

Company Registration No. 08852553 (England and Wales)

NORTH WEST ACADEMIES TRUST LIMITED

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

NORTH WEST ACADEMIES TRUST LIMITED

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 15
Governance statement	16 - 18
Statement on regularity, propriety and compliance	19
Statement of trustees' responsibilities	20
Independent auditor's report on the accounts	21 - 23
Independent reporting accountant's report on regularity	24 - 25
Statement of financial activities including income and expenditure account	26 - 27
Balance sheet	28
Statement of cash flows	29
Notes to the accounts including accounting policies	30 - 54

NORTH WEST ACADEMIES TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Sir John Timpson CBE
C Penn - representative of Chester Diocesan BofE
B J Wignall
I Colledge

Trustees

B Wignall (Chairman)
S Docking (CEO & Accounting Officer)
K Cook
A Walmsley
D Jones
Rev. E Ollman
K Cobb
M Forber
J Roberts-Joyce

Senior management team

- CEO & Accounting Officer	S Docking
- CFO	S Jones
- Exec Head - St Martin's Academy/Grosvenor Park CE Academy	W Smith
- Exec Head - Oak View Academy/Weaverham Primary Academy	F Whittaker
- Headteacher - Rudheath Senior Academy	L Barber (formally R Roslan)
- Headteacher - Delamere CE Primary Academy	J Clayton
- Headteacher - Acresfield Primary School	M Dixon
- Headteacher - Ellesmere Primary	S Roberts
- Head of School - Grosvenor Park CE Academy	R Clark
- Head of School - Weaverham Primary Academy	J Price

Company secretary

Oliver & Co Secretarial Services Limited

Company registration number

08852553 (England and Wales)

Principal and registered office

The Coach House
Union Street
Chester
CH1 1QP

NORTH WEST ACADEMIES TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated

	Location	Principal
Oak View Academy	Winsford	F Whittaker
Ellesmere Primary School	Ellesmere	S Roberts
St Martins Academy	Chester	W Smith
Delamere Church of England Academy	Tarporley	J Clayton
Grosvenor Park Church of England Primary	Chester	W Smith
Weaverham Primary	Northwich	F Whittaker
Rudheath Senior Academy	Northwich	L Barber (formally R Roslan)
Acresfield Primary Academy	Chester	M Dixon

Independent auditor

Mitchell Charlesworth LLP
24 Nicholas Street
Chester
CH1 2AU

Bankers

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

Solicitors

Oliver & Co Solicitors Limited
Oliver & Co
Douglas House
117 Foregate Street
Chester
CH1 1HE

NORTH WEST ACADEMIES TRUST LIMITED

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 academy trust operates seven primary schools with age ranges 2-11, and one secondary school with an age range of 11-16, in Cheshire West and Shropshire, England. Its academies have a combined capacity of 2,285 pupils and had 1,884 on roll as of the school census on October 2020, an increase of 163 pupils since 2018/19.

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 operates as North West Academies Trust. All the names of the schools within are shown on the reference and administrative page.

The trustees of North West Academies Trust Limited are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The Academy Trust maintains Directors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Directors. The Academy Trust has also granted indemnities to each of its Directors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Directors or other officers may incur to third parties in the course of acting as Directors or officers of the Academy Trust.

Method of recruitment and appointment or election of trustees

Under the terms of our Articles:

- The members may appoint by ordinary resolution up to 10 trustees.
- The total number of trustees, including the Chief Executive Officer, if they so choose to act as a trustee, who are employees of the Academy Trust, shall not exceed one third of the total number of trustees.
- In circumstance where the trustees have not appointed local governing bodies in respect of academies, there shall be a minimum of two parent trustees.
- Parent trustees and parent local governors shall be elected, or appointed by interview, if the number of parents or individuals exercising parental responsibility standing for election is less than the number of vacancies.
- The trustees may appoint co-opted trustees. The trustees may not co-opt an employee of the Academy Trust as a co-opted trustee if thereby the number of trustees who are employees of the academy trust would exceed one third of the total number of trustees.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new trustees depends on their previous experience. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as a trustee. New trustees may attend an induction if relevant and have access to a full programme of courses which they will choose to attend, based on their role and experience. Trustees can and do visit all academies within the trust and meetings can be held at any of the academies on a rota basis.

Organisational structure

The organisational structure consists of three levels: the trustees, the local governing board (LGB) and the academy leadership team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. Responsibilities are delegated through our scheme of delegation.

The trustees are responsible for setting general policy and dealing with compliance. The LGB create an annual plan for their academy and budget accordingly. They monitor the academy using performance reports and budgets. They make major decisions about the direction of the academy, capital expenditure and senior staff appointments and this relationship is managed through the scheme of delegation. Overall responsibility for ensuring value for money and challenging the academies on how they spend their delegated budgets to improve outcomes for children rests with the CEO.

The senior leadership team is different in each academy. These managers direct the academies at senior level implementing the policies laid down by the trustees and the LGB then reporting back to them. As a group the senior leadership team are responsible for the authorisation of spending up to a level delegated to them, within agreed budgets, and the appointment of staff, although appointment boards for posts in the senior leadership team always contain a trustee. Some spending control is devolved to members of the middle management team, with limits, above which a member of the senior leadership team must countersign.

The middle management team includes curriculum area leaders and heads of year. Along with the senior management team these managers are responsible for the day-to-day operation of the academy, organising the teaching staff, facilities and students.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Academy Trust comprise the trustees, CEO, CFO, Director of Human Resources and senior leadership team as disclosed on the reference and administrative page.

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

Only staff trustees, including the relevant academy leader at each academy and the CEO, are remunerated, and these individuals are only received remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as trustees. Specific disclosures concerning staff trustees' remuneration is included in notes to the financial statements.

The day to day running of the remuneration policy is delegated to the CEO and academy leaders at each academy and monitored by the LGB, finance and resources committee with oversight from Remuneration Committee. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the board of trustees.

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

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

NORTH WEST ACADEMIES TRUST LIMITED

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	1
Full-time equivalent employee number	1.00

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	8,560,000
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

We have good levels of communication with staff at all levels of the organisation. Each school uses the same schools management system ARBOR. Through this we are able to communicate regularly with all staff. Communication is largely delegated to the school's leaders with communication from the Trust limited to monthly newsletters from the CEO, weekly throughout lockdown.

In addition to this, through the lockdown, Trust staff focused on Wellbeing Wednesdays during which we rang staff from each school just to chat. Every member of staff in the organisation received at least one phone call in the week up to 1st June.

Key policies are reviewed in partnership with the Headteachers and decisions made in relation to them are communicated up the structure of the organisation - not down. NWAT offer a number of employee benefit schemes including Medicash, a range of salary sacrifice options and also a free flu jab.

We have a number of disabled colleagues within the organisation and, where relevant, we adapt policy accordingly. Through lockdown we communicated directly with vulnerable staff and made sure all Headteachers were consistent in the delivery of shielding and dealing with all medical needs of staff.

Engagement with suppliers, customers and others in a business relationship with the academy trust

We use a range of suppliers for the delivery of services across the organisation. Where it makes sense to do so, we share services for economies of scale. This is particularly beneficial in the delivery of premise-related services.

In addition to this, the trust employs a centrally-funded repair person who works with all the schools to save money on premise-related costs. We also share catering services in two of our schools, and we use the same best suppliers of utilities to minimise costs in this area.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Related parties and other connected charities and organisations

The Academy Trust is fortunate to benefit from two bursaries provided by The Timpson Foundation. The Timpson Foundation is a Charitable Trust operated by Sir John Timpson, one of the members. The bursaries are given to Oak View Academy and Delamere Academy. Both are for the provision of extra-curricular activities such as educational trips and visits.

The Academy Trust also benefits from discounted legal services from Oliver & Co Solicitors, based in Chester. K Cook is a Trustee of the Academy Trust and also a Director and shareholder of Oliver & Co. Furthermore, DWF Group Solicitors provided services to the trust of which K Cobb is a Partner. Both engagements comply with the Academies Financial Handbook.

All academies encourage parents to form active PTA's both to encourage parental involvement and raise academy funds. All academies within the Academy Trust have a PTA.

In addition to this, Acresfield Primary school received a £20,000 grant from Aldi for winning a competition. Grosvenor Park CE Academy was awarded a £20,000 grant from the MBNA Foundation in Chester, for the development of a school library.

Impact of Covid-19

2020 has been a year like no other for the management of schools. The ongoing impact of the world pandemic has not only meant that schools have had to think and behave differently, it has also meant all measurable benchmarks by which we judge our performance were removed.

While the financial impact is yet to be fully realised, there have been a number of positives that developed amid the circumstances we faced. The improvements in online education and the growth of remote learning has been positive. All our academies live teach, and use Microsoft Teams or Google Classroom to ensure children are educated and provision can remain as normal as possible.

Communication has also been enhanced through online discussion and level travel. It should also be noted that while lockdown meant many businesses shut and staff were furloughed, our schools remained open and staff continued to work. Their efforts to keep the country learning should have been celebrated more. It was never just about Joe Wicks doing daily PE lessons online.

Objectives and activities

Objects and aims

The Trust's object is specifically restricted in the Articles of Association to the following; to advance for the public benefit education in the United Kingdom. In particular, but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing our academies and those with a designated Church of England religious character by offering a broad and balanced curriculum.

We aim to ensure that all children who attend any of the academies have a right to an outstanding education. The trust is responsible for ensuring that each academy is compliant with their statutory obligations but in addition to this the trust staff offer support and challenge in equal measure to the individual academy leadership and Governors. This is delivered through a 'bottom up' approach not through 'top down' control.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives, strategies and activities

The main objectives of the MAT during the year ended 31 August 2020 are summarised below:

- To ensure that every child enjoys the same high-quality education in terms of resourcing, guidance and care.
- To continue to raise the standard of educational achievement and attainment of all pupils, ensuring that each child achieves to the best of their ability.
- To improve and maintain the effectiveness of each academy by keeping curriculum and organisational structure under continual review
- To provide value for money for the funds expended
- To comply with all appropriate statutory and curriculum requirements
- To maintain close links with the Diocese (in our Church Academies), the local community and other key stakeholders involved in supporting each of our academies.

To conduct the business of the academy trust in accordance with the highest standards of integrity, probity and openness following the seven principles of public life.

Public benefit

The trust strives to promote and support the advancement of education within the local area. Each academy within the MAT provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport.

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

- Local sports clubs
- Local choirs
- After academy activities
- Third parties ie: clubs, scouts, youth groups

In setting our objectives and planning our activities the trustees have considered the Charity Commission's general guidance on public benefit. The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties under the Charities Act 2006.

The national lockdown of schools, adversely curtailed the wider public benefit of schools. While schools remained open for vulnerable and key worker children, all external activities in all our academies were canceled during the lockdown period.

We estimate the loss of income derived from these activities at over £10,000, more importantly though activities designed to bring people together could not take place.

The subsequent impact this has on mental and personal health cannot be measured in financial terms.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Achievements and performance

Impact of Covid-19 on Performance

The performance of our academies was not measured by statistical data in 2019/20 due to the Covid-19 pandemic. At primary level all performance measures were abandoned by the Government and no external data will be published. At secondary level GCSEs were judged by Centre Assessed Grades following a process published by Ofqual. This process had its challenges as publicised nationally.

Overall, in 2019/20, based on internal and external moderation, our schools are performing well in relation to meeting the needs of the pupils in their care.

Trust Wide Achievements and Performance

The trust currently operates eight academies. They are:

Delamere CE Primary Academy, Delamere

- Delamere is rated outstanding, has consistently some of the highest performance data of all schools in Cheshire West and Chester and provides an excellent all-round education for all its pupils. The school is full at 168 pupils and oversubscribed on entry.

St Martin's Academy, Chester

- St Martin's opened in September 2013 and is rated outstanding. It has outstanding pupil performance in all years, a rich broad curriculum and is four times oversubscribed on entry. The school opened with one class of 25 pupils and is now full at 175 pupils in total.

Oak View Primary Academy, Winsford

- Oak View joined the trust in April 2014 and was officially rated the second worst school in the country based on SATS results that year. The turnaround has been very successful. The school is now rated good, it has good SATS results in Year 6 and progress scores that are consistently above average. The school is full with 27 children in each class, and has expanded its nursery provision and age range to cater for two-year-olds upwards.

Ellesmere Primary Academy, Ellesmere, Shropshire

- Ellesmere joined the Trust in September 2016. The school was Ofsted inspected in July 2019 and received a good rating. The school's pupil performance is good and this has improved consistently under the leadership and management of the current Headteacher and his team. In 2019/20 the school received a CIF Grant for the renovation of central heating and refurbishment of £750,000 from the ESFA. They have also been successful in two additional CIF bids totalling £1.6m which will be spent in academic year 2020/21

Acresfield Primary School, Chester

- Acresfield joined the Trust in October 2019. Acresfield is an Ofsted rated outstanding school. The school educates pupils aged 3-11 and was rated as the 75th best school in the country based on SATS results in 2018. The school enjoys a great reputation locally, is full and oversubscribed. They were also successful awarded a CIF bid for improvements to the roof totalling £450,000.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Rudheath Senior Academy, Northwich

- A secondary school for 11-16 year-olds, currently rated Ofsted good. This school has faced significant difficulties in recent years including a serious arson attack that destroyed two thirds of the school buildings. Rudheath is currently under subscribed at 455/840 pupils but is growing steadily. We are mid-process of a £6.5m renovation of the school which will be completed in September 2021. A new Headteacher was seconded in February 2020 and a new senior leadership team was also appointed around the Headteacher. The school's standards are improving and based on the centre assessed grades for GCSE, the schools progress 8 score was 0.02 overall. This means that children make the expected progress they are entitled to from entry to exit.

Weaverham Primary Academy, Weaverham

- This school has faced significant difficulties with its reputation locally, and has seen a decline in pupil numbers from its peak, to 115. The school currently operates five classes and has mixed age teaching. On joining our trust, we undertook a restructure to both teaching and support staff which saw savings made to staffing costs. Standards at the school are below national averages in all areas but improving. In October 2019 the school opened a nursery on site which has seen a rise in pupil numbers and a much more successful intake of parents enlisting their children for places. The school has been awarded CIF bid of £250,000 for a new roof in academic year 2019/20, and a further bid totalling over £700,000 for the provision of a new heating system.

Grosvenor Park Primary Academy, Chester

- This school opened as brand new free school at the same time as St Martin's in September 2013. The school has had inconsistent leadership and four Headteachers in five years. In addition to this, it only moved into permanent premises in September 2016 - three years after opening. The school was over-staffed with temporary support staff and has undergone a significant restructure to address its staffing difficulties. The school operates seven classes and is approximately one cohort short in terms of pupil numbers across the seven year groups. The school is rated Ofsted good but standards of attainment and progress could be better throughout school.

Key performance indicators

The trust aims for all academies within the trust to achieve the annual agreed performance set by the LGB prior to the start of the financial year. Furthermore, the trust requires all academies to operate balanced budgets unless the deficit budget is required for investment and reserves are available to cover this budget.

The trust also requires each academy to maintain adequate reserves to cover the day to day running of each academy. This is usually set at one month's running costs.

The trustees have been pleased that expectations for all key performance indicators listed have been successfully met during the period for Delamere, St Martin's, Oak View Acresfield and Ellesmere. Ellesmere has also successfully completed the repayment of £250,000 of debt it had accumulated at point of transfer, while also still improving the school.

Rudheath, Weaverham and Grosvenor park have broadly managed to balance their budgets over the past 12 months and, as pupil numbers are rising, will become more financially secure.

Cost of Covid-19

The Trust, on behalf of the schools, submitted a claim to the ESFA for £117,000 for the additional cost of managing Covid for the period of March to August 2020, of which £41,000 has been approved by ESFA. The financial impact of covid in a time where school budgets are stretched is an additional negative drain on school's core purpose.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Going concern

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

Impact of Covid-19 on Going Concern

At the time of writing, additional cleaning costs, the purchase of PPE and the ongoing costs of dealing with the Covid claim cost the Trust some £3,000 per week. In addition to this, the cost of staff self isolating and covering classes across the trust is in the region of £4,000 per week in lost staffing hours. The unknown costs for the future in managing the pandemic and the ongoing costs each school faces are a challenge to the delivery of the schools' core purpose.

In spite of these issues, the Trust is well placed to manage these challenges both financially and academically.

Protecting the success of the academy trust

The trust has a good reputation locally, regionally and nationally and we place a great deal of importance on promoting the activities of the academies in order to foster close links with wider communities and local businesses.

Our part time media manager implements a vast communications strategy which champions the achievements and high standards of our schools to the widest possible audience.

The importance of our strong links with our local communities are also highlighted in the multi-media marketing approach, which utilises our own network of websites, social media platforms, local and trade press, radio and TV to get the positive message out.

The impact of our operations on communities and the local environment is of the utmost importance, and the schools' campaigns to raise funds for charity, make facilities available to the public, become plastic-free and teach our children about the value of looking after our surroundings are placed front and centre of our communications strategy.

Impact of Covid-19 on Promoting the Success of the Company

Covid-19 has presented a series of significant challenges to our way of school life, and we are proud of the way we have ensured vital learning has continued in the best way possible.

With schools being closed to all but the children of essential workers for some time, and then only partially open before the summer break, our clear lines of communication to parents, staff and the wider public became a lifeline.

The trust created a 'Virtual School' website to encourage and support education at home, shared best practices between schools, and established lines of communication between teachers, pupils and parents to ensure a high standard of learning could continue.

Filming to create virtual open days, and the creation of other videos to help overcome the disconnect caused by restricted access to our academies is ongoing. Plans to record the Christmas concerts to allow parents to enjoy the treasured annual performances while not compromising Covid safety restrictions are in the pipeline.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

Most of the trust's income is obtained from the DfE in the form of grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year and the associated expenditure are shown as restricted funds in the statements of financial activities. The principal accounting policies adopted during the year are detailed in the notes to the financial statements.

During the year ended 31st August 2020, total expenditure of £12,491,000 (2019: £10,025,000) was fully covered by grant funding from the DfE together with other incoming resources. The excess of income over expenditure (excluding actuarial losses on the defined benefit pension scheme) was £3,947,000 (2019: £11,478,000), this does include assets transferred upon conversion.

As at the 31st August 2020, the net book value of fixed assets was £24,279,000 (2019: £20,351,000), including the value of the land and building which are lease on a 125-year lease. The assets are used exclusively for providing education and the associated support services to the pupils of the academy.

Reserves policy

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

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

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

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

The trust has overall reserves of £23,358,000 (2019 £18,800,000). Excluding pension and fixed asset reserves; restricted general reserves amount to £NIL (2019 NIL) and unrestricted reserves amount to £31,000 (2019 £716,000). The total free reserves (excluding pension & fixed asset reserves) amount to £31,000 (2019 £716,000).

The pension scheme liability as at 31st August 2020 was £6,122,000 (2019: £5,820,000). The vast majority of the movement of the pension scheme liability is due to actuarial assumptions and does not have a direct cash impact.

Impact of Covid-19 On Reserves

Covid-19 increased day-to-day operating costs over and above what was budgeted for. Some costs excess were recovered but not all. This impacted the Academy Trust reserves by approximately £50,000- £75,000.

This has impacted on the overall level of free reserves, which has fallen below the trusts usual minimum levels however, reserves are constantly being reviewed and assessed.

Whilst certain individual school's reserves are currently in deficit these are constantly reviewed and monitored with budgets set and actions plans put in place to ensure budgets are balanced in future.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Investment policy

The trust does not have any long-term investments with the cash reserves of the trust being held in bank accounts. The trust has no plans for any long-term investment purchases that would produce a financial input into the trust. The trust does have several on-going capital building projects which will improve the quality of the trust's estate.

Principal risks and uncertainties

The key risks that the charity are financial, premises, academic performance and safeguarding.

Financial

- The key risk is that DfE levels of funding do not increase in line with costs. In order to mitigate this risk the academy trust has robust financial planning to react to the financial climate.

Premises

- The key risk is that there are insufficient funds to repair aging buildings within the Academy Trust. This has been mitigated by Capital Improvement Fund bids in the last two years.

Academic Performance

- The key risk is that academic performance suffers and this has an impact on pupil numbers and financial resources. The academy trust has robust policies to ensure excellent academic progress for all including external assessors and regular benchmarking.

Safeguarding and Child Protection

- The key risk is that the academy trust fails to comply with Safeguarding regulations. The academy trust has robust policies and procedures to ensure that this does not happen including the employment of a designated Safeguarding officer.

Impact of Covid 19

Covid-19 required a totally new approach to risk with policies adopted to mitigate the spread of the virus and protect both staff and pupils from infection. Uncertainty surrounding education provision, pupil assessment was challenging.

Financial and risk management objectives and policies

Risk in relation to the LGPS Pension Scheme

The pension scheme deficit, as shown within notes to the financial statements, is a financial risk to the trust. The balance is a large and material deficit amount however, this risk is managed by the way the scheme is controlled and administered. The scheme undergoes a tri-annual review, when each school's individual liabilities to the scheme is assessed and the next 3 years contributions rates calculated. This allows the trust to plan and manage the cost of future increases in advance, thus helping to mitigate the risk the liability poses.

Fundraising

The Trust does not do any fundraising. All schools within the trust operate Parent Teacher Associations or equivalent parent support bodies, who fundraise on behalf of each individual school. Funds raised are donated directly to the school in question.

As a result of Covid-19 we estimate that the schools in the Trust lost approximately £30,000 in PTA donations during the period March to September. This is income that can never be raised again.

Streamlined energy and carbon reporting

Energy consumption

Aggregate of energy consumption in the year

kWh

1,654,231

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	38.87	
- Fuel consumed for owned transport	-	
	<hr/>	38.87
Scope 2 - indirect emissions		
- Electricity purchased		371.22
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust		-
		<hr/>
Total gross emissions		410.09
		<hr/> <hr/>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil		0.22
		<hr/> <hr/>

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government’s Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

Increased usage video conferencing technology for staff and trustees meetings, to reduce the need for travel between school. Replacement roof works which may provide better insulation.

Plans for future periods

The trust is proactively looking at expansion with plans in place to bring other schools into the Trust, open more schools through the free school program and work closely with the RSC to look at supporting schools when the need arises.

Impact of Covid-19 on Future Plans

We are in pre-opening for our free school Ledsham Manor. The funding for this is dependent on house numbers sold in the development it will serve. The lockdown period affected the construction timeline and this could equally alter the development and opening of the school.

NORTH WEST ACADEMIES TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 13 January 2021 and signed on its behalf by:

B Wignall
Chairman

NORTH WEST ACADEMIES TRUST LIMITED

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between North West Academies Trust Limited and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
B Wignall (Chairman)	4	4
S Docking (CEO & Accounting Officer)	4	4
K Cook	4	4
A Walmsley	3	4
D Jones	4	4
Rev. E Ollman	4	4
K Cobb	4	4
M Forber	4	4
J Roberts-Joyce	4	4

The board feels that whilst it met only 4 times in the year (with a number of informal meetings online during the lockdown period), it fully maintained effective oversight by virtual of additional sub-committee meetings.

There have been no major changes to the make up of the board in the last 12 months. During lockdown it was necessary to cancel face-to-face meetings but we held fortnightly update meetings via zoom and in addition to this the CEO wrote weekly updates for all Trustees. Communication and oversight throughout this period was good.

The finance and premises committee is a sub-committee of the main board of trustees. Its purpose is to:

- plan and monitor the financial and other resources of the academy effectively, and to ensure the academy provides a safe educational environment.
- One of the Committee's responsibilities is routine budget setting and monitoring. In addition to this the committee receives feedback on the improvements to the school's estates and make sure that the facilities in which education is delivered are fit for purpose. The membership of this committee has not changed this year.

NORTH WEST ACADEMIES TRUST LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
B Wignall (Chairman)	3	3
S Docking (CEO & Accounting Officer)	3	3
K Cook	3	3
D Jones	3	3

Review of value for money

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

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

- sharing key staff
- utilising effective contract negotiations
- employing a centrally-funded maintenance person,
- sharing of catering facilities
- contracting in all cleaning staff.

The employment of the maintenance person alone has saved the schools within the Trust over £50,000 in 2019/20.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in North West Academies Trust Limited 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 academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy 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.

NORTH WEST ACADEMIES TRUST LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and premises 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;
- identification and management of risks.

The board of trustees has decided:

- not to appoint an auditor for this service. However, the trustees have appointed Mr David Jones, a trustee, to carry out a programme of internal checks.

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

- Testing of payroll systems
- Testing of control accounts/bank reconciliations

On a termly basis, the reviewer reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees, and prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

As accounting officer, the principal 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 or the school resource management self-assessment tool;
- 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 audit committee and a plan to address weaknesses [if relevant] and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 13 January 2021 and signed on its behalf by:

B Wignall
Chairman

NORTH WEST ACADEMIES TRUST LIMITED

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

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

I confirm that I and the academy trust's board of trustees 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.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance have been discovered to date and have been notified to the board of trustees and ESFA. If instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA, in addition thereto.

Services totalling £5,863 were provided by a trustee's related party. These services exceed the 'at cost' De minimis of £2,500 and as a result should have been provided 'at cost' to the academy trust. In addition, these services were not reported to the ESFA in accordance with the disclosure requirements of the Academies Financial Handbook. It was noted that this exception was also reported within the year ended 31st August 2019 financial statements and subsequently resolved however, only after these transactions had already taken place in this financial year ended 31st August 2020.

S Docking
Accounting Officer

13 January 2021

NORTH WEST ACADEMIES TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of North West Academies Trust Limited 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

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 board of trustees on 13 January 2021 and signed on its behalf by:

B Wignall
Chairman

NORTH WEST ACADEMIES TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH WEST ACADEMIES TRUST LIMITED

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of North West Academies Trust Limited 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.

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. 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.

NORTH WEST ACADEMIES TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH WEST ACADEMIES TRUST LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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.

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.

NORTH WEST ACADEMIES TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH WEST ACADEMIES TRUST LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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.

Robert Hall (Senior Statutory Auditor)
for and on behalf of Mitchell Charlesworth LLP

13 January 2021

Chartered Accountants
Statutory Auditor

24 Nicholas Street
Chester
CH1 2AU

NORTH WEST ACADEMIES TRUST LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NORTH WEST ACADEMIES TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 23 June 2020 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 North West Academies Trust Limited 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 North West Academies Trust Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the North West Academies Trust Limited 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 North West Academies Trust Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of North West Academies Trust Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of North West Academies Trust Limited's funding agreement with the Secretary of State for Education 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:

- Reviewing the activities to ensure they are in keeping with the charitable objectives and framework.
- Reviewing declarations of interest and seeking further representations.
- Reviewing the control environment and considering potential weaknesses.
- Reviewing minutes of various committees, management accounts and holding discussions with key personnel.

NORTH WEST ACADEMIES TRUST LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NORTH WEST ACADEMIES TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

In the course of our work, except for the matters listed below, 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.

Exception Matter

Services totalling £5,863 were provided by a trustee's related party. These services exceed the 'at cost' De minimis of £2,500 and as a result should have been provided 'at cost' to the academy trust. In addition, these services were not reported to the ESFA in accordance with the disclosure requirements of the Academies Financial Handbook. It was noted that this exception was also reported within the year ended 31st August 2019 financial statements and subsequently resolved however, only after these transactions had already taken place in this financial year ended 31st August 2020.

Reporting Accountant

Mitchell Charlesworth LLP
24 Nicholas Street
Chester
CH1 2AU

Dated: 13 January 2021

NORTH WEST ACADEMIES TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and capital grants	3	38	63	4,028	4,129	3,787
Donations - transfer from local authority on conversion	27	-	34	1,855	1,889	-
Donations - transfer of existing academy into the trust	27	-	-	-	-	7,514
Charitable activities:						
- Funding for educational operations	4	577	9,809	-	10,386	10,185
Other trading activities	5	33	-	-	33	17
Investments	6	1	-	-	1	-
Total		<u>649</u>	<u>9,906</u>	<u>5,883</u>	<u>16,438</u>	<u>21,503</u>
Expenditure on:						
Raising funds	7	-	28	-	28	-
Charitable activities:						
- Educational operations	9	<u>1,334</u>	<u>10,774</u>	<u>355</u>	<u>12,463</u>	<u>10,025</u>
Total	7	<u>1,334</u>	<u>10,802</u>	<u>355</u>	<u>12,491</u>	<u>10,025</u>
Net income/(expenditure)		(685)	(896)	5,528	3,947	11,478
Transfers between funds	18	-	(17)	17	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	611	-	611	(1,806)
Net movement in funds		(685)	(302)	5,545	4,558	9,672
Reconciliation of funds						
Total funds brought forward		<u>716</u>	<u>(5,820)</u>	<u>23,904</u>	<u>18,800</u>	<u>9,128</u>
Total funds carried forward		<u>31</u>	<u>(6,122)</u>	<u>29,449</u>	<u>23,358</u>	<u>18,800</u>

NORTH WEST ACADEMIES TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2019 £'000
Income and endowments from:					
Donations and capital grants	3	58	41	3,688	3,787
Donations - transfer of existing academy into the trust	27	-	(2,322)	9,836	7,514
Charitable activities:					
- Funding for educational operations	4	2,098	8,087	-	10,185
Other trading activities	5	17	-	-	17
Total		<u>2,173</u>	<u>5,806</u>	<u>13,524</u>	<u>21,503</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	1,393	8,294	338	10,025
Total	7	<u>1,393</u>	<u>8,294</u>	<u>338</u>	<u>10,025</u>
Net income/(expenditure)		780	(2,488)	13,186	11,478
Transfers between funds	18	(162)	84	78	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(1,806)	-	(1,806)
Net movement in funds		618	(4,210)	13,264	9,672
Reconciliation of funds					
Total funds brought forward		98	(1,610)	10,640	9,128
Total funds carried forward		<u>716</u>	<u>(5,820)</u>	<u>23,904</u>	<u>18,800</u>

NORTH WEST ACADEMIES TRUST LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		24,279		20,351
Current assets					
Debtors	14	4,887		4,672	
Cash at bank and in hand		2,105		840	
		<u>6,992</u>		<u>5,512</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	<u>(791)</u>		<u>(897)</u>	
Net current assets			6,201		4,615
Total assets less current liabilities			30,480		24,966
Creditors: amounts falling due after more than one year	16		<u>(1,000)</u>		<u>(346)</u>
Net assets before defined benefit pension scheme liability			29,480		24,620
Defined benefit pension scheme liability	20		<u>(6,122)</u>		<u>(5,820)</u>
Total net assets			<u>23,358</u>		<u>18,800</u>
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			29,449		23,904
- Pension reserve			<u>(6,122)</u>		<u>(5,820)</u>
Total restricted funds			23,327		18,084
Unrestricted income funds	18		<u>31</u>		<u>716</u>
Total funds			<u>23,358</u>		<u>18,800</u>

The accounts on pages 26 to 54 were approved by the trustees and authorised for issue on 13 January 2021 and are signed on their behalf by:

B Wignall
Chairman

Company Number 08852553

NORTH WEST ACADEMIES TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash used in operating activities	21		(1,270)		(3,084)
Cash funds transferred on conversion & from existing academies			342		(320)
			<u>(928)</u>		<u>(3,404)</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		1		-	
Capital grants from DfE Group		3,987		3,687	
Capital funding received from sponsors and others		41		-	
Purchase of tangible fixed assets		<u>(2,432)</u>		<u>(207)</u>	
Net cash provided by investing activities			1,597		3,480
Cash flows from financing activities					
New other loan		653		348	
Repayment of other loan		<u>(57)</u>		<u>(83)</u>	
Net cash provided by financing activities			596		265
Net increase in cash and cash equivalents in the reporting period			1,265		341
Cash and cash equivalents at beginning of the year			<u>840</u>		<u>499</u>
Cash and cash equivalents at end of the year			<u>2,105</u>		<u>840</u>

NORTH WEST ACADEMIES TRUST LIMITED

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 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 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Acresfield Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in the notes to the financial statements.

1.4 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.

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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.

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.

1.5 Expenditure

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

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

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

1.6 Tangible fixed assets and depreciation

Assets with an estimated useful economic life of two years or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold land and buildings	Straight line over 125 year, 60 year and 50 year periods
Fixtures, fittings & equipment	25% on reducing balance
Motor vehicles	25% on cost

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

1.7 Liabilities

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

1.8 Leased assets

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

1.9 Financial instruments

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

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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.

1.10 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.

1.11 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.

1.12 Fund accounting

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

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

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

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

1.13 Provisions

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

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

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 discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Private sponsorship	-	25	25	55
Capital grants	-	3,987	3,987	3,687
Other donations	38	79	117	45
	<u>38</u>	<u>4,091</u>	<u>4,129</u>	<u>3,787</u>

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	7,811	7,811	6,323
Other DfE group grants	-	1,312	1,312	1,272
	<u>-</u>	<u>9,123</u>	<u>9,123</u>	<u>7,595</u>
Other government grants				
Local authority grants	-	589	589	492
	<u>-</u>	<u>589</u>	<u>589</u>	<u>492</u>
Exceptional government funding				
Coronavirus job retention scheme	-	67	67	-
Coronavirus exceptional support	-	30	30	-
	<u>-</u>	<u>97</u>	<u>97</u>	<u>-</u>
Other funding				
Other incoming resources	577	-	577	2,098
	<u>577</u>	<u>-</u>	<u>577</u>	<u>2,098</u>
Total funding	<u>577</u>	<u>9,809</u>	<u>10,386</u>	<u>10,185</u>

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	32	-	32	10
Other income	1	-	1	7
	<u>33</u>	<u>-</u>	<u>33</u>	<u>17</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Short term deposits	1	-	1	-
	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Expenditure

	Non-pay expenditure		Total 2020 £'000	Total 2019 £'000
	Staff costs £'000	Premises £'000		
Expenditure on raising funds				
- Direct costs	-	-	28	-
Academy's educational operations				
- Direct costs	6,860	263	419	5,797
- Allocated support costs	2,175	1,687	1,059	4,228
	<u>9,035</u>	<u>1,950</u>	<u>1,506</u>	<u>10,025</u>

Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Fees payable to auditor for:		
- Audit	8	8
- Other services	9	6
Operating lease rentals	53	3
Depreciation of tangible fixed assets	350	338
Loss on disposal of fixed assets	5	-
Net interest on defined benefit pension liability	116	92

8 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;

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

- Flat percentage of income;
- 4% to 6.5% based on GAG

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Central services

The amounts charged during the year were as follows:

	2020	2019
	£'000	£'000
Oak View Academy	34	50
Ellesmere Primary School	82	74
St Martins Academy	24	17
Delamere Church of England Academy	24	23
Grosvenor Park Church of England Primary	37	8
Weaverham Primary	31	11
Rudheath Senior Academy	133	51
Acresfield Primary Academy	26	-
	<u>391</u>	<u>234</u>

9 Charitable activities

	Unrestricted	Restricted	Total	Total
	funds	funds	2020	2019
	£'000	£'000	£'000	£'000
Direct costs				
Educational operations	1,334	6,208	7,542	5,797
Support costs				
Educational operations	-	4,921	4,921	4,228
	<u>1,334</u>	<u>11,129</u>	<u>12,463</u>	<u>10,025</u>

	2020	2019
	£'000	£'000
Analysis of support costs		
Support staff costs	2,201	1,626
Depreciation	92	338
Technology costs	281	132
Premises costs	1,595	711
Legal costs	68	38
Other support costs	623	1,235
Governance costs	61	148
	<u>4,921</u>	<u>4,228</u>

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Staff costs

Staff costs during the year were:

	2020	2019
	£'000	£'000
Wages and salaries	6,144	5,000
Social security costs	548	423
Pension costs	1,868	1,168
	<u> </u>	<u> </u>
Staff costs - employees	8,560	6,591
Agency staff costs	148	205
Staff restructuring costs	327	92
	<u> </u>	<u> </u>
	9,035	6,888
Staff development and other staff costs	56	28
	<u> </u>	<u> </u>
Total staff expenditure	<u>9,091</u>	<u>6,916</u>

Staff restructuring costs comprise:

Redundancy payments	314	92
Severance payments	13	-
	<u> </u>	<u> </u>
	327	92
	<u> </u>	<u> </u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £13,000 (2019: £nil).

Staff numbers

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

	2020	2019
	Number	Number
Teachers	95	84
Administration and support	199	189
Management	11	7
	<u> </u>	<u> </u>
	305	280
	<u> </u>	<u> </u>

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

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	1	-
£70,001 - £80,000	3	2
£90,001 - £100,000	-	1
£110,001 - £120,000	1	-
	<u>1</u>	<u>3</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on the reference and administrative page. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £864,206 (2019: £561,547).

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

S Docking (CEO, Accounting Officer & Trustee)

- Remuneration £110,000 - £115,000 (2019: £100,000 - £105,000)

- Employers pension contributions £25,000 - £30,000 (2019: £15,000 - £20,000)

Trustees' expenses

During the period ended 31 August 2020, travel and subsistence expenses totalling £3,217 (2019: £NIL) were reimbursed to 1 trustee.

12 Insurance for trustees and officers

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

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

	Leasehold land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2019	21,219	1,101	20	22,340
Transfer on conversion	1,780	75	-	1,855
Additions	2,384	48	-	2,432
Disposals	-	(5)	-	(5)
At 31 August 2020	25,383	1,219	20	26,622
Depreciation				
At 1 September 2019	1,222	754	13	1,989
Charge for the year	234	113	7	354
At 31 August 2020	1,456	867	20	2,343
Net book value				
At 31 August 2020	23,927	352	-	24,279
At 31 August 2019	19,997	347	7	20,351

14 Debtors

	2020 £'000	2019 £'000
Trade debtors	25	35
VAT recoverable	377	209
Other debtors	4,348	4,264
Prepayments and accrued income	137	164
	4,887	4,672

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Government loans	20	78
Trade creditors	250	407
Other taxation and social security	139	103
Other creditors	159	109
Accruals and deferred income	223	200
	<u>791</u>	<u>897</u>

16 Creditors: amounts falling due after more than one year

	2020	2019
	£'000	£'000
Government loans	1,000	346
	<u>1,000</u>	<u>346</u>

Analysis of loans	2020	2019
	£'000	£'000
Wholly repayable within five years	1,020	424
Less: included in current liabilities	(20)	(78)
	<u>1,000</u>	<u>346</u>

Loan maturity

Debt due in one year or less	20	78
Due in more than two years but not more than five years	631	334
Due in more than five years	369	12
	<u>1,020</u>	<u>424</u>

Two legal charges in favour of The Secretary of State for Education are secured over two properties held by North West Academies Trust Limited. Both charges contain a negative pledge.

Grosvenor Park and Weaverham Academy were transferred into the trust with accumulated deficits of £170,000 and £150,000 respectively, resulting in a total deficit of £320,000. A repayment plan has yet to be agreed with the ESFA, other than it is to be fully repaid by 2024.

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Creditors: amounts falling due after more than one year

During the year North West Academies Trust acquired CIF funding to the value of £454,959. This funding is subject to repayment term and interest as detailed below for the individual schools:

CIF Loan 1

During the year Ellesmere Primary were successful in their CIF Loan application for a roofing project. The amount of £63,000, is repayable over 10 years bearing a 1.95% interest

CIF Loan 2

During the year Ellesmere Primary were successful in their CIF Loan application for a classrooms project. The amount of £111,250, is repayable over 10 years bearing a 2.07% interest.

CIF Loan 3

During the year Acresfield Primary were successful in their CIF Loan application for a roofing project. The amount of £50,176, is repayable over 10 years bearing a 1.95% interest.

CIF Loan 4

During the year Rudheath Senior were successful in their CIF Loan application for a school rebuild project. The amount of £158,533, is repayable over 10 years bearing a 2.29% interest.

CIF Loan 5

During the year Grosvenor Park Academy were successful in their CIF Loan application for a roofing project. The amount of £72,000, is repayable over 10 years bearing a 2.07% interest.

During the year North West Academies Trust acquired Salix funding to the value of £207,741. This funding is subject to repayment term, however the loans bear no interest as detailed below for the individual schools:

Salix Loan 1

During the year Ellesmere Primary were successful in their Salix Loan application for a roofing project. The amount of £9,168, is repayable over 8 years.

Salix Loan 2

During the year Grosvenor Park Academy were successful in their Salix Loan application for a roofing project. The amount of £8,136, is repayable over 8 years.

Salix Loan 3

During the year Weaverham Academy were successful in their Salix Loan application for a heating project. The amount of £9,364, is repayable over 8 years.

Salix Loan 4

During the year Weaverham Academy were successful in their Salix Loan application for a heating project. The amount of £88,597, is repayable over 8 years.

Salix Loan 5

During the year Rudheath Senior were successful in their CIF Loan application for a school rebuild project. The amount of £93,000, is repayable over 8 years.

Salix Loan 6

During the year Rudheath Senior were successful in their CIF Loan application for a school rebuild project. The amount of £8,840, is repayable over 8 years.

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Deferred income	2020	2019
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	161	140
	<u> </u>	<u> </u>
Deferred income at 1 September 2019	140	108
Released from previous years	(140)	(108)
Resources deferred in the year	161	140
	<u> </u>	<u> </u>
Deferred income at 31 August 2020	161	140
	<u> </u>	<u> </u>

At the balance sheet date the academy trust was holding funds received in advance for Nursery Income, Universal Infant Free School Meals and Trips.

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	-	7,811	(7,794)	(17)	-
Other DfE / ESFA grants	-	1,409	(1,409)	-	-
Other government grants	-	589	(589)	-	-
Other restricted funds	-	405	(405)	-	-
Pension reserve	(5,820)	(308)	(605)	611	(6,122)
	<u>(5,820)</u>	<u>9,906</u>	<u>(10,802)</u>	<u>594</u>	<u>(6,122)</u>
Restricted fixed asset funds					
Inherited on transfers and conversions	20,114	1,855	(291)	-	21,678
DfE group capital grants	3,723	3,987	(41)	-	7,669
Capital expenditure from GAG	67	-	(21)	17	63
Private sector capital sponsorship	-	41	(2)	-	39
	<u>23,904</u>	<u>5,883</u>	<u>(355)</u>	<u>17</u>	<u>29,449</u>
Total restricted funds	<u>18,084</u>	<u>15,789</u>	<u>(11,157)</u>	<u>611</u>	<u>23,327</u>
Unrestricted funds					
General funds	716	649	(1,334)	-	31
Total funds	<u>18,800</u>	<u>16,438</u>	<u>(12,491)</u>	<u>611</u>	<u>23,358</u>

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

The General Annual Grant (GAG) must be used for the normal costs of the Academy. The Academy is allowed to carry forward up to 12% of the GAG. Of the carried forward amount up to 2% of the GAG can be used for general purposes at the discretion of the Academy but any balance over 2% must be used for capital purposes.

The Restricted Fixed Asset Fund comprises the deemed gifting of the school premises against which depreciation will be charged over the 125 year term of the lease. Also contained in the fund are grants for the extension on a school building against which depreciation is charged over the remainder of the lease term. Fixtures and fittings are also included within the fund and depreciated in accordance with the Trust's policy.

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	-	6,006	(6,090)	84	-
Other DfE / ESFA grants	-	1,271	(1,271)	-	-
Other government grants	-	492	(492)	-	-
Other restricted funds	-	42	(42)	-	-
Pension reserve	(1,610)	(2,005)	(399)	(1,806)	(5,820)
	<u>(1,610)</u>	<u>5,806</u>	<u>(8,294)</u>	<u>(1,722)</u>	<u>(5,820)</u>
Restricted fixed asset funds					
Inherited on transfers and conversions	10,584	9,836	(306)	-	20,114
DfE group capital grants	56	3,688	(21)	-	3,723
Capital expenditure from GAG	-	-	(11)	78	67
	<u>10,640</u>	<u>13,524</u>	<u>(338)</u>	<u>78</u>	<u>23,904</u>
Total restricted funds	<u>9,030</u>	<u>19,330</u>	<u>(8,632)</u>	<u>(1,644)</u>	<u>18,084</u>
Unrestricted funds					
General funds	98	2,173	(1,393)	(162)	716
Total funds	<u>9,128</u>	<u>21,503</u>	<u>(10,025)</u>	<u>(1,806)</u>	<u>18,800</u>

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

Total funds analysis by academy

	2020	2019
	£'000	£'000
Fund balances at 31 August 2020 were allocated as follows:		
Oak View Academy	(17)	20
Ellesmere Primary School	21	(20)
St Martins Academy	39	(38)
Delamere Church of England Academy	67	(34)
Grosvenor Park Church of England Primary	(10)	(71)
Weaverham Primary	(61)	88
Rudheath Senior Academy	(288)	589
Acresfield Primary Academy	297	-
Central services	(17)	182
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	31	716
Restricted fixed asset fund	29,449	23,904
Pension reserve	(6,122)	(5,820)
	<hr/>	<hr/>
Total funds	23,358	18,800
	<hr/>	<hr/>

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2020 £'000	Total 2019 £'000
Oak View Academy	864	129	71	141	1,205	1,225
Ellesmere Primary School	1,201	274	58	206	1,739	1,866
St Martins Academy	533	117	70	152	872	817
Delamere Church of England Academy	586	104	42	185	917	978
Grosvenor Park Church of England Primary	616	90	58	106	870	787
Weaverham Primary	465	101	30	128	724	652
Rudheath Senior Academy	1,757	468	59	1,318	3,602	2,377
Acresfield Primary Academy	675	189	48	150	1,062	-
Central services	163	213	9	154	539	986
	<u>6,860</u>	<u>1,685</u>	<u>445</u>	<u>2,540</u>	<u>11,530</u>	<u>9,688</u>

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	24,279	24,279
Current assets	31	1,091	5,870	6,992
Creditors falling due within one year	-	(771)	(20)	(791)
Creditors falling due after one year	-	(320)	(680)	(1,000)
Defined benefit pension liability	-	(6,122)	-	(6,122)
	<u>31</u>	<u>(6,122)</u>	<u>29,449</u>	<u>23,358</u>

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Analysis of net assets between funds

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	Funds
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	20,351	20,351
Current assets	829	1,100	3,583	5,512
Creditors falling due within one year	(113)	(780)	(4)	(897)
Creditors falling due after one year	-	(320)	(26)	(346)
Defined benefit pension liability	-	(5,820)	-	(5,820)
Total net assets	716	(5,820)	23,904	18,800

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 The Cheshire Pension Fund & The Shropshire County Pension Fund. 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 2016.

Contributions amounting to £156,000 were payable to the schemes at 31 August 2020 (2019: £107,000) 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.

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.

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

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 £889,000 (2019: £505,000).

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 17.9% - 33.1% 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
	£'000	£'000
Employer's contributions	536	365
Employees' contributions	126	92
	<hr/>	<hr/>
Total contributions	662	457
	<hr/>	<hr/>

Principal actuarial assumptions	2020	2019
	%	%
Rate of increase in salaries	2.2	2.7
Rate of increase for pensions in payment/inflation	3.0	2.4
Discount rate for scheme liabilities	1.7	1.8
	<hr/>	<hr/>

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

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

	2020	2019
	Years	Years
Retiring today		
- Males	21.4	22.4
- Females	23.8	24.8
Retiring in 20 years		
- Males	22.2	24.1
- Females	25.2	26.8

Scheme liabilities would have been affected by changes in assumptions as follows:

	2020	2019
	£'000	£'000
Discount rate - 0.1%	308	285
Mortality assumption + 1 year	92	224
CPI rate + 0.1%	274	93

Defined benefit pension scheme net liability

Scheme assets	6,351	5,261
Scheme obligations	(12,473)	(11,081)
Net liability	(6,122)	(5,820)

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

	2020	2019
	Fair value	Fair value
	£'000	£'000
Equities	2,875	2,315
Bonds	2,500	2,278
Cash	242	105
Property	603	395
Other assets	131	168
Total market value of assets	6,351	5,261

The actual return on scheme assets was £115,000 (2019: £472,000).

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2020 £'000	2019 £'000
Current service cost	1,017	570
Past service cost	8	102
Interest income	(111)	(116)
Interest cost	227	208
Total operating charge	1,141	764

Changes in the present value of defined benefit obligations	2020 £'000	2019 £'000
At 1 September 2019	11,081	3,145
Transferred in on existing academies joining the academy trust	706	4,867
Current service cost	1,017	570
Interest cost	227	208
Employee contributions	126	92
Actuarial (gain)/loss	(607)	2,162
Benefits paid	(85)	(65)
Past service cost	8	102
At 31 August 2020	12,473	11,081

Changes in the fair value of the academy trust's share of scheme assets	2020 £'000	2019 £'000
At 1 September 2019	5,261	1,535
Transferred in on existing academies joining the academy trust	398	2,862
Interest income	111	116
Actuarial gain	4	356
Employer contributions	536	365
Employee contributions	126	92
Benefits paid	(85)	(65)
At 31 August 2020	6,351	5,261

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Reconciliation of net income to net cash flow from operating activities	2020 £'000	2019 £'000
Net income for the reporting period (as per the statement of financial activities)	3,947	11,478
Adjusted for:		
Net surplus on conversion to academy	(1,889)	-
Net surplus on transfer of academy in the trust	-	(7,514)
Capital grants from DfE and other capital income	(4,028)	(3,687)
Investment income receivable	(1)	-
Defined benefit pension costs less contributions payable	489	307
Defined benefit pension scheme finance cost	116	92
Depreciation of tangible fixed assets	354	339
Loss on disposal of fixed assets	5	-
(Increase) in debtors	(215)	(4,552)
(Decrease)/increase in creditors	(48)	453
Net cash used in operating activities	<u>(1,270)</u>	<u>(3,084)</u>

22 Analysis of changes in net funds	1 September 2019 £'000	Cash flows £'000	Other non-cash changes £'000	31 August 2020 £'000
Cash	840	1,265	-	2,105
Loans falling due within one year	(78)	58	-	(20)
Loans falling due after more than one year	(346)	(58)	(596)	(1,000)
	<u>416</u>	<u>1,265</u>	<u>(596)</u>	<u>1,085</u>

23 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £'000	2019 £'000
Amounts due within one year	39	7
Amounts due in two and five years	44	60
	<u>83</u>	<u>67</u>

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Capital commitments

	2020	2019
	£'000	£'000
Expenditure contracted for but not provided in the accounts	3,562	4,438

25 Related party transactions

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

Expenditure related party transactions

Sir John Timpson CBE - Member

During the period Timpson Ltd, a company in which Sir John Timpson is a director, granted a bursary of £25,000 (2019: £55,000) to the trust. This bursary has been recognised in full in the current period, The trust also purchased goods amounting to £288 (2019: £20) from Timpson Ltd.

B Wignall - Member & Trustee

During the period Ellesmere College Ltd, a company in which B Wagnall is Chief Executive, provided support to the trust in return for the use of facilities. This amount to £5,000 (2019: £18,423).

K Cook - Trustee

During the period Oliver & Co Solicitors, a firm in which K Cook is a Partner, provided professional services amounting to £13,093 (2019: £37,582). At the yearend the amount of £4,620 (2019: £Nil) was liable for services provided to the trust. These services were provided by a separate Partner within the firm and thus compliance with the academies financial handbook.

M Forber - Trustee

During the period Somerville Federation, in which M Forber is a Ex Officio, received £Nil (2019: £1,350) for services provided to the trust.

S Roberts - Senior Management

During the period Lia Roberts Counselling, a business related party of S Roberts, provided services amounting to £5,863 (2019: £12,982).

K Cobb - Trustee

During the period DWF Group Solicitors, in which K Cobb is a Partner, provided professional services amounting to £19,788 (2019: £Nil). These services were provided by a separate Partner within the firm and thus compliance with the academies financial handbook.

26 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

NORTH WEST ACADEMIES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Conversion to an academy

On 1st October 2019, Acresfield Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to North West Academies Trust from Cheshire West and Chester Local Authority for £nil consideration.

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

The table below sets out the total assets and liabilities transferred.

Academy	Location	Date of conversion		
Acresfield Primary Academy	Chester	1 October 2019		
	Unrestricted	Restricted funds:		Total
	funds	General	Fixed asset	2020
	£'000	£'000	£'000	£'000
Net assets transferred:				
Leasehold land and buildings	-	-	1,780	1,780
Other tangible fixed assets	-	-	75	75
Cash	-	342	-	342
Pension scheme deficit	-	(308)	-	(308)
	<u>-</u>	<u>34</u>	<u>1,855</u>	<u>1,889</u>
	<u>-</u>	<u>34</u>	<u>1,855</u>	<u>1,889</u>
	Unrestricted	Restricted funds:		Total
	funds	General	Fixed asset	2020
	£'000	£'000	£'000	£'000
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	1,855	1,855
LA budget funds	-	342	-	342
LGPS pension funds	-	(308)	-	(308)
	<u>-</u>	<u>34</u>	<u>1,855</u>	<u>1,889</u>
	<u>-</u>	<u>34</u>	<u>1,855</u>	<u>1,889</u>

The land and building of the school were transferred on a 125 year lease.