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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue to operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

## 2. ACCOUNTING POLICIES - continued

### **Critical accounting judgements and key sources of estimation uncertainty**

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

### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

For 2018-19 there have been some specific issues which have impacted on the actuarial assumptions and closing pension scheme liability of all LGPS employers:

(1) The "McCloud/Sargeant judgement". This relates to legal rulings regarding age discrimination arising from public sector pension scheme transitional arrangements. Actuarial evidence suggested that the impact of making an allowance for this judgement would be material, and so the academy trust asked the actuary to make an allowance in the figures.

In order to quantify the constructive obligation the actuary has made calculations using an approximate approach. One critical assumption under this method is that salaries will increase at least CPI plus 1.5%. Further, the approximate approach does not take into account the specific age profile of the employer's pension scheme members.

The impact of McCloud/Sargeant has been to increase the constructive obligation at 31 August 2019. This is reflected as a past service cost, within staff costs, and detailed in the notes.

There will also be an increase in the cost of benefits from 1 September 2019.

(2) Guaranteed Minimum Pension (GMP). GMP is a portion of pension that was accrued by individuals who were contracted out of the State Second Pension between 6 April 1978 and 6 April 1997. In October 2018 the High Court ruled in the Lloyds Bank case that equalisation for the effect of unequal GMPs between genders is required. As a result of an on-going debate on how this impacts on public service pension schemes, there has been national debate about the point at which a past service cost is triggered. Briefing notes provided by the actuary have indicated that a 'trigger event' is yet to occur for the LGPS and so no allowance has been made for GMP in the LGPS liability included within these financial statements. It is, in any case, considered likely that any impact would be immaterial.

(3) Discount rates. There has been a change in financial assumptions over the period, including the discount rate. The discount rate has been reduced significantly which has resulted in a less positive balance sheet position than if the discount rate at the start of the period had been used. The impact comes through as part of the actuarial movement shown on Statement of Financial Activities.

(4) Mortality assumptions. Details of the changes in mortality assumptions are shown in the notes. The actuary calculations use a model prepared by the Continuous Mortality Investigation (CMI) which is updated on an annual basis, incorporating the latest mortality data in the national population. This year the mortality assumptions use an updated CMI model which now anticipates a significant reduction in projected life expectancies. The lower life expectancy assumptions result in a more positive balance sheet position than if the mortality rates at the start of the period had been used, and the impact comes through as part of the actuarial movement shown on Statement of Financial Activities.

**2. ACCOUNTING POLICIES - continued**

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received 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 period is deducted from income and recognised as a liability.

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

**Sponsorship income**

Sponsorship income provided to the charity which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

**Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

**Other income**

Other income including the hire of facilities, is recognised in the period it is receivable and to the extent the charity has provided the goods or services.

**Expenditure**

Expenditure is as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Charitable activities**

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

## 2. ACCOUNTING POLICIES - continued

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- Straight line over 125 years
Improvements to property	- 10% on cost
Fixtures and fittings	- 15% on cost
Computer equipment	- 33% on cost

Assets costing more than £1,000 or more are capitalised as tangible fixed assets and are carried as 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 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 charge to the unrestricted fund.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until the are brought into use.

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.

### **Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the notes. Prepayments are not financial instruments.

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 the notes. 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.

### **Taxation**

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

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

**2. ACCOUNTING POLICIES - continued**

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Restricted funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

**Hire purchase and leasing commitments**

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

## 2. ACCOUNTING POLICIES - continued

### Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in notes, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments.

They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Retirement benefits to employees of the academy trust are provided by the Teacher's Pension Scheme('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes, the TPS is a multi-employers scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charges to operating surplus are the current service costs and the costs of the scheme introductions, benefit charges, settlements and curtailments. They are included as part of staff costs aa incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities an 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 asset 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.

2. ACCOUNTING POLICIES - continued

**Liabilities**

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

**Provisions**

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

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

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	31.8.19 Total funds £'000	31.8.18 Total funds £'000
Donations	2	7	9	17
Grants	(1)	281	280	189
Private sponsorship	1	-	1	-
British Council Income	-	23	23	-
	<u>2</u>	<u>311</u>	<u>313</u>	<u>206</u>

Grants received, included in the above, are as follows:

	31.8.19 £'000	31.8.18 £'000
Devolved Formula Capital	27	10
CIF Funding	238	179
Local authority grants	15	-
	<u>280</u>	<u>189</u>

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	31.8.19 Total funds £'000	31.8.18 Total funds £'000
Other income for the academy trust's educational operations	359	-	359	367
Grants	-	2,675	2,675	1,949
	<u>359</u>	<u>2,675</u>	<u>3,034</u>	<u>2,316</u>



Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued

An analysis of grants received is given below:

	Unrestricted funds £'000	Restricted funds £'000	31.8.19 Total funds £'000	31.8.18 Total funds £'000
<b>DfE/ESFA revenue grant</b>				
General Annual Grant(GAG)	-	2,012	2,012	1,423
Other Grants	-	275	275	181
Start Up Grant	-	70	70	-
	<u>-</u>	<u>2,357</u>	<u>2,357</u>	<u>1,604</u>
<b>Other government grant</b>				
Local authority grants	-	318	318	345
	<u>-</u>	<u>2,675</u>	<u>2,675</u>	<u>1,949</u>

5. OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	31.8.19 Total funds £'000	31.8.18 Total funds £'000
Hire of facilities	2	-	2	5
Wages recharged	37	-	37	-
Other trading income	1	-	1	-
	<u>40</u>	<u>-</u>	<u>40</u>	<u>5</u>

6. INVESTMENT INCOME

	Unrestricted funds £'000	Restricted funds £'000	31.8.19 Total funds £'000	31.8.18 Total funds £'000
Bank Interest	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

Weaver Trust Limited

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019

**7. EXPENDITURE**

		Non-pay expenditure		31.8.19	31.8.18
	Staff costs	Premises	Other costs	Total	Total
	£'000	£'000	£'000	£'000	£'000
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	1,691	49	434	2,174	1,476
Allocated support costs	382	158	402	942	707
	<u>2,073</u>	<u>207</u>	<u>836</u>	<u>3,116</u>	<u>2,183</u>

Net income/(expenditure) is stated after charging/(crediting):

	31.8.19	31.8.18
	£'000	£'000
Auditors' remuneration	6	5
Auditors' remuneration for non audit work	5	-
Other non-audit services	-	4
Depreciation - owned assets	136	70
Other operating leases	11	13
	<u>158</u>	<u>97</u>

**8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted	Restricted	31.8.19	31.8.18
	funds	funds	Total	Total
	£'000	£'000	£'000	£'000
<b>Direct costs</b>	135	2,039	2,174	1,476
<b>Support costs</b>	-	942	942	707
	<u>135</u>	<u>2,981</u>	<u>3,116</u>	<u>2,183</u>

	31.8.19	31.8.18
	Total	Total
	£'000	£'000
<b>Analysis of support costs</b>		
Support staff costs	382	296
Technology costs	90	33
Premises costs	158	146
Other support costs	301	223
Governance costs	11	9
<b>Total support costs</b>	<u>942</u>	<u>707</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Headteacher and other staff trustees only receive remuneration in respect of service they provide undertaking the roles of Headteacher and staff members under their contracts of employment.

The value of trustees' remuneration and other benefit was as follows (per annum - pro-rata current period):

A Williams (Executive Headteacher & Trustee)  
 - Remuneration £85,000 - £90,000 (2018 £80,000 - £85,000)  
 - Employer's pension contributions paid £10,000 - £15,000 (2018 £10,000 - £15,000)

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st August 2019 nor for the year ended 31st August 2018 .

**10. STAFF COSTS**

	31.8.19	31.8.18
	£'000	£'000
Wages and salaries	1,560	1,098
Social security costs	127	90
Operating costs of defined benefit pension schemes	383	285
	<u>2,070</u>	<u>1,473</u>
Compensation payments	3	-
	<u>2,073</u>	<u>1,473</u>

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	31.8.19	31.8.18
Teachers	22	17
Administration and support	65	40
Management	5	3
	<u>92</u>	<u>60</u>

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

	31.8.19	31.8.18
£80,001 - £90,000	1	1
	<u>1</u>	<u>1</u>

Included within staff costs are £3k relating to redundancy costs.

**Key management personnel**

The key management personnel of the academy trust comprises their trustees and the senior management team shown on the reference and admin page. The total amount of employee benefits (including employers pension contributions) received by key management personnel for their services to the academy trust was £189,891 (2018 £244,139) for the period.

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019

**11. TRUSTEES' AND OFFICERS' INSURANCE**

The charitable company has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £'000	Restricted funds £'000	Restricted Fixed Asset Funds £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	18	2	186	206
<b>Charitable activities - Other</b>				
Funding for the academy's educational operations	367	1,949	-	2,316
Other trading activities	5	-	-	5
<b>Total</b>	390	1,951	186	2,527
 <b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	234	1,879	70	2,183
<b>NET INCOME/(EXPENDITURE)</b>	156	72	116	344
<b>Transfers between funds</b>	(14)	(120)	134	-
<b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	-	166	-	166
<b>Net movement in funds</b>	142	118	250	510
 <b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	45	(425)	4,722	4,342
<b>TOTAL FUNDS CARRIED FORWARD</b>	187	(307)	4,972	4,852

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019**13. TANGIBLE FIXED ASSETS**

	Long leasehold £'000	Improvements to property £'000	Fixtures and fittings £'000	
<b>COST</b>				
At 1st September 2018	4,650	55	127	
Additions	-	337	9	
Disposals	-	-	-	
Reclassification	-	-	-	
Transfer on conversion	1,830	-	31	
At 31st August 2019	<u>6,480</u>	<u>392</u>	<u>167</u>	
<b>DEPRECIATION</b>				
At 1st September 2018	53	2	16	
Charge for year	49	34	23	
Eliminated on disposal	-	-	-	
At 31st August 2019	<u>102</u>	<u>36</u>	<u>39</u>	
<b>NET BOOK VALUE</b>				
At 31st August 2019	<u>6,378</u>	<u>356</u>	<u>128</u>	
At 31st August 2018	<u>4,597</u>	<u>53</u>	<u>111</u>	
	Motor vehicles £'000	Computer equipment £'000	Assets under construction £'000	Totals £'000
<b>COST</b>				
At 1st September 2018	9	44	79	4,964
Additions	-	31	31	408
Disposals	(9)	-	-	(9)
Reclassification	-	-	(79)	(79)
Transfer on conversion	-	18	-	1,879
At 31st August 2019	<u>-</u>	<u>93</u>	<u>31</u>	<u>7,163</u>
<b>DEPRECIATION</b>				
At 1st September 2018	-	20	-	91
Charge for year	2	28	-	136
Eliminated on disposal	(2)	-	-	(2)
At 31st August 2019	<u>-</u>	<u>48</u>	<u>-</u>	<u>225</u>
<b>NET BOOK VALUE</b>				
At 31st August 2019	<u>-</u>	<u>45</u>	<u>31</u>	<u>6,938</u>
At 31st August 2018	<u>9</u>	<u>24</u>	<u>79</u>	<u>4,873</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.19	31.8.18
	£'000	£'000
Trade debtors	35	27
Other debtors	66	18
VAT	38	82
Prepayments and accrued income	168	69
	<u>307</u>	<u>196</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.19	31.8.18
	£'000	£'000
Other loans (see note 17)	8	8
Trade creditors	61	63
Social security and other taxes	31	24
Teacher Pension Control	18	13
LGPS Control	20	14
Accrued expenses	71	29
Deferred government grants	62	33
	<u>271</u>	<u>184</u>

Deferred Income

	31.08.2019	31.08.2018
	£'000	£'000
Deferred income b.fwd	33	71
Released from the previous year	(33)	(71)
Resources deferred in year	62	33
	<u>62</u>	<u>33</u>
Deferred Income at 31 August	<u>62</u>	<u>33</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals, SEN, Rates Relief and trips.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.19	31.8.18
	£'000	£'000
Other loans (see note 17)	52	56
	<u>52</u>	<u>56</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019

**17. LOANS**

An analysis of the maturity of loans is given below:

	31.8.19 £'000	31.8.18 £'000
Amounts falling due within one year on demand:		
Other loans	8	8
	<u>8</u>	<u>8</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	32	32
	<u>32</u>	<u>32</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs instal	20	24
	<u>20</u>	<u>24</u>

The total loan of £60,000 from Salix which is provided on the following terms:

- Repayable over 8 yrs from September 2019 by 16 equal installments of £3,949 .
- Interest free

**18. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.19 £'000	31.8.18 £'000
Within one year	11	11
Between one and five years	17	28
	<u>28</u>	<u>39</u>

**19. 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 whilst 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.

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted fund £'000	Restricted funds £'000	Restricted Fixed Asset Funds £'000	31.8.19 Total funds £'000
Fixed assets	-	-	6,938	6,938
Current assets	310	262	271	843
Current liabilities	-	(262)	(9)	(271)
Long term liabilities	-	-	(52)	(52)
Pension liability	-	(1,112)	-	(1,112)
	<u>310</u>	<u>(1,112)</u>	<u>7,148</u>	<u>6,346</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

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

	Unrestricted fund	Restricted funds	Restricted Fixed Asset Funds £'000	31.8.18 Total funds £'000
Fixed assets	-	-	4,873	4,873
Current assets	188	225	162	575
Current liabilities	-	(177)	(7)	(184)
Long term liabilities	-	-	(56)	(56)
Pension liability	-	(356)	-	(356)
	<u>188</u>	<u>(308)</u>	<u>4,972</u>	<u>4,852</u>

21. MOVEMENT IN FUNDS

	At 1.9.18 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.8.19 £'000
<b>Unrestricted funds</b>				
General fund	188	267	(145)	310
<b>Restricted funds</b>				
Pupil Premium	15	(15)	-	-
General Annual Grant (GAG)	33	(33)	-	-
Pension	(356)	(756)	-	(1,112)
Fixed Asset Fund - Transfer on conversion	4,659	1,799	-	6,458
Fixed Asset Fund - DfE Group capital grants	185	266	-	451
Fixed Asset Fund - Capital Expenditure from GAG & Others	128	(34)	145	239
	<u>4,664</u>	<u>1,227</u>	<u>145</u>	<u>6,036</u>
<b>TOTAL FUNDS</b>	<u>4,852</u>	<u>1,494</u>	<u>-</u>	<u>6,346</u>



Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019

21. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	402	(135)	-	267
<b>Restricted funds</b>				
Restricted Fund	48	(48)	-	-
Pupil Premium	164	(179)	-	(15)
General Annual Grant (GAG)	2,007	(2,040)	-	(33)
Other Grants	499	(499)	-	-
Pension	(194)	(81)	(481)	(756)
Fixed Asset Fund - Transfer on conversion	1,878	(79)	-	1,799
Fixed Asset Fund - DfE Group capital grants	287	(21)	-	266
Fixed Asset Fund - Capital Expenditure from GAG & Others	-	(34)	-	(34)
	<u>4,689</u>	<u>(2,981)</u>	<u>(481)</u>	<u>1,227</u>
<b>TOTAL FUNDS</b>	<u><u>5,091</u></u>	<u><u>(3,116)</u></u>	<u><u>(481)</u></u>	<u><u>1,494</u></u>

Comparatives for movement in funds

	At 1.9.17 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.8.18 £'000
<b>Unrestricted Funds</b>				
General fund	45	157	(14)	188
<b>Restricted Funds</b>				
Pupil Premium	20	4	(9)	15
General Annual Grant (GAG)	-	144	(111)	33
Pension	(445)	89	-	(356)
Fixed Asset Fund - Transfer on conversion	4,722	(62)	(1)	4,659
Fixed Asset Fund - DfE Group capital grants	-	185	-	185
Fixed Asset Fund - Capital Expenditure from GAG & Others	-	(7)	135	128
	<u>4,297</u>	<u>353</u>	<u>14</u>	<u>4,664</u>
<b>TOTAL FUNDS</b>	<u><u>4,342</u></u>	<u><u>510</u></u>	<u><u>-</u></u>	<u><u>4,852</u></u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019

21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	390	(233)	-	157
<b>Restricted funds</b>				
Pupil Premium	123	(119)	-	4
General Annual Grant (GAG)	1,424	(1,280)	-	144
Other Grants	404	(404)	-	-
Pension	-	(77)	166	89
Fixed Asset Fund - Transfer on conversion	1	(63)	-	(62)
Fixed Asset Fund - DfE Group capital grants	186	(1)	-	185
Fixed Asset Fund - Capital Expenditure from GAG & Others	(1)	(6)	-	(7)
	<u>2,137</u>	<u>(1,950)</u>	<u>166</u>	<u>353</u>
<b>TOTAL FUNDS</b>	<u>2,527</u>	<u>(2,183)</u>	<u>166</u>	<u>510</u>

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2019

## 21. MOVEMENT IN FUNDS - continued

### Total fund analysis by academy

Fund balances at 31st August 2019 were allocated as follows:

	2019 £000	2018 £000
Barnton Primary	336	236
Grange Primary	59	N/A
Central Services	(85)	N/A
Total before fixed asset and pension reserve	310	236
Restricted fixed asset fund	7,148	4,972
Pension Reserve	(1,112)	(356)
Total	6,346	4,852

### Total cost analysis by academy

	Teaching & Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Services & Supplies £000	Other costs (Excluding) Depn £000	2019 £000
Barnton Primary	1,181	276	255	353	2,065
Grange Primary	414	90	79	147	730
Central Services	96	16	14	65	191
Academy Trust	1,691	382	348	565	2,986

In 2018, all costs relates to Barnton Primary School as shown on the SOFA and notes to the financial statements.

## 22. PENSION AND SIMILAR OBLIGATIONS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £37, 654 were payable to the schemes at 31 August 2019 and are included within creditors.

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

**Teachers' pension scheme**

*Introduction*

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

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

*Valuation of the Teachers' Pension Scheme*

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with the directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increase contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the period amounted to £135,956 (2018: £97,844).

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

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

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £204,000 (2018: £133,000), of which employer's contributions totalled £167,000 (2018: £108,000) and employees' contributions totalled £37,000 (2018: £25,000). The agreed contribution rates for future years are 31.1% 2019/2020 for employers and between 5.5% - 12.5% for employees.

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

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.8.19	31.8.18
	£'000	£'000
Present value of funded obligations	(2,550)	(1,175)
Fair value of plan assets	1,438	819
	<u>(1,112)</u>	<u>(356)</u>
Deficit	<u>(1,112)</u>	<u>(356)</u>
Liability	<u><u>(1,112)</u></u>	<u><u>(356)</u></u>

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

	Defined benefit pension plans	
	31.8.19	31.8.18
	£'000	£'000
Current service cost	225	173
Net interest from net defined benefit asset/liability	15	12
Past service cost	8	-
	<u>248</u>	<u>185</u>
Actual return on plan assets	<u>121</u>	<u>26</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.8.19	31.8.18
	£'000	£'000
Defined benefit obligation	1,663	1,105
Current service cost	225	173
Past service cost	8	-
Contributions by scheme participants	37	25
Interest cost	48	30
Actuarial (gains)/losses from changes in financial assumptions	569	(158)
	<u>2,550</u>	<u>1,175</u>

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.8.19	31.8.18
	£'000	£'000
Fair value of scheme assets	1,113	660
Net Interest on plan assets	33	18
Contributions by employer	167	108
Contributions by scheme participants	37	25
Actuarial gains/(losses)	88	-
Return on plan assets (excluding interest income)	-	8
	1,438	819
	1,438	819

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.8.19	31.8.18
	£'000	£'000
Actuarial (gains)/losses from changes in financial assumptions	(569)	158
Return on plan assets (excluding interest income)	-	8
	(569)	166
	(569)	166

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.8.19	31.8.18
Equities	43%	48%
Bonds	47%	43%
Property	8%	8%
Cash	2%	1%

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

	At 31 August 2019	At 31 August 2018
Retiring today		
Males	22.3	22.3
Females	24.5	24.5
Retiring in 20 years		
Males	23.9	23.9
Females	26.5	26.5

**Sensitivity analysis**

	At 31 August 2019	At 31 August 2018
	£'000	£'000
0.1% decrease in Real Discount Rate	78	40
0.1% increase in Salary Increase Rate	11	8
0.1% increase in Pension Increase Rate	65	31

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

	31.8.19	31.8.18
Discount rate	1.9%	2.8%
Future salary increases	2.6%	2.6%
Future pension increases	2.3%	2.3%

**23. CAPITAL COMMITMENTS**

	31.8.19	31.8.18
	£'000	£'000
Contracted but not provided for in the financial statements	209	161

**24. RELATED PARTY DISCLOSURES**

J Stannard (Trustee) is a director of The Primary Literacy Project Ltd from which £117.80 was reimbursed to the academy for travel and accommodation.

**25. CENTRAL SERVICES**

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

- human resources
- financial services
- legal services
- support services

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

- A flat fee based on income.

The actual amounts charged during the period were as follows:

	2019 £'000
Barnton Primary	58
Grange Primary	21
	79
Total	79

No central services were provided by the academy trust to its academies during the year ended 31st August 2018 and no central services arose.

**26. CONVERSION TO AN ACADEMY**

On 1st November 2018 the Grange Community Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Weaver Trust Ltd from Cheshire West and Chester Local Authority for £nil consideration.

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

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

	Unrestricted Funds £000	Restricted General Fund £000	Restricted Fixed Asset Funds £000	Total £000
Tangible fixed assets			49	49
Leasehold land and buildings			1,830	1,830
Budget (deficit) on LA funds		18		18
LGPS pension (deficit)		(194)		(194)
<b>Net assets</b>	<b>NIL</b>	<b>(176)</b>	<b>1,879</b>	<b>1,703</b>