

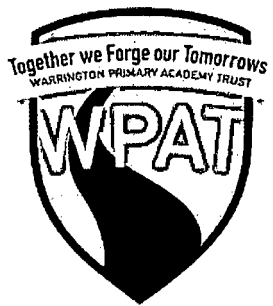
Company Registration No. 10181707 (England and Wales)

WARRINGTON PRIMARY ACADEMY TRUST

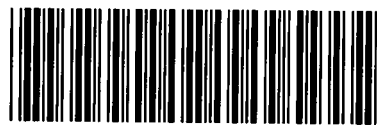
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020



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WARRINGTON PRIMARY ACADEMY TRUST

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WARRINGTON PRIMARY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

J Collacott
J Martin
J Greaves
D Williams (Appointed 16 September 2019)
P Blyth (Appointed 1 September 2020)

Trustees

J A Cahill (Chair)
Ms C Smith
A B Ross (Resigned 31 July 2020)
Mr R Catchpole
Mr C Lenihan (Resigned 25 September 2019)
Mr C Cull (Resigned 5 February 2020)
Ms A Ives (Resigned 4 March 2020)
Mr D Littlewood
Mr R Murray (Appointed 7 October 2019 and resigned 5 December 2019)
Ms L Sheppey (Appointed 14 September 2020)
Mrs P Blyth (Appointed 27 April 2020 and resigned 31 August 2020)

Senior management team

- CEO, Accounting Officer and Executive L Smith
Headteacher of Evelyn Street Primary School
- Headteacher of Evelyn Street Primary School J Hindley
- Headteacher of Penketh Primary School R Kayll
- Headteacher of Bruche Primary School C Jones
- Headteacher of Beamont Primary School K Morris
- Headteacher of Alderman Bolton P Warding
- Head of School of Ditton Primary E Fenton
- Finance and Operations Director and CFO N Edwards

Company secretary

C Kressel

Company registration number

10181707 (England and Wales)

Principal and registered office

Evelyn Street Primary School
Evelyn Street
Warrington
WA5 1BD

Academies operated

Ditton Primary School
Penketh Primary School
Evelyn Street Primary School
Bruche Primary School
Alderman Bolton Primary School
Beamont Primary School

Location

Halton E Fenton
Warrington R Kayll
Warrington J Hindley
Warrington C Jones
Warrington P Warding
Warrington K Morris

WARRINGTON PRIMARY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

MHA Moore and Smalley
Richard House
9 Winckley Square
Preston
PR1 3HP

Solicitors

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

WARRINGTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

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

The Trust academy schools have a combined pupil capacity of 1,842 and have a roll of 1,697 in the school census in January 2020.

Structure, governance and management

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 charitable company is known as WPAT.

The Trustees of WPAT are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The Trust has purchased indemnity insurance to protect governors and officers from claims arising in connection with Academy business. This is under the Risk Protection Arrangement with the ESFA. The insurance provides unlimited cover for governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

Method of recruitment and appointment or election of trustees

The Members appoint by ordinary resolution up to 5 Trustees, additional Trustees are co-opted by the Trust Board.

The term of office for any Trustee shall be four years. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected at a General Meeting.

A Trustee shall cease to hold office if he/she resigns their office by notice to the Academy Trust or if he/she is removed by the person or persons who appointed or elected them, or otherwise by ordinary resolution of the Members in accordance with the Companies Act 2006 and written notice thereof is given to the Clerk.

Policies and procedures adopted for the induction and training of trustees

All policies and procedures transferred where applicable from the previous community schools. Each of these has been systematically reviewed and been ratified by Trustees to ensure they are fit for purpose.

WARRINGTON PRIMARY ACADEMY TRUST

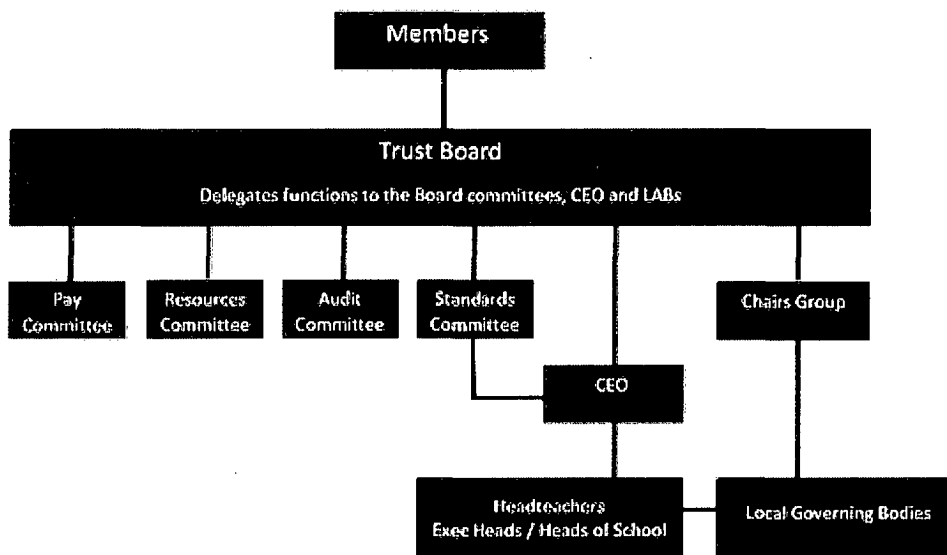
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Organisational structure

Responsibilities have been allocated to Members, the Trust Board, the CEO and Executive, Committees and Local Governing Bodies. The committees established are Pay, Resources, Audit and Standards.

The Trust Board is also responsible for overall vision and strategy.



Arrangements for setting pay and remuneration of key management personnel

All terms and conditions of teachers and support staff remain in line with those set nationally. Performance management and remuneration of the CEO, Principals and Finance and Operations Director are the decision of the Trust Board. Performance management of subsequent teams is delegated to these key strategic personnel.

WARRINGTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

4

Full-time equivalent employee number

199.40

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

4

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

-

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours

-

Engagement with employees

This has been evidenced through:

- The Trust has a whistleblowing procedure and staff are secure in its use.
- All staff are clear in how strong ethics guide our values within the trust and can translate for the children in our schools.
- All staff were invited to fortnightly webinars with the CEO during the first COVID 19 lockdown. There was high take up of every session.
- WPAT undertake regular performance reviews and work satisfaction surveys eg BP2W and ensure there is follow up action.
- Staff appraisal and career pathways are ethically guided and leaders are confident in having supportive and challenging conversations.
- There are full recognition of and engagement with staff unions.

WPAT is an equal opportunities employer. There is full and fair consideration of applicants for employment of disabled persons, having regard to their aptitudes, including continued employment and training of persons who become disabled along with training, career development and promotion of disabled persons employed by the Trust.

WARRINGTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Related parties and other connected charities and organisations

There are no connected organisations or related parties during the period other than those disclosed in note 25.

Objectives and activities

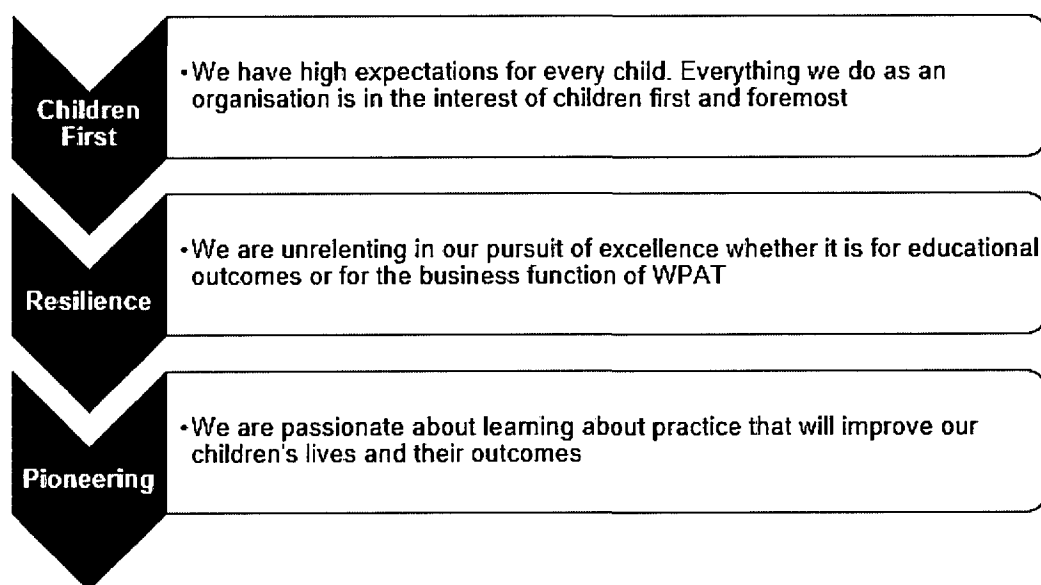
Objects and aims

WPAT Guiding Principle

To deliver a first class education through partnership, innovation, school improvement and accountability.

Objectives, strategies and activities

WPAT Core values



WPATs Strategic approach

Partnership	School Improvement	Accountability
We work together to take the very best practice from all and to extend our reach to positively influence the outcome for more children	We develop intelligent leaders to lead beyond their schools to influence positively on the outcomes of more children	We value quality assurance & see that individuals have a responsibility for doing the best that they can do. We welcome challenge & scrutiny

WARRINGTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Public benefit

In setting our objectives and planning our activities, the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

The majority of Warrington Primary Academy Trust Schools are currently rated as good or outstanding in their latest Ofsted reports, Ditton Primary joined the Trust as a sponsored academy following an Inadequate judgement. Progress and attainment are both equally important for every learner within WPAT and we are relentless in our pursuit of excellence for every child. Our combined drive and passion for accelerated progress from on entry school data, no matter what the barriers for learning are, is what makes our Trust schools so desirable to parents and students.

The impact of the Trust work to date in all its schools can be best seen with the 2019 DFE league table, that judges our MAT as one of the top ten MATs in the country, highest performing MAT in North West region, with two of its schools in 2020 being eligible to bid for DFE initiative of a Teaching School Hub and one of its schools for a Behaviour Hub. Currently all converter schools retain their Ofsted judgements, 4 out of 6 schools demonstrating very high performance results with the remaining 3 demonstrating improvement. 2 of its schools for the last 3 years have appeared in the national top 100 schools league tables.

The Critical Incident Management Team were quick to mobilise during the COVID 19 pandemic and immediately established an online offer for pupils. Through distributed leadership and cross organisational working groups WPAT ensured that a comprehensive and robust educational offer was in place for all pupils, with IT kit loaned to families, to ensure education at home was as close as possible to that in the classroom. Safe working practices were established and risk assessments developed to ensure children, staff and visitors were as safe as possible on all school sites.

Key performance indicators

2019/20 was a challenging and positive year for the Trust. Our KPIs are as follows:

Distinctive Trust – WPAT has a distinct identity which promotes community confidence.

High Achieving Trust – WPAT is effective in improving its schools. All groups are making good progress with the result that all MAT schools will have outcomes in the top 20% of similar schools nationally.

People-Centred Trust – Employees enjoy the challenge of working in our schools and speak highly of the MAT. We aim to be seen as the employer of choice by people who work within our organisation.

Well-Led Trust – WPAT have robust self-review procedures to secure highly effective accountability at all levels of management, leadership and governance.

Cost Effective Trust – We are a cost effective organisation which provides high quality provision in all of our schools.

Growing Trust – WPAT will run more schools and educate more students. Simms Cross Primary School in Halton will be joining the Trust in December 2020.

Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the governing body continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

WARRINGTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

All six Primary Schools have been academies for the full financial year.

Total income for the period was £10,724,435 of which £537,816 related to unrestricted funds, £9,772,133 to restricted funds and £625,894 to fixed asset funds. Total expenditure for the period was £12,970,249 of which £326,318 related to unrestricted funds, £12,271,891 to restricted funds and £301,150 to fixed asset funds.

Unrestricted reserves carried forward as at 31 August 2020 were £nil, general restricted funds were in deficit at £3,519,879 consisting of a £4,015,000 LGPS deficit liability and restricted income funds of £495,121. Restricted fixed asset funds carried forward were £14,410,361.

The Trust has inherited a deficit in respect of the Local Government Pension Scheme, which many of the non-teaching staff belong to. This deficit had increased to £4,015,000 by 31 August 2020, mainly due to changes in actuarial assumptions regarding future returns on investments and the present value of future liabilities. Each Academy in the Trust is currently paying contributions towards the deficit, funded out of GAG. The level of these deficit payments is reviewed at each actuarial valuation.

The Trust does not have an obligation to settle this liability immediately and there are no indications that it will crystallise in the foreseeable future. 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.

As at 31 August 2020 the Trust held reserves of £495k (excluding pension reserves and restricted fixed assets funds). This was for Evelyn Street £67k, Penketh £50k, Bruche £148k, Beamont £98k, Alderman Bolton deficit £100k, Ditton deficit £3k and WPAT reserve £50k. In addition, £185k was held in an earmarked reserve on behalf of Warrington Teaching School Alliance.

Reserves policy

The Trustees have established a reserves policy that will be reviewed annually. The review will encompass the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. It is the trustees policy to build up reserves of 5% total GAG, income generation and carry forward balances accrued each year which can be used for future education purposes in line with each schools development plan. The reserves closing balance (excluding pension reserves and restricted fixed asset funds) was £495k which equates to 8% of total GAG income, already exceeding our 5% target. The trustees will ensure that the reserves policy continues to conform to the requirements laid down in the Academies Financial Handbook produced by DfE.

Investment policy

The Trust has a target to carry forward a prudent value of 5% income in reserves each year. This applies to both school balances and WPAT central resources. Any balances significantly above and below 5% are monitored to ensure future financial viability or plans are implemented to use the funding for the pupils in school now. When academies identify the need to invest in specific capital projects they are able to set aside targeted funds to do so.

Principal risks and uncertainties

The trustees have reviewed the key risks that WPAT is exposed to, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. There is an active risk register that is reported to both Audit and Resources Committee Meetings.

WARRINGTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The principal financial risks to which the Trust were exposed to during the year were:

- COVID 19 safety and mental wellbeing of our children, staff, visitors and community during the emerging pandemic.
- Quickly establishing the remote education offer and ensuring adaptation to differing circumstances for families accessing home learning means that the negative impact of pupils education should have been minimised.
- Teaching School national changes to structure and funding. Teaching schools are changing and WTSA remain committed to supporting these developments. Structures will remain fluid to flex up or down dependent on applications for funding and projects. Core work will continue whilst funding remains and whilst awaiting the Hub application outcome.
- Retention of Trustees has been difficult due to the professional requirements of the role. Following the recruitment of a Governance Officer, investment of time in recruitment and the information flow systems that have been introduced this should now improve.

WPAT Financial Regulations have been ratified by the Trust Board. The central financial accounting computer system ensures that controls and procedures are operating consistently across schools and allow for central reporting and oversight of performance.

Financial and risk management objectives and policies

All budgets have been prepared in detail for the forthcoming year along with three year plans for longer term projections. All schools aim for a 5% balance carried forward. Higher balances will be planned for if future fluctuations are anticipated.

Fundraising

The Trust adheres to the Charities (Protection and Social Investment) Act 2016 and follows the Charities Commission guidance on fundraising practices. The majority of funding for schools is through General Annual Grant but there are occasions when bodies such as the Parent and Teachers Association (PTA) of WPAT schools fund raise on behalf of their school or nominated charity. Each PTA has a constitution with clear purpose and accountability, reporting into their Local Governing Body.

Any further organisations who wish to fund raise on WPAT sites are approved in advance by the Headteacher if it is considered appropriate under the Charities Act 2016.

WARRINGTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

WPAT's ambitions are closely tied to our guiding principle: To deliver a first-class education through partnership, innovation, school improvement and accountability. Any developments must enhance this principle and not detract from it. Looking ahead we have set some key expectations:

Distinctive Trust – The ambition is for all MAT schools will be oversubscribed on first choices.

High Achieving Trust – All groups of pupils are making good progress with the result that all MAT schools will have outcomes in the top 20% of similar schools nationally.

People-Centred Trust – We aim to be seen as the employer of choice by people who work within our organisation.

Well-Led Trust – WPAT continuously improve the robust self-review procedures to secure highly effective accountability at all levels of management, leadership and governance.

Cost Effective Trust – We are a cost effective organisation which provides high quality support to its schools.

Growing Trust – Simms Cross Primary School in Halton will be joining the Trust in December 2020. WPAT within the next 5 years will grow to 15 schools.

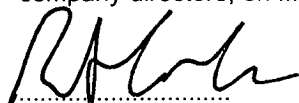
Auditor

In so far as the Trustees are aware:

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

A resolution proposing that MHA Moore and Smalley be reappointed as auditor of the charitable company will be put to the members.

The Trustees' Report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 18/12/2020..... and signed on its behalf by:



Mr R Catchpole

WARRINGTON PRIMARY ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

The Trust Board has delegated the day-to-day responsibility to the 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 Warrington Primary Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The Trustees receive no remuneration for benefits in respect of their duties as Trustees but are reimbursed for expenses incurred in carrying out their duties. The Board is constantly reviewed to add to the dynamic of the business functions. A solicitor remains a key vacancy for the Board and is actively being sought. The governance has been reviewed by a National Leader of Governance and approved by the Regional Schools Commissioner.

Trustees	Meetings attended	Out of possible
J A Cahill (Chair)	3	3
Ms C Smith	3	3
A B Ross (Resigned 31 July 2020)	2	3
Mr R Catchpole	3	3
Mr C Lenihan (Resigned 25 September 2019)	0	0
Mr C Cull (Resigned 5 February 2020)	0	1
Ms A Ives (Resigned 4 March 2020)	1	1
Mr D Littlewood	2	3
Mr R Murray (Appointed 7 October 2019 and resigned 5 December 2019)	0	0
Ms L Sheppey (Appointed 14 September 2020)	0	0
Mrs P Blyth (Appointed 27 April 2020 and resigned 31 August 2020)	1	2

Review of value for money

The Accounting Officer has the responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

Costs are reviewed to ensure that the Trust is taking advantage of economies of scale throughout the Trust for example all IT hardware purchases are bench marked via, and if best value for money, purchased through the Governments framework, Crown Commercial Service. Consistent systems and procedures have been established and accounting system embedded so that performance can be monitored and reported for the Trust as a whole. The DfEs view my financial insights (VMFI) tool is welcomed to strengthen knowledge and comparison to constantly drive down costs.

WARRINGTON PRIMARY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust's 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 Warrington Primary Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. This includes uncertainties regarding the extent to which teachers' pay increases and increases to the TPS contribution rates will be funded, and for how long. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

We recognise that the requirement for increased monthly financial reporting for the year 2019-20 has not been fully met. Currently the Chair is provided with financial information on a monthly basis as required and all trustees also have access to this information which is more than the required 6 times a year.

The information takes the form of an Income and Expenditure report with year to date analysis of actuals against budget and a forecast outturn. A narrative on any significant variances is always provided. 3-5 year forecasts are also provided and updated 3 times per year. In addition to the monthly reports, the information is discussed in depth at all finance committee meetings. COVID 19 has not prevented the continuation of the above information being produced. In future, the income and expenditure report will also provide a budget for the month ended against actuals.

To improve monthly financial reporting and to fully comply with the requirements WPAT will significantly improve the balance sheet reporting and cashflow forecasts. Work is regularly carried out with individual schools in terms of debtors and creditors but this is not done on a structured basis. We have discussed this at some length with our accountants and this will be put in place as from 1 December 2020.

The risk and control framework

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

- Robust Financial Regulations have been established with comprehensive budgeting and transactional monitoring systems;
- Annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Board of Trustees has procured internal audit functions from Warrington Borough Council.

WARRINGTON PRIMARY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees procured internal audit functions from Warrington Borough Council. Key controls were agreed with the Audit Committee in advance were:

- There is an adequate accountability framework in place, covering staff and Governors.
- Budgets are properly set and monitored and the Local Bank Account is effectively managed.
- All expenditure is properly authorised and monitored.
- There is full accountability for staffing and payroll decisions.
- All income due is received, accurately recorded and banked.
- There are effective asset management and information security arrangements.

These were reviewed in each of the six schools. The controls reviewed varied between schools to ensure that each key control was assessed in at least two of the schools. WPAT was again given high assurance in 2019/20.

Review of effectiveness

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

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

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

COVID 19

The Critical Incident Management Team, chaired by the Vice Chair of Trustees, was mobilised in preparation for COVID 19 late February 2020 before the pandemic hit. Local Governing Body and Trustee meetings immediately transferred online, as did learning for most pupils and all staff meetings. Governance continued to ensure that the strategic direction of WPAT was maintained and key decisions made through the emerging local and national guidance. Updates on operational activities were provided to Trustees and strategic direction continued to be set during this dynamic time of change. Business continuity systems worked or flexed and decision flow moved to online. Financial oversight was maintained remotely through the online working solutions already in place within the Trust.

18/12/2020

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



Mr R Catchpole

WARRINGTON PRIMARY ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of Warrington Primary Academy Trust, I have considered my responsibility to notify the academy trust governing body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust's governing body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

In relation to the provision of monthly financial information, this was sent out to all trustees more than six times in the year though Chair did not receive a pack for 2 out of 12 months due to staffing and other pressures brought on as a result of COVID. In addition the format does not meet the requirements set out in the Academies Financial Handbook in particular the requirement for a monthly comparison of budget vs actuals, a reconciled balance sheet and a cashflow forecast. Accountancy support has been procured so that these can be incorporated into the monthly management accounts packs from 1 December 2020 onwards.

With the exception of the above, 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 governing body and ESFA.



Accounting Officer

18/12/2020
.....

WARRINGTON PRIMARY ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Warrington Primary Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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 that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the governing body on 18/12/2020 and signed on its behalf by:



Mr R Catchpole

WARRINGTON PRIMARY ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of Warrington Primary Academy Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

WARRINGTON PRIMARY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARRINGTON PRIMARY ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Other information includes Reference and Administrative details, Trustees Report incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees Responsibility Statement. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

WARRINGTON PRIMARY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARRINGTON PRIMARY ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

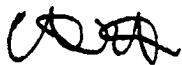
Auditor's responsibilities for the audit of the accounts

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



**Christine Wilson (Senior Statutory Auditor)
for and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor**

Richard House
9 Winckley Square
Preston
PR1 3HP

20/12/2020
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WARRINGTON PRIMARY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WARRINGTON PRIMARY ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 24 June 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Warrington Primary Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Warrington Primary Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Warrington Primary Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Warrington Primary Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Warrington Primary Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Warrington Primary Academy Trust's funding agreement with the Secretary of State for Education dated 27 July 2016 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes an evaluation of the control environment of the Schools together with enquiry, analytical review, substantive testing of transactions and consideration of governance issues.

WARRINGTON PRIMARY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WARRINGTON PRIMARY ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

As noted in the Statement of Regularity, Propriety and Compliance in relation to the requirement to prepare monthly financial information, the Trust was not fully compliant with the Academies Financial Handbook 2019. The format of the accounts is being reviewed and developed with effect from 1 December 2020 such that the management accounts will be compliant with the Academies Financial Handbook 2020 going forward.

Notwithstanding the above, 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 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA Moore and Smalley

**Reporting Accountant
MHA Moore and Smalley**

20/12/2020
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WARRINGTON PRIMARY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total 2020	Total 2019
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	3	9,330	-	625,894	635,224	1,382,328
Donations - transfer from local authority on conversion		-	-	-	-	4,321,762
Charitable activities:						
- Funding for educational operations	4	292,186	9,617,369	-	9,909,555	8,396,213
- Funding for teaching school		-	154,764	-	154,764	801,332
Other trading activities	5	24,802	-	-	24,802	53,584
Total income and endowments		326,318	9,772,133	625,894	10,724,345	14,955,219
Expenditure on:						
Charitable activities:						
- Educational operations	8	397,208	11,940,904	301,150	12,639,262	9,064,264
- Teaching school		-	330,987	-	330,987	889,884
Total expenditure	6	397,208	12,271,891	301,150	12,970,249	9,954,148
Net income/(expenditure)		(70,890)	(2,499,758)	324,744	(2,245,904)	5,001,071
Transfers between funds		-	1,314,338	(1,314,338)	-	-
Other recognised gains and losses						
Actuarial losses on defined benefit pension schemes	20	-	(632,000)	-	(632,000)	(1,166,000)
Net movement in funds		(70,890)	(1,817,420)	(989,594)	(2,877,904)	3,835,071
Reconciliation of funds						
Total funds brought forward		70,890	(1,702,459)	15,399,955	13,768,386	9,933,314
Total funds carried forward	18	-	(3,519,879)	14,410,361	10,890,482	13,768,385

WARRINGTON PRIMARY ACADEMY TRUST

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

Comparative year information		Unrestrict ed Funds £	General £	Restricted funds: Fixed asset £	Total 2019 £
Year ended 31 August 2019	Notes				
Income and endowments from:					
Donations and capital grants	3	18,536	14,999	1,348,793	1,382,328
Donations - transfer from local authority on conversion		26,467	(340,000)	4,635,295	4,321,762
Charitable activities:					
- Funding for educational operations	4	439,229	7,956,984	-	8,396,213
- Funding for teaching school		-	801,332	-	801,332
Other trading activities	5	53,584	-	-	53,584
Total income and endowments		<u>537,816</u>	<u>8,433,315</u>	<u>5,984,088</u>	<u>14,955,219</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	831,296	8,030,191	202,777	9,064,264
- Teaching school		-	889,884	-	889,884
Total expenditure	6	<u>831,296</u>	<u>8,920,075</u>	<u>202,777</u>	<u>9,954,148</u>
Net income/(expenditure)		(293,480)	(486,760)	5,781,311	5,001,071
Transfers between funds		-	279,328	(279,328)	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	20	-	(1,166,000)	-	(1,166,000)
Net movement in funds		<u>(293,480)</u>	<u>(1,373,432)</u>	<u>5,501,983</u>	<u>3,835,071</u>
Reconciliation of funds					
Total funds brought forward		364,370	(329,027)	9,897,971	9,933,314
Total funds carried forward		<u>70,890</u>	<u>(1,702,459)</u>	<u>15,399,954</u>	<u>13,768,385</u>

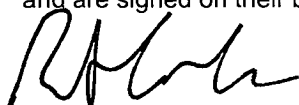
WARRINGTON PRIMARY ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		14,102,146		14,288,749
Current assets					
Debtors	14	1,183,586		1,303,422	
Cash at bank and in hand		901,454		1,779,626	
		<u>2,085,040</u>		<u>3,083,048</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(1,248,570)		(730,733)	
Net current assets			836,470		2,352,315
Total assets less current liabilities			<u>14,938,616</u>		<u>16,641,064</u>
Creditors: amounts falling due after more than one year	16		(33,134)		(113,679)
Net assets before defined benefit pension scheme liability			<u>14,905,482</u>		<u>16,527,385</u>
Defined benefit pension scheme liability	20		(4,015,000)		(2,759,000)
Total net assets			<u>10,890,482</u>		<u>13,768,385</u>
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			14,410,361		15,399,954
- Restricted income funds			495,121		1,056,541
- Pension reserve			(4,015,000)		(2,759,000)
Total restricted funds			<u>10,890,482</u>		<u>13,697,495</u>
Unrestricted income funds	18		-		70,890
Total funds			<u>10,890,482</u>		<u>13,768,385</u>

The accounts on pages 21 to 43 were approved by the trustees and authorised for issue on 18/12/2020 and are signed on their behalf by:



Mr R Catchpole

Company Number 10181707

WARRINGTON PRIMARY ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	21	(2,091,217)		188,239	
Cash flows from investing activities					
Capital grants from DfE Group		1,418,683		556,004	
Purchase of tangible fixed assets		(114,547)		(30,190)	
Net cash provided by investing activities		1,304,136		525,814	
Cash flows from financing activities					
New other loan		49,451		120,227	
Repayment of other loan		(140,542)		(1,280)	
Net cash (used in)/provided by financing activities		(91,091)		118,947	
Net (decrease)/increase in cash and cash equivalents in the reporting period		(878,172)		833,000	
Cash and cash equivalents at beginning of the year		1,779,626		946,626	
Cash and cash equivalents at end of the year		901,454		1,779,626	

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 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.

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable 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 accounts. In addition the directors have taken into account the potential impact of the COVID 19 pandemic and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period 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 academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost or valuation.

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 that require 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.

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Land and buildings	2% p.a. straight line
Computer equipment	25% p.a. straight line
Fixtures, fittings & equipment	20% p.a. straight line

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

1.6 Liabilities

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

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

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

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.10 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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.11 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

Accounting 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 disclosed below.

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

(Continued)

Present value of the Local Government Pension Scheme defined benefit liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability.

Valuation of Land and Buildings

Land and buildings for all Schools in the Trust are based on an ESFA valuation with the exception of Ditton which is based a valuation obtained from the local authority.

Critical areas of judgement

There are no other critical areas of judgement in these accounts.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	625,894	625,894	1,348,793
Other donations	9,330	-	9,330	33,535
	<u>9,330</u>	<u>625,894</u>	<u>635,224</u>	<u>1,382,328</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	7,405,944	7,405,944	6,013,850
Start up grants	-	-	-	180,000
Other DfE / ESFA grants	-	1,471,516	1,471,516	1,027,844
	<u>-</u>	<u>8,877,460</u>	<u>8,877,460</u>	<u>7,221,694</u>
Other government grants				
Local authority grants	-	669,834	669,834	676,473
Coronavirus exceptional support	-	35,515	35,515	-
	<u>-</u>	<u>705,349</u>	<u>705,349</u>	<u>676,473</u>
Other funds				
Other incoming resources	292,186	34,560	326,746	498,046
	<u>292,186</u>	<u>34,560</u>	<u>326,746</u>	<u>498,046</u>
Total funding	<u>292,186</u>	<u>9,617,369</u>	<u>9,909,555</u>	<u>8,396,213</u>

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	20,865	-	20,865	26,889
Other income	3,937	-	3,937	26,695
	<u>24,802</u>	<u>-</u>	<u>24,802</u>	<u>53,584</u>

6 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2020 £	Total 2019 £
Academy's educational operations					
- Direct costs	4,436,104	20,195	1,040,643	5,496,942	4,326,625
- Allocated support costs	4,081,430	2,564,955	495,935	7,142,320	4,737,639
Teaching school					
- Direct costs	41,027	-	177,892	218,919	766,076
- Allocated support costs	81,553	250	30,265	112,068	123,808
	<u>8,640,114</u>	<u>2,585,400</u>	<u>1,744,735</u>	<u>12,970,249</u>	<u>9,954,148</u>

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	15,500	15,100
- Other services	7,200	7,000
Depreciation of tangible fixed assets	301,150	202,777
Net interest on defined benefit pension liability	58,000	33,000

7 Central services

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

- human resources;
- financial services;
- legal services.

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

- 5% of GAG income

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Central services

(Continued)

The amounts charged during the year were as follows:

	2020 £	2019 £
Ditton Primary School	88,167	14,184
Penketh Primary School	36,974	38,601
Evelyn Street Primary School	65,094	59,538
Bruche Primary School	44,417	42,593
Alderman Bolton Primary School	69,281	62,715
Beamont Primary School	84,243	83,483
	<u>388,176</u>	<u>301,114</u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Direct costs				
Educational operations	199,470	5,297,472	5,496,942	4,326,625
Teaching school	-	218,919	218,919	766,076
Support costs				
Educational operations	197,738	6,944,582	7,142,320	4,737,639
Teaching school	-	112,068	112,068	123,808
	<u>397,208</u>	<u>12,573,041</u>	<u>12,970,249</u>	<u>9,954,148</u>
	Teaching school £	Educational operations £	Total 2020 £	Total 2019 £
Analysis of support costs				
Support staff costs	81,553	4,081,430	4,162,983	3,226,741
Depreciation	-	280,955	280,955	187,247
Premises costs	250	2,187,037	2,187,287	756,693
Other support costs	30,265	571,098	601,363	669,666
Governance costs	-	21,800	21,800	21,100
	<u>112,068</u>	<u>7,142,320</u>	<u>7,254,388</u>	<u>4,861,447</u>

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Staff

Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	6,087,830	4,841,495
Social security costs	515,030	416,896
Pension costs	1,898,468	1,124,605
Staff costs - employees	8,501,328	6,382,996
Agency staff costs	138,786	92,840
Total staff expenditure	8,640,114	6,475,836

Staff numbers

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

	2020 Number	2019 Number
Teachers	84	83
Administration and support	182	198
Management	8	8
	274	289

The number of persons employed, expressed as a full time equivalent, was as follows:

	2020 Number	2019 Number
Teachers	79	73
Administration and support	114	106
Management	8	8
	201	187

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	2	4
£70,001 - £80,000	4	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Staff

(Continued)

The above employees participated in the Teacher's Pension Scheme and the Local Government Pension Scheme. During the year employer's pension contributions for these members of staff amounted to £106,573 (2019: £57,372).

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £775,492 (2019: £590,309).

10 Trustees' remuneration and expenses

None of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust other than those set out below:

Louise Smith - Headteacher and CEO

Remuneration £100,001 - £105,000 (2019: £95,001 - £100,000)

Employer's pension contributions £20,001 - £25,000 (2019: £15,001 - £20,000)

During the year ended 31 August 2020 expenses totalling £77 were reimbursed to two trustees (2019: £25 to one trustee).

Related party transactions involving the governors are set out in note 23.

11 Insurance for trustees and officers

In accordance with normal commercial practice the Academy has taken out insurance, however this is under the Risk Protection Arrangement (RPA) from the EFA. The Trust has been advised that this insurance provides unlimited cover for governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance cost relating to governors is not separately identifiable and is included within the total cost for the RPA

12 Intangible fixed assets

	Computer software £
Cost	
At 1 September 2019 and at 31 August 2020	19,004
Amortisation	
At 1 September 2019 and at 31 August 2020	19,004
Carrying amount	
At 31 August 2020	-
At 31 August 2019	-

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2019	14,598,295	32,500	73,926	14,704,721
Additions	-	62,926	51,621	114,547
At 31 August 2020	14,598,295	95,426	125,547	14,819,268
Depreciation				
At 1 September 2019	385,757	19,373	10,842	415,972
Charge for the year	264,372	20,195	16,583	301,150
At 31 August 2020	650,129	39,568	27,425	717,122
Net book value				
At 31 August 2020	13,948,166	55,858	98,122	14,102,146
At 31 August 2019	14,212,538	13,127	63,084	14,288,749

The net book value of land and buildings comprises:

	2020 £	2019 £
Long leaseholds (over 50 years)	13,948,166	14,212,538

14 Debtors

	2020 £	2019 £
Trade debtors	46,911	106,502
VAT recoverable	223,678	179,819
Other debtors	46,509	42,133
Prepayments and accrued income	866,488	974,968
	1,183,586	1,303,422

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Other loans	4,322	14,868
Trade creditors	408,549	266,853
Other taxation and social security	125,967	124,541
EFA creditors	60,235	51,660
Other creditors	138,128	121,029
Accruals and deferred income	511,369	151,782
	<u>1,248,570</u>	<u>730,733</u>

16 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Other loans	<u>33,134</u>	<u>113,679</u>

Analysis of loans	2020 £	2019 £
Wholly repayable within five years	37,456	128,547
Less: included in current liabilities	<u>(4,322)</u>	<u>(14,868)</u>
Amounts included above	<u>33,134</u>	<u>113,679</u>

Loan maturity

Debt due in one year or less	4,322	14,868
Due in more than one year but not more than two years	4,322	14,868
Due in more than two years but not more than five years	12,965	46,523
Due in more than five years	15,847	52,288
	<u>37,456</u>	<u>128,547</u>

Included within other loans is a loan of £8,320 from Salix Finance Ltd, which is an interest free loan to be deducted biannually from the General Annual Grant. The loan commenced in September 2017 is repayable over eight years.

Two loans amounting to £120,227 from the ESFA under the Condition Improvement Fund are also included within other loans. The loans will be repaid over ten years and repayments are expected to commence in 2020.

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Deferred income

	2020 £	2019 £
Deferred income is included within:		
Creditors due within one year	125,788	90,028
Deferred income at 1 September 2019	90,028	168,879
Released from previous years	(90,028)	(168,879)
Resources deferred in the year	125,788	90,028
Deferred income at 31 August 2020	125,788	90,028

At the balance sheet date the academy trust was holding funds received in advance for UIFSM relating to 2020/21.

18 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	660,088	7,405,944	(9,070,479)	1,314,338	309,891
Start up grants	30,000	-	(30,000)	-	-
Other DfE / ESFA grants	-	1,471,516	(1,471,516)	-	-
Other government grants	-	705,349	(705,349)	-	-
Teaching school	361,453	154,764	(330,987)	-	185,230
Other restricted funds	5,000	34,560	(39,560)	-	-
Pension reserve	(2,759,000)	-	(624,000)	(632,000)	(4,015,000)
	(1,702,459)	9,772,133	(12,271,891)	682,338	(3,519,879)
Restricted fixed asset funds					
Inherited on conversion	14,212,545	-	(264,379)	-	13,948,166
DfE group capital grants	1,111,206	625,894	-	(1,428,885)	308,215
Capital expenditure from GAG	76,204	-	(36,771)	114,547	153,980
	15,399,955	625,894	(301,150)	(1,314,338)	14,410,361
Total restricted funds	13,697,496	10,398,027	(12,573,041)	(632,000)	10,890,482
Unrestricted funds					
General funds	70,890	326,318	(397,208)	-	-
Total funds	13,768,386	10,724,345	(12,970,249)	(632,000)	10,890,482

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

General Annual Grant must be used for the normal running expenses of the schools and any amounts carried forward at the end of a financial period must be used in accordance with the terms of the Funding Agreement. Neither school is subject to a limit on the GAG carried forward.

Other DfE/EFA grants comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

Other government grants include LEA funding for Special Educational Needs.

Restricted fixed asset funds include assets inherited on conversion and expenditure out of GAG and other funds.

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	193,937	6,013,850	(5,827,027)	279,328	660,088
Start up grants	-	180,000	(150,000)	-	30,000
Other DfE / ESFA grants	5,000	1,027,844	(1,032,844)	-	-
Other government grants	-	676,473	(676,473)	-	-
Teaching school	450,005	801,332	(889,884)	-	361,453
Other restricted funds	18,031	73,816	(86,847)	-	5,000
Pension reserve	(996,000)	(340,000)	(257,000)	(1,166,000)	(2,759,000)
	<u>(329,027)</u>	<u>8,433,315</u>	<u>(8,920,075)</u>	<u>(886,672)</u>	<u>(1,702,459)</u>
Restricted fixed asset funds					
Transfer on conversion	9,760,645	4,635,295	(183,395)	-	14,212,545
DfE group capital grants	81,762	1,348,793	-	(319,350)	1,111,205
Capital expenditure from GAG	55,564	-	(19,382)	40,022	76,204
	<u>9,897,971</u>	<u>5,984,088</u>	<u>(202,777)</u>	<u>(279,328)</u>	<u>15,399,954</u>
Total restricted funds	<u>9,568,944</u>	<u>14,417,403</u>	<u>(9,122,852)</u>	<u>(1,166,000)</u>	<u>13,697,495</u>
Unrestricted funds					
General funds	<u>364,370</u>	<u>537,816</u>	<u>(831,296)</u>	<u>-</u>	<u>70,890</u>
Total funds	<u>9,933,314</u>	<u>14,955,219</u>	<u>(9,954,148)</u>	<u>(1,166,000)</u>	<u>13,768,385</u>

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Total funds analysis by academy					
				2020	2019
Fund balances at 31 August 2020 were allocated as follows:				£	£
Ditton Primary School				2,711	19,511
Penketh Primary School				(49,601)	77,756
Evelyn Street Primary School				(251,903)	423,541
Bruche Primary School				(147,650)	107,091
Alderman Bolton Primary School				99,991	84,010
Beamont Primary School				(97,856)	302,681
Central services				50,851	112,841
Total before fixed assets fund and pension reserve				(393,457)	1,127,431
Restricted fixed asset fund				14,410,361	15,399,954
Pension reserve				(4,015,000)	(2,759,000)
Total funds				10,001,904	13,768,385

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Ditton Primary School	924,535	634,240	250,871	179,352	1,988,998	309,225
Penketh Primary School	469,220	254,660	69,602	102,629	896,111	1,017,889
Evelyn Street Primary School	760,347	593,247	310,217	434,923	2,098,734	2,387,622
Bruche Primary School	579,362	311,306	92,417	157,177	1,140,262	1,181,256
Alderman Bolton Primary School	793,785	659,274	215,040	833,231	2,501,330	1,852,832
Beamont Primary School	949,881	714,374	257,221	1,002,682	2,924,158	2,140,195
Central services	-	995,883	23,167	100,454	1,119,504	862,351
	4,477,130	4,162,984	1,218,535	2,810,448	12,669,097	9,751,370

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	14,102,146	14,102,146
Current assets	-	1,776,825	308,215	2,085,040
Creditors falling due within one year	-	(1,248,570)	-	(1,248,570)
Creditors falling due after one year	-	(33,134)	-	(33,134)
Defined benefit pension liability	-	(4,015,000)	-	(4,015,000)
Total net assets	-	(3,519,879)	14,410,361	10,890,482

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	14,288,749	14,288,749
Current assets	70,890	1,900,953	1,111,205	3,083,048
Creditors falling due within one year	-	(730,733)	-	(730,733)
Creditors falling due after one year	-	(113,679)	-	(113,679)
Defined benefit pension liability	-	(2,759,000)	-	(2,759,000)
Total net assets	70,890	(1,702,459)	15,399,954	13,768,385

20 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 West and Chester Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £142,884 (2019: £125,391) were payable to the schemes at the year end and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £761,562 (2019: £408,696).

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 contributions are as noted below. The agreed contribution rates for future years are 21.8% for employers and 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.

Total contributions made	2020 £	2019 £
Employer's contributions	512,000	458,000
Employees' contributions	132,000	114,000
Total contributions	<u>644,000</u>	<u>572,000</u>

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	2.9	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.2	2.3

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

	2020 Years	2019 Years
Retiring today		
- Males	21.2	22.3
- Females	23.6	24.5
Retiring in 20 years		
- Males	21.9	23.9
- Females	25.0	26.5

Sensitivity analysis:	Approximate increase to employer liability %	Approximate monetary amount £000
0.5% decrease in real discount rate	15	1,423
0.5% increase in the salary increase rate	2	199
0.5% increase in the pension increase rate	13	1,194

The academy trust's share of the assets in the scheme

	2020 Fair value £	2019 Fair value £
Equities	2,446,000	1,935,000
Bonds	2,229,000	2,115,000
Cash	-	90,000
Property	217,000	360,000
Other assets	544,000	-
Total market value of assets	5,436,000	4,500,000

The actual return on scheme assets was £311,000 (2019: £322,000).

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

Amount recognised in the Statement of Financial Activities	2020 £	2019 £
Current service cost	1,063,000	682,000
Past service cost	15,000	-
Interest income	(92,000)	(82,000)
Interest cost	150,000	115,000
Total operating charge	1,136,000	715,000

Changes in the present value of defined benefit obligations	2020 £	2019 £
At 1 September 2019	7,259,000	3,526,000
Obligations acquired on conversion	-	1,416,000
Current service cost	1,063,000	682,000
Interest cost	150,000	115,000
Employee contributions	132,000	114,000
Actuarial loss	851,000	1,406,000
Benefits paid	(19,000)	-
Past service cost	15,000	-
At 31 August 2020	9,451,000	7,259,000

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

	2020 £	2019 £
At 1 September 2019	4,500,000	2,530,000
Assets acquired on conversion	-	1,076,000
Interest income	92,000	82,000
Actuarial gain	219,000	240,000
Employer contributions	512,000	458,000
Employee contributions	132,000	114,000
Benefits paid	(19,000)	-
At 31 August 2020	5,436,000	4,500,000

WARRINGTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(2,245,904)	5,001,071
Adjusted for:		
Net surplus on conversion to academy	-	(4,321,762)
Capital grants from DfE and other capital income	(625,894)	(1,348,793)
Defined benefit pension costs less contributions payable	566,000	224,000
Defined benefit pension scheme finance cost	58,000	33,000
Depreciation of tangible fixed assets	301,150	202,777
(Increase)/decrease in debtors	(672,952)	293,591
Increase in creditors	528,383	77,888
Stocks, debtors and creditors transferred on conversion	-	26,467
Net cash (used in)/provided by operating activities	(2,091,217)	188,239

22 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	31 August 2020 £
Cash	1,779,626	(878,172)	901,454
Loans falling due within one year	(14,868)	10,546	(4,322)
Loans falling due after more than one year	(113,679)	80,545	(33,134)
	<u>1,651,079</u>	<u>(787,081)</u>	<u>863,998</u>

23 Related party transactions

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

24 Members' liability

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