



**INSPIRE EDUCATION TRUST**

**(A company limited by guarantee)**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**Inspire Education Trust**



*Together we achieve individually we grow*

**INSPIRE EDUCATION TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Members**

Mrs Lois Whitehouse  
Canon Linda Wainscoat  
Mrs Eileen Leech  
Mr Ralph Bonnell

**Trustees**

Mrs Lois Whitehouse (resigned 22 March 2018)  
Mrs Kim Docking, Executive Principal  
Canon Linda Wainscoat, Chair of the Diocesan Board of Education  
Mr David Kershaw  
Mr Graham Wise, Chair of the finance and audit committee  
Mrs Eileen Leech (resigned 11 July 2018)  
Reverend Malcolm Tyler, Chair of Trustees (appointed 11 October 2017)  
Mrs Gillian Bowser (appointed 12 July 2018)  
Mrs Lisa Hayes (appointed 12 July 2018)

**Company registered number**

09728614

**Company name**

Inspire Education Trust

**Principal and registered office**

Walsgrave CofE Academy  
School House Lane  
Walsgrave  
Coventry  
CV2 2BA

**Company secretary**

Mrs Antoinette Heffernan

**Senior management team**

Mrs Kim Docking, Executive Principal  
Mrs Antoinette Heffernan, Business Manager  
Mr Robert Darling, Headteacher - Walsgrave  
Mrs Karen Rossiter (to 31 December 2018), Headteacher - Whittle  
Ms Pam Carpenter (from 16 April 2018), Headteacher - Whittle  
Mrs Amy Husband, Headteacher - Clifford Bridge  
Mrs Bryony Harrison, Headteacher - Hearsall

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Advisers (continued)**

**Independent auditor**

PKF Cooper Parry Group Limited  
Chartered Accountants  
Statutory Auditor  
One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

**Bankers**

Lloyds Bank PLC  
Coventry  
CV1 5RA

**Solicitors**

Browne Jacobson  
Victoria Square House  
Victoria Square  
Birmingham  
B2 4BU



**INSPIRE EDUCATION TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditor's report of Inspire Education Trust (the academy trust) for the 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The academy trust operates 4 primary academies in Coventry, Warwickshire. Its academies have a combined pupil capacity from Reception to Year Six of 1,530 and had a roll of 1,392 in the school census on January 2018.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**Structure, governance and management**

**a. Constitution**

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Inspire Education Trust are also the directors of the academy trust for the purposes of company law.

The academy trust is known as Inspire Education Trust.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 1.

**b. Members' liability**

Each member of the academy trust undertakes to contribute to the assets of the academy trust 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.

**c. Trustees' indemnities**

In accordance with the normal commercial practice the academy trust provides indemnity insurance to protect its members, directors, academy representatives and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. This insurance does not extend to any claim arising from any act or omission which trustees knew to be a breach of trust or breach of duty, or which was committed by the trustees in reckless disregard of whether it was a breach of trust or breach of duty, or to the costs of any unsuccessful defense to a criminal prosecution brought against the trustees in their capacity as trustees. The insurance provider provides up to £10 million in aggregate claims.

**d. Method of recruitment and appointment or election of Trustees**

Trustees are appointed by virtue of their position on the Local Governing Body, by nomination by the Local Governing Body, by nomination and election by current board members, by nomination by the members of the charitable company.

**INSPIRE EDUCATION TRUST**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**e. Policies and procedures adopted for the induction and training of Trustees**

Trustees bring a variety of experience from a number of different backgrounds in both education and industry and commerce. Those coming via a role with a Local Governing Body will have received governor training. Where necessary additional training will be provided on charity, educational, legal and financial matters. All trustees are routinely involved with meetings, accounts, reports, budgets, plans and other information necessary to enable them to carry out their roles. Assistance and advice is always available from trust staff or professional advisors.

**f. Organisational structure**

The MAT Board of Directors (the trustees) consists of The Executive Principal and a team of six externally appointed directors each with varying skills. The MAT Board establish an overall framework for the governance of the Trust and is responsible for setting general policies, setting and monitoring annual budgets, making major decisions regarding strategic direction of the company and staff appointments. The directors are responsible for the monitoring and performance of the Executive Principal.

Each Academy has a Local Governing Body which has delegated authorities from the Trust Board. The Local Governing Body of each of the schools are responsible for implementing the policies laid down by the directors and reporting back to them. They scrutinise the performance of the individual schools. The committees are made up of parents, staff, directors and co-opted governors. They have responsibility for the Performance Management of the Head Teacher. The Executive Principal is the Chief Executive Officer and Accounting Officer.

The day-to-day running of the academies within the trust are managed by a headteacher and senior leaders in each academy, who again have delegated authorities for both Financial and HR matters per a scheme of delegation. Head-teachers can authorise expenditure up to £1,000 of goods and services with the executive principal able to authorise up to £10,000. The Executive Principal, Head Teacher and Business Manager are bank signatories on the respective bank accounts of each academy.

**g. Pay policy for key management personnel**

The pay policy was agreed on September 2017 at the Finance and Audit Committee with arrangements specified for key management personnel. The pay of these staff is set in line with the recommendations in the Teachers Pay and Conditions for the size of school and level of responsibility.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**h. Trade union facility time**

**Relevant union officials**

|                                                                       |     |
|-----------------------------------------------------------------------|-----|
| Number of employees who were relevant union officials during the year | -   |
| Full-time equivalent employee number                                  | 158 |

**Percentage of time spent on facility time**

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

**Percentage of pay bill spent on facility time** £

|                                                     |           |
|-----------------------------------------------------|-----------|
| Total cost of facility time                         | 9,799     |
| Total pay bill                                      | 5,601,120 |
| Percentage of 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 | - % |
|---------------------------------------------------------------------------------------------|-----|

**i. Connected organisations, including related party relationships**

Inspire Education Trust was established as a standalone company and does not have any external sponsors. The long-established relationship between Inspire Education Trust and the Coventry Diocesan Board of Education has continued with Walsgrave C of E Academy entering into a Service Level Agreement to support the school in continuing to be an outstanding Church Of England Primary School.

**INSPIRE EDUCATION TRUST**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Objectives and Activities**

**a. Objects and aims**

Inspire Education Trust ("IET") is a Multi Academy Trust of Primary Schools that grew from a shared belief that children deserve a first-class education, so that each individual child understands what they are capable of, the talents they have, and strives for excellence in themselves in order to succeed in the next stage of their education and the world of work.

We understand that every member of staff is here for the best interest of the children. We want to ensure that every child is valued and that the unique identity of each school is protected, celebrated and recognised for the contribution it makes to ensuring children have the best education and experiences.

Our mission statement captures the way in which we work to achieve this.

The mission statement of the academy trust is ***"Together we achieve, individually we grow"*** and the academy trust's aims are:

- To be recognised as a Trust with outstanding learning opportunities.
- To raise aspirations to secure high levels of academic progress for all learners.
- To provide a wide range of memorable learning experiences.
- To ensure equality of opportunity within a safe and nurturing environment.
- To promote the Trust's values.
- Maintain and develop rigorous MAT wide school improvement programmes to support children and staff in raising achievement.
- To ensure effective governance together with ambitious and determined leadership, secure the best outcomes for our academy communities.
- For all Trust academies to have outstanding environments which support all learners.
- To establish a financial foundation to enable IET to fulfil its vision.
- To value committed, reflective staff who challenge themselves to be creative and to take risks, enabling outstanding performance.
- To provide continual professional development and promote a well-resourced, high quality environment.
- To become the employer of choice.
- To be recognised as a Centre of learning excellence, disseminating best practice within and beyond the MAT.
- To conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.
- To develop effective partnerships between home, school, local, national and global communities.

In addition, Walsgrave, as a Church of England school, aims to also ensure that the Christian Faith is central to the life and worship of the school, whilst across the MAT respect is shown towards those of other faiths and beliefs.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**b. Objectives, strategies and activities**

Key Improvement focuses identified for this year were:

- To improve the effectiveness of leadership and management at all levels.
- To further develop the effectiveness of the Local Governing Body in providing a balance of challenge and support to leaders, in understanding the areas needing improvement at the school.
- To raise standards of teaching & learning.
- To use assessment information to plan appropriate teaching & learning activities to cater for all learners.
- To ensure all pupils are confident, self-assured, independent learners.
- To improve behaviour over time so that all children behave in line with school expectations.
- To secure expected or better than expected progress, for the overwhelming majority of pupils based on previous statutory assessments.
- To ensure inclusion and equality by promoting equality of opportunity and diversity for pupils and staff so that the ethos and culture of the whole school counters any form of discriminatory behaviour.
- To ensure the school reflects best practice in safeguarding so that all pupils feel safe in school.
- To ensure the school achieves high attendance / improved attendance for vulnerable children.

**c. Activities for achieving objectives**

The strategies and criteria to measure success for achieving these objectives were:

- staff had individual profiles and generic and bespoke staff development was provided as a result of monitoring outcomes.
- 'Accelerated Improvement Plans' for teachers not meeting teacher standards commensurate with career stage expectations.
- extended staff meetings to support planning for the Core Curriculum.
- performance management systems to support teacher improvement.
- staff across the MAT, including employment of a Teaching and Learning Consultant were deployed to improve the teaching profile.
- head of Walsgrave led on assessment and introduced new systems and processes.
- ongoing staff training throughout the year.
- purchase of resources to support teacher assessment.
- cross MAT and Network moderation.
- sampling of teacher judgements.
- 'Pupil Progress' meetings used to upskill teachers.
- ongoing monitoring of the quality of teaching.
- introduction of Strategic Leads across the MAT to ensure consistency of expectation in all subjects and in key year groups, EYFS, 2 and 6.
- thematic curriculum rewritten to ensure full coverage for all subjects.
- teachers had support at individual level to ensure that they were confident in delivering all National Curriculum Subjects.
- additional resources purchased as required to support delivery in PE, computer programming, PSHE etc.
- cross MAT planning of enrichment activities.
- termly analysis of data to include a focus on the attainment and progress of identified groups of pupils and a gap analysis.
- Provision Management for 'off-track' children.
- teachers and support staff trained in delivering interventions.
- monitoring focus on provision and outcomes for identified groups of pupils.
- achievement for all embedded in work of the school.
- Introduction of Thrive at Clifford Bridge, consolidation of this at Walsgrave and Whittle and Secrets to Success at Hearsall.
- new attendance initiatives introduced.
- termly staff training in Safeguarding including, Prevent, CSE, FGM and discipline in Black African Society.
- school Leaders received top up training, including Safer Recruitment and all governors at LGB level received Safeguarding training.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**d. Public benefit**

In setting the objectives and planning activities the trustees have given careful consideration to ensuring compliance with the Charity Commissions general guidance on public benefit. The activities undertaken to further the academy trust's public benefit are:

The trust aims to advance, for the public benefit, education in Coventry and the surrounding area. In particular, but without prejudice to the generality of the forgoing by maintaining, managing and developing schools and offering a broad curriculum to all its pupils and in the case of Walsgrave C of E Academy with a distinctively Christian context.

The trust also provides opportunities for children, their parents and the local communities that it serves through a range of extra-curricular activities and opportunities.

Inspire Education Trust is working to support all of the academies within the trust and to sustain a culture of mutual support and development across these academies. The commitment to developing a high-quality curriculum, delivered by well trained and effective teaching and support staff, and the sharing of expertise is at the heart of the trust's vision and development.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Strategic report**

**Achievements and performance**

**a. Review of activities**

The MAT is in its third year of operation and we continue to build on the ethos embedded within our group of academies. There have been two OFSTED inspections during this academic year both had pleasing outcomes. We have seen some impressive improvements in all four MAT academies. The Regional Schools Commissioner was very positive and is prepared to allow IET to grow the MAT.

**Walsgrave CE Academy**

There have not been any inspections during this year and Walsgrave remains in the category of 'Outstanding' in both OFSTED and SIAMS. The Local Authority confirms the view of the MAT that this is an effective academy with its vision and ethos embedded in its practice. The strong support of the local incumbent and the new Chair of the Local Governing Body is a factor in its success, along with an effective Local Governing Body. There is also a wonderful team spirit within the academy where all staff work well together to evaluate and monitor progress constantly and strive to ensure that good progress is achieved for all pupils. The headteacher is relentless in his drive for improvement.

The Leadership Team has been strengthened with the internal promotion of an Assistant Headteacher. He sets a strong example in his class teaching. There is good capacity for leadership at all levels. The headteacher has invested significantly in the development of middle leaders. Phase leaders have a significant impact in their phases ensuring consistent high quality teaching. The academy achieved Achievement for All Quality Lead which was well led by the headteacher and is now working towards becoming an Achievement for All lead academy.

External reviews confirm that Walsgrave CE Academy remains 'Outstanding'. The school was judged to be 'highly effective' with many strengths including the quality of: teaching and learning, leadership and the engaging curriculum.

**Clifford Bridge Academy**

The Academy was inspected by Ofsted in May. We judged the schools as 'Outstanding' and were delighted that the Inspection recognised the strong practice and marked improvement. As such, in line with the current Ofsted framework, HMI has recommended a Section 5 Inspection in the next 12-18 months. The report recognised the strength of the leadership of the headteacher, executive principal and the governors where only the best is good enough and talks of a school that is exciting and engaging for all. The majority of teaching is outstanding and all teachers take ownership of the progress of pupils in their classes. They embrace the opportunity to take on additional responsibility. Pupils' independence and initiative are actively encouraged. All efforts and achievements are recognised and celebrated, not only academic but creative, sporting and other successes. (Ofsted)

Clearly this has been a significant year for Clifford Bridge. Two new Assistant Heads were appointed for September, their complementary skills along with highly effective leaders in the EYFS and Upper Key Stage 2 has seen an impressive Senior Management Team.

The headteacher continues to use her expertise in Inclusion and Thrive to support all children within the academy. She is now an accredited Thrive trainer. The Local Governing Body is led by an extremely proactive Chair. She is well supported by the rest of the Governing Body. 'Governors know the school well. They share the commitment to continuous development. They do not take at face value what they are told but visit the school to verify what leaders tell them.' (Ofsted May 2018)



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Whittle Academy**

Whittle was a sponsored Academy with an OFSTED judgement of Requires Improvement. 2017/8 saw the substantive headteacher leave at Christmas. After an extensive period of ill-health, the Deputy Headteacher resigned 31.08.18. An Acting Headteacher was in post September 2017. The Executive Principal and the MAT Teaching and Learning Consultant provided additional leadership capacity during this period of change. The Acting Headteacher became substantive Headteacher March 2018 and an Assistant Headteacher was appointed 04.06.18.

Improvements during this academic year have been significant and we were delighted when this was recognised by Ofsted June 2018 who judged the school to be 'good' in every area highlighting the rapid pace and impact of change. The Headteacher and Executive Principal were judged to provide inspirational leadership and direction for the school, senior leaders and governors relentlessly focusing on continuous improvement, while being mindful of staff's and pupils' well-being. Middle leaders were judged to be very effective and working with the Teaching and Learning Consultant have supported this rapid improvement.

The Chair of the Local Governing Body is outstanding. As a former Senior Education Advisor for Coventry Local Authority, her experience, support and guidance has been invaluable. She is supported by a committed Governing Body, the Safeguarding background of one member has been priceless as the school draws from areas of need and has had to support vulnerable children and families.

The quality of teaching has improved significantly. 'It is now consistently good with some exceptional practice.' (Ofsted 2018)

**Hearsall Academy**

Hearsall Community Primary School joined Inspire Multi Academy Trust in April 2017 as a sponsored academy. A new Deputy Headteacher joined the school in September 2017 and an internally appointed Assistant Headteacher and the Headteacher formed the Senior Leadership Team. The Deputy Headteacher brought significant experience to the school and greatly enhanced the leadership capacity. The Assistant Headteacher is inspirational and her leadership of the EYFS has seen significant improvements both in the learning environment in Reception and Nursery and also in the quality of the provision. Building work carried out across the summer holiday has had a huge impact on the education of children in Reception.

The Key Stage 2 Phase Leader / English Lead is a local Leader of Education and has been tenacious in his drive for improvement in English and across KS2.

Sports provision across the school has continued to improve significantly with large numbers of children competing in regional and Coventry-wide events. Hearsall has been awarded Gold Sports Mark.

The building work, agreed at point of conversion, has taken place this year. This has had an impact on the work of the school, in particular in the already limited outside play areas. Phase One is now complete. This saw work on the roof and basement and on the fire safety systems. Phase Two has already started and the heating system is being modernised across the school. This work has been carried out by the Local Authority. The building will be handed to Inspire on satisfactory completion.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Pupil Outcome 2018**

| <b>Reception</b> | <b>2017</b> | <b>2018</b> |
|------------------|-------------|-------------|
| <b>National</b>  | <b>71</b>   | <b>??</b>   |
| Clifford Bridge  | 88          | 88          |
| Hearsall         | 65          | 72          |
| Walsgrave C of E | 74          | 72          |
| Whittle          | 68          | 70          |

\*Arrows indicate comparative performance in attainment from 2017 (increase or decrease from 2017)

| <b>Phonics</b>   | <b>Year 1</b> |             | <b>Year 2 (Retake)</b> |             |
|------------------|---------------|-------------|------------------------|-------------|
|                  | <b>2017</b>   | <b>2018</b> | <b>2017</b>            | <b>2018</b> |
| <b>National</b>  | <b>81</b>     | <b>??</b>   | <b>92</b>              | <b>??</b>   |
| Clifford Bridge  | 81            | 88          | 94                     | 92          |
| Hearsall         | 78            | 79          | 87                     | 93          |
| Walsgrave C of E | 87            | 80          | 100                    | 90          |
| Whittle          | 68            | 77          | 95                     | 63          |

| <b>KS1 Teacher Assessment</b> | <b>Expected</b> |             |                |             |              |             | <b>Greater Depth</b> |             |                |             |              |             |
|-------------------------------|-----------------|-------------|----------------|-------------|--------------|-------------|----------------------|-------------|----------------|-------------|--------------|-------------|
|                               | <b>Reading</b>  |             | <b>Writing</b> |             | <b>Maths</b> |             | <b>Reading</b>       |             | <b>Writing</b> |             | <b>Maths</b> |             |
|                               | <b>2017</b>     | <b>2018</b> | <b>2017</b>    | <b>2018</b> | <b>2017</b>  | <b>2018</b> | <b>2017</b>          | <b>2018</b> | <b>2017</b>    | <b>2018</b> | <b>2017</b>  | <b>2018</b> |
| <b>National</b>               | 76              | ??          | 68             | ??          | 75           | ??          | 25                   | ??          | 16             | ??          | 21           | ??          |
| Clifford Bridge               | 87              | 78          | 85             | 78          | 90           | 85          | 28                   | 33          | 9              | 18          | 20           | 30          |
| Hearsall                      | 74              | 76          | 60             | 72          | 66           | 87          | 28                   | 33          | 4              | 22          | 23           | 38          |
| Walsgrave C of E              | 81              | 80          | 78             | 78          | 86           | 80          | 26                   | 28          | 12             | 12          | 26           | 30          |
| Whittle                       | 70              | 62          | 66             | 57          | 83           | 62          | 23                   | 19          | 7              | 11          | 10           | 11          |

| <b>KS2 Test outcome</b> | <b>English Reading At Expected</b> |             | <b>English Reading At higher standard</b> |             | <b>GaPS At Expected</b> |             | <b>GaPS At higher standard</b> |             | <b>Writing At Expected</b> |             | <b>Writing Greater depth</b> |             | <b>Mathematics At Expected</b> |             | <b>Mathematics Higher standard</b> |             | <b>Combined 2017</b> | <b>Combined 2018</b> |
|-------------------------|------------------------------------|-------------|-------------------------------------------|-------------|-------------------------|-------------|--------------------------------|-------------|----------------------------|-------------|------------------------------|-------------|--------------------------------|-------------|------------------------------------|-------------|----------------------|----------------------|
|                         | <b>2017</b>                        | <b>2018</b> | <b>2017</b>                               | <b>2018</b> | <b>2017</b>             | <b>2018</b> | <b>2017</b>                    | <b>2018</b> | <b>2017</b>                | <b>2018</b> | <b>2017</b>                  | <b>2018</b> | <b>2017</b>                    | <b>2018</b> | <b>2017</b>                        | <b>2018</b> | <b>2017</b>          | <b>2018</b>          |
| <b>National</b>         | 72                                 | 75          | 25                                        | ??          | 77                      | 78          | 31                             | ??          | 76                         | 78          | 18                           | ??          | 75                             | 76          | 23                                 | ??          | 61                   | 64                   |
| Clifford Bridge         | 83                                 | 94          | 27                                        | 40          | 83                      | 94          | 43                             | 47          | 90                         | 91          | 23                           | 28          | 87                             | 97          | 53                                 | 34          | 77                   | 91                   |
| Hearsall                | 82                                 | 85          | 50                                        | 35          | 82                      | 88          | 55                             | 37          | 77                         | 81          | 20                           | 14          | 75                             | 88          | 41                                 | 30          | 73                   | 74                   |
| Walsgrave C of E        | 78                                 | 88          | 27                                        | 32          | 92                      | 92          | 42                             | 38          | 86                         | 92          | 19                           | 23          | 95                             | 92          | 31                                 | 35          | 73                   | 82                   |
| Whittle                 | 55                                 | 64          | 12                                        | 10          | 70                      | 72          | 20                             | 26          | 64                         | 77          | 17                           | 3           | 55                             | 54          | 7                                  | 13          | 41                   | 51                   |

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Inspire MAT Attainment Data Headlines - Disadvantaged - July 2017**

| Reception        | 2017 | 2018 |
|------------------|------|------|
| National         | 72   | ??   |
| Clifford Bridge  | 100  |      |
| Hearsall         | 60   | 50   |
| Walsgrave C of E | 0    | 25   |
| Whittle          | 80   | 75   |

| Phonics          | Year 1 |      | Year 2 (Retake) |      |
|------------------|--------|------|-----------------|------|
|                  | 2017   | 2018 | 2017            | 2018 |
| National 2016    | 86     | ??   | 94              | ??   |
| Clifford Bridge  | 33     | 75   | 66              | 80   |
| Hearsall         | 86     | 70   | 56              | 89   |
| Walsgrave C of E | 100    | 17   | 100             | 86   |
| Whittle          | 63     | 71   | 90              | 33   |

| KS1 Teacher Assessment | Expected |      |         |      |       |      | Greater Depth |      |         |      |       |      |
|------------------------|----------|------|---------|------|-------|------|---------------|------|---------|------|-------|------|
|                        | Reading  |      | Writing |      | Maths |      | Reading       |      | Writing |      | Maths |      |
|                        | 2017     | 2018 | 2017    | 2018 | 2017  | 2018 | 2017          | 2018 | 2017    | 2018 | 2017  | 2018 |
| National               | 81       | ??   | 73      | ??   | 80    | ??   | 30            | ??   | 19      | ??   | 23    | ??   |
| Clifford Bridge        | 75       | 40   | 75      | 40   | 100   | 40   | 25            | 20   | 0       | 20   | 0     | 40   |
| Hearsall               | 44       | 44   | 33      | 33   | 22    | 67   | 0             | 22   | 0       | 11   | 0     | 11   |
| Walsgrave C of E       | 75       | 70   | 75      | 70   | 100   | 80   | 0             | 20   | 0       | 10   | 0     | 20   |
| Whittle                | 57       | 43   | 57      | 29   | 85    | 43   | 14            | 0    | 0       | 0    | 0     | 0    |

| KS2 Test outcome | English Reading At Expected |      | English Reading At higher standard |      | GaRS At Expected |      | Writing At Expected |      | Writing Greater depth |      | Mathematics At Expected |      | Mathematics Higher standard |      | Combined 2017 | Combined 2018 |
|------------------|-----------------------------|------|------------------------------------|------|------------------|------|---------------------|------|-----------------------|------|-------------------------|------|-----------------------------|------|---------------|---------------|
|                  | 2017                        | 2018 | 2017                               | 2018 | 2017             | 2018 | 2017                | 2018 | 2017                  | 2018 | 2017                    | 2018 | 2017                        | 2018 | 2017          | 2018          |
| National         | 74                          | ??   | 26                                 | ??   | 81               | ??   | 82                  | ??   | 21                    | ??   | 78                      | ??   | 23                          | ??   | 63            | ??            |
| Clifford Bridge  | 33                          | 100  | 0                                  | 0    | 66               | 100  | 33                  | 100  | 0                     | 0    | 66                      | 100  | 0                           | 0    | 33            | 100           |
| Hearsall         | 55                          | 86   | 27                                 | 29   | 55               | 100  | 45                  | 71   | 9                     | 0    | 55                      | 71   | 27                          | 14   | 55            | 57            |
| Walsgrave C of E | 57                          | 100  | 0                                  | 44   | 71               | 89   | 71                  | 100  | 0                     | 22   | 71                      | 89   | 0                           | 35   | 43            | 89            |
| Whittle          | 52                          | 54   | 13                                 | 15   | 60               | 54   | 44                  | 62   | 18                    | 0    | 48                      | 31   | 4                           | 8    | 40            | 31            |

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Inspire MAT Scale Score & Progress Overview**

| KS1 Historic APS |      |      |
|------------------|------|------|
|                  | 2017 | 2018 |
| Clifford Bridge  | 17.9 | 18.1 |
| Hearsall         | 15.7 | 16.0 |
| Walsgrave C of E | 17.2 | 17.4 |
| Whittle          | 14.6 | 15.9 |

| Progress Measures                                                                                                        |         |      |      |     |         |      |      |     |       |      |      |     |
|--------------------------------------------------------------------------------------------------------------------------|---------|------|------|-----|---------|------|------|-----|-------|------|------|-----|
| <i>*Progress is calculated by seeing where similar children were at the end of KS1 and then again at the end of KS2.</i> | Reading |      |      |     | Writing |      |      |     | Maths |      |      |     |
|                                                                                                                          | 2017    |      | 2018 |     | 2017    |      | 2018 |     | 2017  |      | 2018 |     |
|                                                                                                                          | 0       |      | 0    |     | 0       |      | 0    |     | 0     |      | 0    |     |
|                                                                                                                          | All     | Dis  | All  | Dis | All     | Dis  | All  | Dis | All   | Dis  | All  | Dis |
| Clifford Bridge                                                                                                          | -1.0    | -3.7 | -0.8 |     | -1.1    | -9.0 | -1.3 |     | +0.9  | +0.4 | -0.3 |     |
| Hearsall                                                                                                                 | +3.5    | -1.5 | +2.2 |     | +1.1    | -0.9 | 0    |     | +2.0  | +1.4 | +2.8 |     |
| Walsgrave C of E                                                                                                         | -0.7    | -2.0 | -0.1 |     | -1.1    | -1.4 | -0.2 |     | +1.3  | -0.7 | +0.9 |     |
| Whittle                                                                                                                  | -0.5    | -0.7 | -2.5 |     | -3.1    | -5.7 | -1.5 |     | -1.9  | -1.2 | -2.6 |     |

| Average Scaled Score Information                                                                                                                      |         |     |       |     |       |     |       |     |       |     |       |     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-----|-------|-----|-------|-----|-------|-----|-------|-----|-------|-----|
| <i>*This is calculated by adding all the children individual scaled scores and dividing by total number of children so we can compare to National</i> | Reading |     |       |     | GaPS  |     |       |     | Maths |     |       |     |
|                                                                                                                                                       | 2017    |     | 2018  |     | 2017  |     | 2018  |     | 2017  |     | 2018  |     |
|                                                                                                                                                       | 104     |     |       |     | 103   |     |       |     | 104   | 104 |       |     |
|                                                                                                                                                       | All     | Dis | All   | Dis | All   | Dis | All   | Dis | All   | Dis | All   | Dis |
| Clifford Bridge (X)                                                                                                                                   | 106.4   | -   |       |     | 107.5 | -   |       |     | 107.9 | -   |       |     |
| Hearsall (43)                                                                                                                                         | 108.2   | -   | 106.0 |     | 109.5 | -   | 108.0 |     | 105.5 | -   | 106.0 |     |
| Walsgrave C of E (60)                                                                                                                                 | 105.4   | -   | 107.2 |     | 108.9 | -   | 109.0 |     | 107.2 | -   | 107.4 |     |
| Whittle (40)                                                                                                                                          | 100.1   | -   | 101.2 |     | 103.1 | -   | 104.9 |     | 99.3  | -   | 100.6 |     |

**Quality of Teaching**

The teaching profile improved in all four schools within the MAT during 2018/19. This was as a result of focused CPD , particularly at whittle and at Hearsall in the summer term.

| Clifford Bridge |                |      | Hearsall       |                |      | Walsgrave      |                |      | Whittle        |                |      |
|-----------------|----------------|------|----------------|----------------|------|----------------|----------------|------|----------------|----------------|------|
| <del>Aut</del>  | <del>Spr</del> | Sum  | <del>Aut</del> | <del>Spr</del> | Sum  | <del>Aut</del> | <del>Spr</del> | Sum  | <del>Aut</del> | <del>Spr</del> | Sum  |
| 36-O            | 50-O           | 64-O | 20-O           | 27-O           | 27-O | 44             | 56-O           | 56-O | 27-O           | 36-O           | 55-O |
| 64G             | 63-G           | 36-G | 33-G-          | 53-G           | 67-G | 47             | 44-G           | 44-G | 55-G           | 55-G           | 36-O |
| 0-R1            | 0-R1           | 0-R1 | 47-RI          | 20-RI          | 6-RI | 6-RI           | 0-R1           | 0-RI | 18-RI          | 9-R1           | 9-RI |
| 0-I             | 0-I            | 0-I  | 0-I            | 0-O            | 0-O  | 0-I            | 0-I            | 0-I  | 0-I            | 0-I            | 0-I  |

Staff remaining in the MAT - All four schools start 2018/19 with 100% good or better teaching discounting Newly Qualified Teachers.

**Assessment**

Moderation sessions and LA audit of judgement in Year R, 2 and 6 in MAT schools, SATS results confirmed teacher judgments were accurate. Teachers themselves reported greater confidence in assessing without levels.

**Curriculum**

Monitoring of planning, delivery, books and pupil voice confirmed that there was appropriate focus on all national curriculum subjects and that children were engaged in their learning and enjoyed coming to school. Ofsted

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

praised the quality of our curriculum saying it was inspiring

"The curriculum, which is well designed, is a strength of the school. It is underpinned by a clear rationale, which promotes learning in a broad range of subjects in addition to English and mathematics. Through themed topics, pupils develop generic skills and characteristics such as resilience and teamwork. Where appropriate, topics are closely related to the local context of Coventry to foster pupils' pride in their local heritage." Ofsted 2018

**Behaviour**

Ongoing monitoring of behaviour and exclusions confirmed the impact of the introduction of Thrive. Behaviour is outstanding in two schools and good in the others.

The focus on behaviour for learning has had positive outcomes in all four schools

**Safeguarding**

The MAT Pastoral Lead with the Executive Principal coordinate the work of the Pastoral Teams in each academy. Staff work closely to ensure consistent practice in all schools and are constantly looking at ways to improve and extend our provision.

Safeguarding leads /heads have had refresher training including Level 3 training. This and a focus on termly training to which governors were invited has been successful. Whole staff training has included a Prevent update, FGM, E Safety, Emotional Abuse and Child Sexual Exploitation. All staff attended training in Sexual abuse led by the Lucy Faithful Foundation as one of our September Teacher Days. CPOMs is used consistently across the MAT and has greatly improved our systems. Staff report increased confidence in this area.

Safeguarding leads and the Executive Principal attend Local Authority termly updates.

**Cross MAT appointments**

We now have an Executive Principal, MAT Business Manager, Assistant Business Manager, Lead Site Service Officer, Health & Safety Lead (.2), Teaching and Learning Consultant (.4), ICT Technician, ICT support (x2) and PE HLTA plus two PE apprentices. These cross-MAT roles have had a positive impact not only on teaching and learning, but every aspect of our school. Consistence of expectations, clear procedures and systems have supported school improvement at every level.

**Staff**

Headteachers, Chair of Governors, Office Managers, Year Group Teachers, Subject leaders, Pastoral Support Staff, Inclusion Leads all meet on a regular basis to share and improve practice.

**Governance**

The strong lead from the Chair of Directors, and Chairs of the Local Governing Bodies has provided much needed support, challenge and expertise during this period of change. The Chair of Directors resigned in April 2018. Effective succession planning has meant new Chair of Directors is a highly experienced and effective governor. Succession planning remains a priority and careful recruitment and training has ensured that we have a diverse and appropriate skillset in each local governing body. We recognise that this is an area which we need to further develop reflecting increased expectations on governors. Governance was recognised as a strength in our two Ofsted inspections 2018.



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**TRUSTEES' REPORT (continued)**  
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**Attendance**

100% Club has had impact on whole-school attendance. We are constantly looking at ways to further improve our attendance particularly impacting on hard to reach families and those who choose to take a holiday in term time. Attendance remains a challenge at Whittle academy this year despite the introduction of a range of initiatives this year. Attendance is a priority at Hearsall.

| Clifford Bridge                     |             |             |             |             | Hearsall                            |         |                |                          |                                                     |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------------------------------|---------|----------------|--------------------------|-----------------------------------------------------|
| Attendance based on ½ days          | 2016-17     | Autumn 2017 | Spring 2018 | Summer 2018 | Attendance based on ½ days          | 2016-17 | 2017-18 Autumn | 2017-18 Spring (Inc Aut) | 2017-18 (Whole Year up to 24 <sup>th</sup> June 18) |
| Attendance – all pupils (Overall %) | 94.4%       | 96%         | 93.54%      | 93.3%       | Attendance – all pupils (Overall %) | 96.7%   | 95.2%          | 95.7%                    | 95.9%                                               |
| Disadvantaged pupils                | 94.7%       | 96.25%      | 93.2%       | 91.8%       | Disadvantaged pupils                | 94.2%   | 94.4%          | 93.5%                    | 94.2%                                               |
| Unauthorised absence – all (%)      | 3.84%       | 1.24%       | 1.33%       | 2.4%        | Unauthorised absence – all (%)      | 0.25%   | 1.2%           | 0.9%                     | 0.8%                                                |
| Disadvantaged pupils                | 1.79%       | 0.5%        | 2.15%       | 3.9%        | Disadvantaged pupils                | 0.52%   | 1.2%           | 0.9%                     | 0.7%                                                |
| Persistent Absence 10% – all (%)    | 14.8%       | 13.6%       | 6.8%        | 1.7%        | Persistent Absence 15% – all (%)    | 5.1%    | 8.8%           | 11.4%                    | 7.9%                                                |
| Disadvantaged pupils                | 11.5%       | 13.9%       | 30.6%       | 1.2%        | Disadvantaged pupils                | 16.4%   | 12.9%          | 19.6%                    | 14.3%                                               |
| Pupil sessions missed – all (no.)   | 5094        | 1859        | 1726        | 2218        | Persistent Absence 20% – all (%)    | -       | -              | -                        | -                                                   |
| Disadvantaged pupils                | 1104        | 270         | 518         | 885         | Disadvantaged pupils                | -       | -              | -                        | -                                                   |
| Exclusions – Fixed Term – all (no.) | 35 sessions | 1           | 1           | 3           |                                     |         |                |                          |                                                     |
| Disadvantaged pupils                | 6 sessions  | 0           | 0           | 3           |                                     |         |                |                          |                                                     |
| Exclusions – Permanent (no.) – all  | 0           | 0           | 0           | 1           |                                     |         |                |                          |                                                     |
| Disadvantaged pupils                | 0           | 0           | 0           | 0           |                                     |         |                |                          |                                                     |

| Walsgrave                           |         |                |                | Whittle                             |             |             |             |             |
|-------------------------------------|---------|----------------|----------------|-------------------------------------|-------------|-------------|-------------|-------------|
| Attendance based on ½ days          | 2016-17 | 2017-18 Spring | 2017-18 Summer | Attendance based on ½ days          | 2016-17     | Autumn 2017 | Spring 2018 | Summer 2018 |
| Attendance – all pupils (Overall %) | 96.5%   | 96.6%          | 96.9%          | Attendance – all pupils (Overall %) | 94.4%       | 96%         | 93.54%      | 93.3%       |
| Disadvantaged pupils                | 95.3%   | 95.8%          | 95.9%          | Disadvantaged pupils                | 94.7%       | 96.25%      | 93.2%       | 91.8%       |
| Unauthorised absence – all (%)      | 0.64%   | 0.58%          | 0.53%          | Unauthorised absence – all (%)      | 3.84%       | 1.24%       | 1.33%       | 2.4%        |
| Disadvantaged pupils                | 0.43%   | 0.49%          | 0.53%          | Disadvantaged pupils                | 1.79%       | 0.5%        | 2.15%       | 3.9%        |
| Persistent Absence 15% – all (%)    | 4.8%    | 3.8%           | 3.6%           | Persistent Absence 10% – all (%)    | 14.8%       | 13.6%       | 6.8%        | 1.7%        |
| Disadvantaged pupils                | 8.2%    | 8.0%           | 5.7%           | Disadvantaged pupils                | 11.5%       | 13.9%       | 30.6%       | 1.2%        |
| Exclusions – Fixed Term – all (no.) | 12      | 6              | 13             | Pupil sessions missed – all (no.)   | 5094        | 1859        | 1726        | 2218        |
| Disadvantaged pupils                | 7       | 6              | 11             | Disadvantaged pupils                | 1104        | 270         | 518         | 885         |
| Exclusions – Permanent (no.) – all  | 0       | 0              | 1              | Exclusions – Fixed Term – all (no.) | 35 sessions | 1           | 1           | 3           |
| Disadvantaged pupils                | 0       | 0              | 1              | Disadvantaged pupils                | 6 sessions  | 0           | 0           | 3           |
|                                     |         |                |                | Exclusions – Permanent (no.) – all  | 0           | 0           | 0           | 1           |
|                                     |         |                |                | Disadvantaged pupils                | 0           | 0           | 0           | 0           |

Staff retention was high across the trust and trends in exit interviews were positive. Recruitment was very successful and we are fully staffed in all four schools. We were thrilled to be an employer of choice at a time when many schools are struggling to recruit. Our commitment to CPD and staff wellbeing is recognised as is our success in promoting from within.

**b. Key performance indicators**

Each school within the MAT are measured by the results attained in statutory assessments and the exclusions rates.

As funding is predominantly based on pupil numbers this is a key performance indicator.



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**TRUSTEES' REPORT (continued)**  
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**Pupil Numbers**  
October '16

| <b>Group description</b> | <b>Capacity</b> | <b>Pupils</b> | <b>Surplus</b> |
|--------------------------|-----------------|---------------|----------------|
| YR                       | 225             | 190           | 35             |
| Y1                       | 225             | 195           | 30             |
| Y2                       | 225             | 188           | 37             |
| Y3                       | 225             | 213           | 12             |
| Y4                       | 225             | 220           | 5              |
| Y5                       | 180             | 178           | 2              |
| Y6                       | 180             | 179           | 1              |
|                          | <b>1485</b>     | <b>1363</b>   | <b>122</b>     |

October '17 census

| <b>Group description</b> | <b>Capacity</b> | <b>Pupils</b> | <b>Surplus</b> |
|--------------------------|-----------------|---------------|----------------|
| YR                       | 225             | 188           | 37             |
| Y1                       | 225             | 200           | 25             |
| Y2                       | 225             | 197           | 28             |
| Y3                       | 225             | 202           | 23             |
| Y4                       | 225             | 208           | 17             |
| Y5                       | 225             | 224           | 1              |
| Y6                       | 180             | 173           | 7              |
|                          | <b>1530</b>     | <b>1392</b>   | <b>138</b>     |

**c. Going concern**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Financial review**

**a. Financial Performance**

Most of the academy trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted. The grants received from the ESFA during the year ended 31 August 2018 of £5,911,712 (2017: £5,017,218) and the associated expenditure of £5,926,657 (2017: £4,650,282) are shown as restricted funds in the Statement of Financial Activities.

Total funds at the period end were £11,611,968 (2017: £11,592,959) of which £13,163,063 (2017: £13,446,543) related to fixed assets less (£3,048,000) (2017: (£3,275,000)) relating to the pension reserve deficit.

The MAT continues to work to the key financial policies which were adopted during the first year that includes the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Executive Principal, Head Teachers, Business Manager, Office Managers, budget holders and other staff, as well as delegated authority for spending.

On an annual basis finance policies are reviewed and updated by the finance and audit committee and these policies include Charges and Remissions, Lettings, Debtors, Budget Holders policy and Investments.

**b. Reserves policy**

The amount of reserves held by the academy at 31 August 2018 is £1,496,905 (2017: £1,421,416). These are for the following purpose:

|                              |          |
|------------------------------|----------|
| Designated Reserves          | £213,887 |
| School Funds                 | £ 33,043 |
| Special Projects             | £ 11,831 |
| Earmarked Grants             | £138,634 |
| Conversion Grant             | £ 31,629 |
| To Bridge 2018-19 budget gap | £466,294 |
| Un-earmarked                 | £601,587 |

The trustees review the reserve levels of the 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 take into consideration the future plans of the MAT, the uncertainty over future income streams and other key risks identified during the risk review.

The MAT has covered five maternities this financial year and a further member of the teaching staff goes on maternity leave mid-august 2018. In addition we have two members of staff due to go on maternity leave early on the 2018-19 Autumn term. The full cost of a staff member is profiled within the budget and is then matched from the fund. The fund therefore naturally decreases over the leave and is then increased at the end of the maternity leave as the total maternity entitlement is less than the annual cost of a staff member were they to be in post.

The MAT holds ringfenced reserves for the following:

- Maternity Cover,
- Building & Plant maintenance and Replacement,
- ICT replacement strategy.

The purpose of these funds are to provide sufficient working capital to cover planned replacements such as staff, boilers and kitchen equipment to ensure business continuity and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and the intention to build up reserves as and when circumstances allow. Trustees have agreed not to increase to these reserves in 2018-19 budget plans.

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Most of the ICT designated reserves will be spent in the autumn term against the ICT asset management plan as Interactive Boards are replaced.

| Financial year | Walsgrave | Clifford Bridge | Whittle | Hearsall | Total    |
|----------------|-----------|-----------------|---------|----------|----------|
| 2017-18        | £59,647   | £48,337         | £55,455 | £50,448  | £213,887 |
| 2016-17        | £50,603   | £30,780         | £42,895 | £14,757  | £139,035 |

The funds have seen growth in this financial year due to increases in the premises management funds. The maternity funds are being wholly used in 2018-19 in both Clifford Bridge and Hearsall Community Academy and partially in Whittle and Walsgrave.

Additionally, trustees recognise other risks such as:

- fall in pupil numbers resulting in losing a class but not wanting to lose a teacher
- a rise in pupil numbers meaning not enough funding to teach the pupils due to the lagged nature of funding in a growing school.
- Grant fallout.
- Decrease in Pupil Premium Grant as KS2 children leave from year six
- Low pupil numbers coming into Reception Classes in autumn term 2018-19 due to a downwards demographic trajectory in Coventry in three of our academies.

**c. Investments policy**

Due to the nature and timing of receipt of funding, the trust may at times hold cash balances surplus to its short term requirements. The Investments Policy was reviewed in this financial year by the Finance and audit committee.

The aim of this policy is to ensure that funds which the Inspire Education Trust does not immediately need to cover anticipated expenditure are deposited or invested in such a way as to maximise income but minimise risk.

Trustees recognise that principally, it is responsible for ensuring that the Multi Academy Trust's funds are used only in accordance with the law, its articles of association, its funding agreement, the Academies Financial Handbook and policy.

Trustees are responsible for the proper stewardship of those funds, including regularity and propriety, and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money.

Trustees recognise that should the Trust invest surplus funds it must adhere to the Value for Money principles achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the Trust's charge, the avoidance of waste and extravagance, and prudent and economical administration.

Inspire Education Trust does not consider the investment / deposit of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**d. Principal risks and uncertainties**

The board of trustees has reviewed the major risks to which the MAT is exposed in line with the risk register which is reviewed on a regular basis together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the trust are as follows:

**Financial** - the MAT has considerable reliance on continued government funding through the ESFA. Whilst this level is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The Education Services Grant is an example of government grant falls out as the trust had a protected ESG budget allocation in 2017-18 to support the transition from grant to fallout position in 2018-19.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the trust is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational and professional standards. To mitigate this risk, trustees ensure that student success and achievement are closely monitored and reviewed.

**Safeguarding and child protection** - the trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

**Fraud and mismanagement of funds** - the academy has appointed an internal auditor to carry out checks on financial systems and records in line with good financial practice. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

At the year end, the MAT had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

**Fundraising**

The academies within the trust have undertaken the below fundraising in the period September 2017 to August 2018

| <b>Details</b>                  | <b>Amount raised</b> | <b>On behalf of a charity</b>                                                         |
|---------------------------------|----------------------|---------------------------------------------------------------------------------------|
| Sports relief                   | <b>£281</b>          | <b>On behalf of a charity</b>                                                         |
| Save the Children               | <b>£186</b>          | <b>On behalf of a charity</b>                                                         |
| Children in Need                | <b>£913</b>          | <b>On behalf of a charity</b>                                                         |
| Myton Hospice                   | <b>£66</b>           | <b>On behalf of a charity</b>                                                         |
| Macmillan Coffee Morning        | <b>£152</b>          | <b>On behalf of a charity</b>                                                         |
| Charities Aid Foundation        | <b>£250</b>          | <b>On behalf of a charity</b>                                                         |
| Sports for school sponsors      | <b>£1035</b>         | <b>School received £466 in school sports vouchers</b>                                 |
| Magnificent 7                   | <b>£327</b>          | <b>Used on Sports consumables</b>                                                     |
| Visiting Athlete to school      | <b>£780</b>          | <b>School received funds in sports vouchers</b>                                       |
| PTFA fundraising – held by PTFA | <b>£9,036</b>        | <b>Managed by PTFA on behalf of the schools - schools make bids against the funds</b> |
| School classes - pupils         | <b>138</b>           | <b>Earmarked for class activities</b>                                                 |
| School cake sale                | <b>£550</b>          | <b>To school fund</b>                                                                 |



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Plans for future periods**

**a. Future developments**

The MAT will continue to strive to provide outstanding education and improve the levels of performance of its children at all levels. The MAT will continue to aim to attract high quality teachers and support staff in order to deliver its objectives, raising standards of teaching and learning from the baseline at the start of the year.

The trust will seek to grow the number of academies within the trust to a level that is deemed under the foreseeable future circumstances to ensure future sustainability and viability for the trust. We would look for at least one more school to join our Trust in 2018/19

Leadership succession is a priority going forward as it is anticipated that the Executive Principal will retire in the year. The creation of the role of Deputy of the MAT is one designed to support succession planning. The relatively new Head Teacher at Clifford Bridge is a highly effective school leader as is the new Head Teacher at Whittle. The quality and impact of their leadership was recognised in both Ofsted inspections 2018. We currently have a headteacher vacancy at Hearsall Academy and will be looking to recruit during the Spring Term. Future school leaders have been identified and are accessing relevant training including preparation for Executive Headship, for Headship, Deputy Headship and Middle leaders training.

Our new Chair of Directors is in role (April 2018) and we have recruited a new Director to replace the Vice Chair who also has extensive educational experience. She was also Chair of Governors at Whittle and an experienced governor has been nominated by Directors to become Chair of the Local Governing Body. Careful succession planning has ensured that we have a diverse skill set at both Directors and Local Governing Bodies.

Numbers at both local Governing Bodies have increased and observers have attended Director's meetings. A focus for development is to look at ways to provide governor training. We are also looking at ways to support governors in their monitoring role recognizing the time expectations of their role.

Further development of pupil tracking with a focus on the attainment of key groups in relation to revised OFSTED criteria relating to their prior attainment.

Leadership will continue to ensure that staff have clarity and understanding around data collection and progress measures. All tracking systems are manageable and impact upon pupil attainment. All staff routinely use Assessment for Learning to ensure teaching and feedback is matched to individual children's needs.

Additionally the Trust will seek:

- To ensure that increased percentages of pupils make 'good' or better progress in relation to their starting points.
- To focus on diminishing the difference between disadvantaged and non-disadvantaged pupils, to raise attainment of the more able.
- To embed Thrive Practice in all of our schools and so improve behavior and staff expertise in managing the behavior of all children.
- To introduce new attendance initiatives.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**Funds held as custodian**

The academy does not hold such funds and does not act as the custodian trustees of any other charity.

**Disclosure of information to auditor**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's 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 12 December 2018 and signed on its behalf by:



---

**Reverend Malcolm Tyler**  
**Chair of Trustees**

**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT**

**Scope of Responsibility**

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

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

**Governance**

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

| Trustee                                     | Meetings attended | Out of a possible |
|---------------------------------------------|-------------------|-------------------|
| Mrs Lois Whitehouse                         | 3                 | 3                 |
| Mrs Kim Docking                             | 4                 | 4                 |
| Canon Linda Wainscoat                       | 1                 | 1                 |
| Mr David Kershaw                            | 4                 | 4                 |
| Mr Graham Wise                              | 3                 | 4                 |
| Mrs Eileen Leech                            | 4                 | 4                 |
| Reverend Malcolm Tyler, Chair of Trustees   | 4                 | 4                 |
| Mrs Gillian Bowser (appointed 12 July 2018) | 0                 | 0                 |
| Mrs Lisa Hayes (appointed 12 July 2018)     | 0                 | 0                 |

For future sustainability and effectiveness the Board has co-opted one observer on to the board of director's from Hearsall Academy. This Associate also sits on the Finance and audit committee and has full voting rights. This governor continues to bring strong expertise and skills in Financial Management.

**Governance Review**

The local governing bodies undertake annual skills audit and chairs meet peer to develop and improve their knowledge and skills.

Numbers at both local Governing Bodies have increased and observers are invited to directors meetings. A focus for development is to build upon strategies for Governor monitoring introduced in 2017/18 to build in more ongoing and incidental monitoring and more simplistic recording of governor visits. We are also looking at ways to better support governors in their monitoring role recognising the amount of time needed in this voluntary role. We are providing termly training opportunities for governors both in house and through governor support service.

**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

The Finance and Audit Committee is a sub-committee of the main board of trustees. Its purpose is to hold the board of trustees to accounts for their financial statements, budgeting and value for money and to monitor, review and evaluate financial propriety.

Attendance at meetings in the year was as follows:

| Trustee                     | Meetings attended | Out of a possible |
|-----------------------------|-------------------|-------------------|
| Mr Graham Wise              | 3                 | 4                 |
| Mrs Kim Docking             | 4                 | 4                 |
| Mr Duncan Karran (co-opted) | 4                 | 4                 |

**Review of Value for Money**

As Accounting Officer, the Executive Principal has responsibility for ensuring that the academy 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's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

- Changing utility services.
- Headteacher from Clifford Bridge negotiated a material discount with a contractor for an outside class area.
- Annual review of Service Level agreements.
- Proactively seeking discounts.
- Working with back office staff around process and practices to ensure efficient working practices.
- Ongoing training for Office managers, Site Service Officers and ICT Manager to reinforce principles of Value for Money.

**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 ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Inspire Education Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The Risk and Control Framework**

The academy'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 audit committee of reports which indicate financial performance against

**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (continued)**

the forecasts and of major purchase plans, capital works and expenditure programmes;

- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Coventry City Council as internal auditor.

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

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

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

The Trust has a service level agreement with Coventry City Council's school finance team to undertake the role of the internal auditor. Each school has a termly visit and there have been no material control issues.

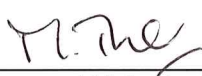
**Review of Effectiveness**

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

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

Approved by order of the members of the board of trustees on 12 December 2018 and signed on their behalf, by:

  
\_\_\_\_\_  
**Reverend Malcolm Tyler**  
**Chair of Trustees**

  
\_\_\_\_\_  
**Mrs Kim Docking**  
**Accounting Officer**



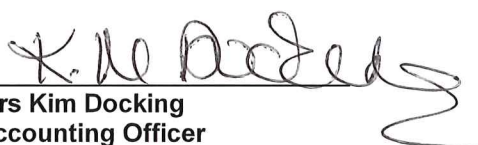
**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Inspire Education Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the 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 2017.

I confirm that I and the academy trust 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 2017.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

  
**Mrs Kim Docking**  
**Accounting Officer**

Date: 12 December 2018



**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 12 December 2018 and signed on its behalf by:

  
**Reverend Malcolm Tyler**  
**Chair of Trustees**

**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF INSPIRE EDUCATION TRUST**

**Opinion**

We have audited the financial statements of Inspire Education Trust (the 'academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

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

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

**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF INSPIRE EDUCATION TRUST**

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the 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 our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

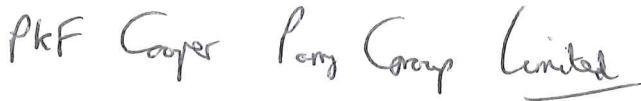


**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF INSPIRE  
EDUCATION TRUST**

**Use of our report**

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

A handwritten signature in dark ink, appearing to read 'PkF Cooper Parry Group Limited', with a horizontal line underneath.

Simon Atkins FCA (Senior statutory auditor)

for and on behalf of

**PKF Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG  
12 December 2018

**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO INSPIRE  
EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 9 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspire Education Trust during the year 1 September 2017 to 31 August 2018 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 Inspire Education Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Inspire Education Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Inspire Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Inspire Education Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Inspire Education Trust's funding agreement with the Secretary of State for Education dated 20 August 2015, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.



**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO INSPIRE  
EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*PKF Cooper Parry Group Limited*

**PKF Cooper Parry Group Limited**

Chartered Accountants  
Statutory Auditor

One Central Boulevard  
Blythe Valley Business Park  
Solihull  
West Midlands  
B90 8BG

Date: *12 December 2018*

**INSPIRE EDUCATION TRUST**  
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**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2018**

|                                                                            | Note  | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Restricted<br>fixed asset<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | Total<br>funds<br>2017<br>£ |
|----------------------------------------------------------------------------|-------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|-----------------------------|
| <b>Income from:</b>                                                        |       |                                    |                                  |                                                 |                             |                             |
| Donations & capital grants:                                                |       |                                    |                                  |                                                 |                             |                             |
| Transfer from local authority on conversion                                | 2     | -                                  | -                                | -                                               | -                           | 2,192,861                   |
| Donations and capital grants                                               | 2     | 6,315                              | -                                | 47,962                                          | 54,277                      | 209,993                     |
| Charitable activities:                                                     | 3     |                                    |                                  |                                                 |                             |                             |
| Funding for the academy trust's educational operations                     |       | 170,647                            | 6,639,976                        | -                                               | 6,810,623                   | 5,794,475                   |
| Other trading activities                                                   | 4     | 165,190                            | -                                | -                                               | 165,190                     | 97,122                      |
| Investments                                                                | 5     | 1,010                              | -                                | -                                               | 1,010                       | 1,260                       |
| <b>Total income</b>                                                        |       | <u>343,162</u>                     | <u>6,639,976</u>                 | <u>47,962</u>                                   | <u>7,031,100</u>            | <u>8,295,711</u>            |
| <b>Expenditure on:</b>                                                     |       |                                    |                                  |                                                 |                             |                             |
| Academy trust educational operations                                       |       | 234,179                            | 7,044,480                        | 294,432                                         | 7,573,091                   | 6,140,213                   |
| <b>Total expenditure</b>                                                   | 6     | <u>234,179</u>                     | <u>7,044,480</u>                 | <u>294,432</u>                                  | <u>7,573,091</u>            | <u>6,140,213</u>            |
| <b>Net income / (expenditure) before transfers</b>                         |       | <u>108,983</u>                     | <u>(404,504)</u>                 | <u>(246,470)</u>                                | <u>(541,991)</u>            | <u>2,155,498</u>            |
| Transfers between Funds                                                    | 16    | -                                  | 37,010                           | (37,010)                                        | -                           | -                           |
| <b>Net income / (expenditure) before other recognised gains and losses</b> |       | <u>108,983</u>                     | <u>(367,494)</u>                 | <u>(283,480)</u>                                | <u>(541,991)</u>            | <u>2,155,498</u>            |
| Actuarial gains / (losses) on defined benefit pension schemes              | 13,20 | -                                  | 561,000                          | -                                               | 561,000                     | 653,000                     |
| <b>Net movement in funds</b>                                               |       | <u>108,983</u>                     | <u>193,506</u>                   | <u>(283,480)</u>                                | <u>19,009</u>               | <u>2,808,498</u>            |
| <b>Reconciliation of funds:</b>                                            |       |                                    |                                  |                                                 |                             |                             |
| Total funds brought forward                                                |       | 652,213                            | (2,505,797)                      | 13,446,543                                      | 11,592,959                  | 8,784,461                   |
| <b>Total funds carried forward</b>                                         |       | <u>761,196</u>                     | <u>(2,312,291)</u>               | <u>13,163,063</u>                               | <u>11,611,968</u>           | <u>11,592,959</u>           |

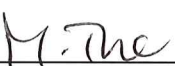
The notes on pages 35 to 56 form part of these financial statements.

**INSPIRE EDUCATION TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 09728614**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

|                                                        | Note | £                  | 2018<br>£                | 2017<br>£                |
|--------------------------------------------------------|------|--------------------|--------------------------|--------------------------|
| <b>Fixed assets</b>                                    |      |                    |                          |                          |
| Tangible assets                                        | 13   |                    | 13,062,424               | 13,346,564               |
| <b>Current assets</b>                                  |      |                    |                          |                          |
| Debtors                                                | 14   | 153,507            | 186,152                  |                          |
| Cash at bank and in hand                               |      | 1,940,774          | 1,748,707                |                          |
|                                                        |      | <u>2,094,281</u>   | <u>1,934,859</u>         |                          |
| <b>Creditors:</b> amounts falling due within one year  | 15   | (496,737)          | (413,464)                |                          |
| <b>Net current assets</b>                              |      |                    | <u>1,597,544</u>         | <u>1,521,395</u>         |
| <b>Total assets less current liabilities</b>           |      |                    | <u>14,659,968</u>        | <u>14,867,959</u>        |
| Defined benefit pension scheme liability               | 20   | (3,048,000)        |                          | (3,275,000)              |
| <b>Net assets including pension scheme liabilities</b> |      |                    | <u><u>11,611,968</u></u> | <u><u>11,592,959</u></u> |
| <b>Funds of the academy</b>                            |      |                    |                          |                          |
| Restricted income funds:                               |      |                    |                          |                          |
| Restricted income funds                                | 16   | 735,709            | 769,203                  |                          |
| Restricted fixed asset funds                           | 16   | <u>13,163,063</u>  | <u>13,446,543</u>        |                          |
| Restricted income funds excluding pension liability    |      | 13,898,772         | 14,215,746               |                          |
| Pension reserve                                        |      | <u>(3,048,000)</u> | <u>(3,275,000)</u>       |                          |
| Total restricted income funds                          |      |                    | <u>10,850,772</u>        | <u>10,940,746</u>        |
| Unrestricted income funds                              | 16   |                    | <u>761,196</u>           | <u>652,213</u>           |
| <b>Total funds</b>                                     |      |                    | <u><u>11,611,968</u></u> | <u><u>11,592,959</u></u> |

The financial statements on pages 32 to 56 were approved by the Trustees, and authorised for issue, on 12 December 2018 and are signed on their behalf, by:

  
**Reverend Malcolm Tyler**  
**Chair of Trustees**

The notes on pages 35 to 56 form part of these financial statements.

**INSPIRE EDUCATION TRUST**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

|                                                            | Note | 2018<br>£ | 2017<br>£ |
|------------------------------------------------------------|------|-----------|-----------|
| <b>Cash flows from operating activities</b>                |      |           |           |
| Net cash provided by operating activities                  | 18   | 153,387   | 356,694   |
| <b>Cash flows from investing activities:</b>               |      |           |           |
| Dividends, interest and rents from investments             |      | 1,010     | 1,260     |
| Purchase of tangible fixed assets                          |      | (10,292)  | (914,317) |
| Capital grants from DfE Group                              |      | 47,962    | 195,530   |
| <b>Net cash provided by/(used in) investing activities</b> |      | 38,680    | (717,527) |
| <b>Change in cash and cash equivalents in the year</b>     |      | 192,067   | (360,833) |
| Cash and cash equivalents brought forward                  |      | 1,748,707 | 2,109,540 |
| <b>Cash and cash equivalents carried forward</b>           | 19   | 1,940,774 | 1,748,707 |

The notes on pages 35 to 56 form part of these financial statements.



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**1. Accounting Policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the 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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Inspire Education Trust constitutes a public benefit entity as defined by FRS 102.

**1.2 Going concern**

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

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**1. Accounting Policies (continued)**

**1.3 Income**

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

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**1. Accounting Policies (continued)**

**1.5 Tangible fixed assets and depreciation**

All assets costing more than £3,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

|                        |   |               |
|------------------------|---|---------------|
| Leasehold property     | - | 2% (50 years) |
| Furniture and fixtures | - | 20% (5 years) |
| Motor vehicles         | - | 25% (4 years) |

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

**1.6 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**1.7 Liabilities and provisions**

Liabilities and provisions 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 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.

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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting Policies (continued)**

**1.8 Financial instruments**

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

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

**1.9 Taxation**

The academy 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 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.

**1.10 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.



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**1. Accounting Policies (continued)**

**1.10 Pensions (continued)**

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

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

**1.11 Fund accounting**

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

**1.12 Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2018. 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.



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**2. Income from donations and capital grants**

|                                                | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Restricted<br>fixed asset<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | Total<br>funds<br>2017<br>£ |
|------------------------------------------------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|-----------------------------|
| Transfer from local authority on<br>conversion | -                                  | -                                | -                                               | -                           | 2,192,861                   |
| Donations                                      | 6,315                              | -                                | -                                               | 6,315                       | 14,463                      |
| Capital Grants                                 | -                                  | -                                | 47,962                                          | 47,962                      | 195,530                     |
| Subtotal                                       | 6,315                              | -                                | 47,962                                          | 54,277                      | 209,993                     |
|                                                | 6,315                              | -                                | 47,962                                          | 54,277                      | 2,402,854                   |
| <b>Total 2017</b>                              | 179,630                            | (726,000)                        | 2,949,224                                       | 2,402,854                   |                             |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**3. Funding for Academy's educational operations**

|                                                                 | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | Total<br>funds<br>2017<br>£ |
|-----------------------------------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| <b>DfE/ESFA grants</b>                                          |                                    |                                  |                             |                             |
| General Annual Grant (GAG)                                      | -                                  | 5,452,701                        | 5,452,701                   | 4,616,493                   |
| Start Up Grants                                                 | -                                  | 8,001                            | 8,001                       | -                           |
| Other DfE / ESFA Grants                                         | -                                  | 451,010                          | 451,010                     | 400,725                     |
|                                                                 | -                                  | 5,911,712                        | 5,911,712                   | 5,017,218                   |
| <b>Other government grants</b>                                  |                                    |                                  |                             |                             |
| Local authority grants                                          | -                                  | 365,019                          | 365,019                     | 348,563                     |
|                                                                 | -                                  | 365,019                          | 365,019                     | 348,563                     |
| <b>Other funding</b>                                            |                                    |                                  |                             |                             |
| Other income from the academy trust's<br>educational operations | -                                  | 163,514                          | 163,514                     | 123,413                     |
| School trips income                                             | 85,277                             | -                                | 85,277                      | 71,111                      |
| Catering income                                                 | 85,370                             | 199,731                          | 285,101                     | 234,170                     |
|                                                                 | 170,647                            | 363,245                          | 533,892                     | 428,694                     |
|                                                                 | 170,647                            | 6,639,976                        | 6,810,623                   | 5,794,475                   |
| <b>Total 2017</b>                                               | 329,546                            | 5,464,929                        | 5,794,475                   |                             |

**4. Other trading activities**

|                    | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | Total<br>funds<br>2017<br>£ |
|--------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Hire of Facilities | 63,267                             | -                                | 63,267                      | 34,472                      |
| Other income       | 101,923                            | -                                | 101,923                     | 62,650                      |
|                    | 165,190                            | -                                | 165,190                     | 97,122                      |
| <b>Total 2017</b>  | 97,122                             | -                                | 97,122                      |                             |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Investment income**

|                     | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | Total<br>funds<br>2017<br>£ |
|---------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Short term deposits | 1,010                              | -                                | 1,010                       | 1,260                       |
| <b>Total 2017</b>   | 1,260                              | -                                | 1,260                       |                             |

**6. Expenditure**

|                   | Staff costs<br>2018<br>£ | Premises<br>2018<br>£ | Other costs<br>2018<br>£ | Total<br>2018<br>£ | Total<br>2017<br>£ |
|-------------------|--------------------------|-----------------------|--------------------------|--------------------|--------------------|
| Activities:       |                          |                       |                          |                    |                    |
| Direct costs      | 4,024,336                | 294,432               | 894,354                  | 5,213,122          | 4,310,119          |
| Support costs     | 1,576,784                | 276,078               | 507,107                  | 2,359,969          | 1,830,094          |
|                   | 5,601,120                | 570,510               | 1,401,461                | 7,573,091          | 6,140,213          |
| <b>Total 2017</b> | 4,566,869                | 420,674               | 1,152,670                | 6,140,213          |                    |

**7. Analysis of expenditure by activities**

|                        | Activities<br>undertaken<br>directly<br>2018<br>£ | Support<br>costs<br>2018<br>£ | Total<br>2018<br>£ | Total<br>2017<br>£ |
|------------------------|---------------------------------------------------|-------------------------------|--------------------|--------------------|
| Educational operations | 5,213,122                                         | 2,359,969                     | 7,573,091          | 6,140,213          |
| <b>Total 2017</b>      | 4,310,119                                         | 1,830,094                     | 6,140,213          |                    |

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**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

|                          | <b>Educational<br/>operations<br/>£</b> | <b>Total<br/>2018<br/>£</b> | <b>Total<br/>2017<br/>£</b> |
|--------------------------|-----------------------------------------|-----------------------------|-----------------------------|
| Staff costs              | 1,576,784                               | 1,576,784                   | 1,160,689                   |
| Technology costs         | 6,744                                   | 6,744                       | 8,074                       |
| Premises costs           | 276,077                                 | 276,077                     | 194,847                     |
| Other support costs      | 481,708                                 | 481,708                     | 371,153                     |
| Governance costs         | 18,656                                  | 18,656                      | 95,331                      |
|                          | <u>2,359,969</u>                        | <u>2,359,969</u>            | <u>1,830,094</u>            |
| <b>At 31 August 2017</b> | <u>1,830,094</u>                        | <u>1,830,094</u>            |                             |

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

This is stated after charging:

|                                         | <b>2018<br/>£</b> | <b>2017<br/>£</b> |
|-----------------------------------------|-------------------|-------------------|
| Depreciation of tangible fixed assets:  |                   |                   |
| - owned by the charity                  | 294,432           | 225,827           |
| Auditor's remuneration - audit          | 10,000            | 10,725            |
| Auditor's remuneration - other services | 6,000             | 2,635             |
| Operating leases                        | <u>20,545</u>     | <u>27,341</u>     |



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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Staff costs**

**a. Staff costs**

Staff costs were as follows:

|                                                    | 2018<br>£ | 2017<br>£ |
|----------------------------------------------------|-----------|-----------|
| Wages and salaries                                 | 3,895,057 | 3,304,692 |
| Social security costs                              | 336,094   | 272,665   |
| Operating costs of defined benefit pension schemes | 1,130,988 | 864,169   |
|                                                    | <hr/>     | <hr/>     |
|                                                    | 5,362,139 | 4,441,526 |
| Agency staff costs                                 | 223,981   | 125,343   |
| Staff restructuring costs                          | 15,000    | -         |
|                                                    | <hr/>     | <hr/>     |
|                                                    | 5,601,120 | 4,566,869 |
|                                                    | <hr/>     | <hr/>     |

Staff restructuring costs comprise:

|                    | 2018<br>£ | 2017<br>£ |
|--------------------|-----------|-----------|
| Severance payments | 15,000    | -         |
|                    | <hr/>     | <hr/>     |

**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs is a non-statutory/non-contractual severance payment totalling £15,000 (2017: £nil). The payment was made on 27 November 2017.

**c. Staff numbers**

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

|                            | 2018<br>No. | 2017<br>No. |
|----------------------------|-------------|-------------|
| Teachers                   | 62          | 65          |
| Administration and support | 142         | 131         |
| Management                 | 13          | 10          |
|                            | <hr/>       | <hr/>       |
|                            | 217         | 206         |
|                            | <hr/>       | <hr/>       |

Average headcount expressed as a full time equivalent:

|                            | 2018<br>No. | 2017<br>No. |
|----------------------------|-------------|-------------|
| Teachers                   | 55          | 57          |
| Administration and support | 90          | 88          |
| Management                 | 13          | 10          |
|                            | <hr/>       | <hr/>       |
|                            | 158         | 155         |
|                            | <hr/>       | <hr/>       |

**d. Higher paid staff**

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Staff costs (continued)**

|                                 | <b>2018<br/>No.</b> | <b>2017<br/>No.</b> |
|---------------------------------|---------------------|---------------------|
| In the band £60,001 - £70,000   | 1                   | 1                   |
| In the band £90,001 - £100,000  | 0                   | 1                   |
| In the band £100,001 - £110,000 | 1                   | 0                   |

**e. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £874,869 (2017 - £619,840).

**10. Central services**

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

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

The academy charges for these services on the following basis:

- flat percentage of the General Annual Grant (GAG) income at 5%

The actual amounts charged during the year were as follows:

|                                     | <b>2018<br/>£</b>     | <b>2017<br/>£</b>     |
|-------------------------------------|-----------------------|-----------------------|
| Clifford Bridge Academy             | 67,277                | 62,318                |
| Whittle Academy                     | 54,022                | 56,043                |
| Walsgrave Church of England Academy | 81,069                | 82,628                |
| Hearsall Academy                    | 70,267                | 29,776                |
| <b>Total</b>                        | <u><u>272,635</u></u> | <u><u>230,765</u></u> |

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**11. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

|                 |                            | <b>2018</b>     | <b>2017</b>    |
|-----------------|----------------------------|-----------------|----------------|
|                 |                            | <b>£</b>        | <b>£</b>       |
| Mrs Kim Docking | Remuneration               | 105,000-110,000 | 95,000-100,000 |
|                 | Pension contributions paid | 15,000-20,000   | 15,000-20,000  |

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £nil).

**12. Trustees' and Officers' Insurance**

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 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.

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**13. Tangible fixed assets**

|                       | Leasehold<br>property<br>£ | Furniture<br>and fixtures<br>£ | Plant and<br>equipment<br>£ | Total<br>£        |
|-----------------------|----------------------------|--------------------------------|-----------------------------|-------------------|
| <b>Cost</b>           |                            |                                |                             |                   |
| At 1 September 2017   | 13,496,694                 | 122,877                        | 130,409                     | 13,749,980        |
| Additions             | 10,292                     | -                              | -                           | 10,292            |
| At 31 August 2018     | <u>13,506,986</u>          | <u>122,877</u>                 | <u>130,409</u>              | <u>13,760,272</u> |
| <b>Depreciation</b>   |                            |                                |                             |                   |
| At 1 September 2017   | 332,405                    | 25,325                         | 45,686                      | 403,416           |
| Charge for the year   | 225,730                    | 24,575                         | 44,127                      | 294,432           |
| At 31 August 2018     | <u>558,135</u>             | <u>49,900</u>                  | <u>89,813</u>               | <u>697,848</u>    |
| <b>Net book value</b> |                            |                                |                             |                   |
| At 31 August 2018     | <u>12,948,851</u>          | <u>72,977</u>                  | <u>40,596</u>               | <u>13,062,424</u> |
| At 31 August 2017     | <u>13,164,289</u>          | <u>97,552</u>                  | <u>84,723</u>               | <u>13,346,564</u> |

Land is included in the total leasehold land and buildings valuation at a value of £2,220,500 (2017 - £2,220,500) and is not depreciated.

**14. Debtors**

|                                | 2018<br>£      | 2017<br>£      |
|--------------------------------|----------------|----------------|
| Trade debtors                  | 5,257          | 13,802         |
| Other debtors                  | 48,727         | 89,241         |
| Prepayments and accrued income | 99,523         | 83,109         |
|                                | <u>153,507</u> | <u>186,152</u> |

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FOR THE YEAR ENDED 31 AUGUST 2018**

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

|                                      | <b>2018</b>         | <b>2017</b>         |
|--------------------------------------|---------------------|---------------------|
|                                      | <b>£</b>            | <b>£</b>            |
| Trade creditors                      | 107,414             | 26,781              |
| Other taxation and social security   | 174,092             | 165,079             |
| Other creditors                      | 88,085              | 100,311             |
| Accruals and deferred income         | 127,146             | 121,293             |
|                                      | <hr/> 496,737 <hr/> | <hr/> 413,464 <hr/> |
|                                      | <b>2018</b>         | <b>2017</b>         |
|                                      | <b>£</b>            | <b>£</b>            |
| <b>Deferred income</b>               |                     |                     |
| Deferred income at 1 September 2017  | 121,293             | 88,938              |
| Resources deferred during the year   | 127,146             | 121,293             |
| Amounts released from previous years | (121,293)           | (88,938)            |
|                                      | <hr/> 127,146 <hr/> | <hr/> 121,293 <hr/> |

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals £116,498 (2017 - £114,098) and trips income £9,089 (2017 - £7,195) relating to the 2018/19.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**16. Statement of funds**

|                                     | Balance at<br>1<br>September<br>2017<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2018<br>£ |
|-------------------------------------|-------------------------------------------|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Designated funds</b>             |                                           |                  |                    |                          |                         |                                      |
| Ringfenced funds                    | 284,087                                   | -                | (205,954)          | 319,626                  | -                       | 397,759                              |
| <b>General funds</b>                |                                           |                  |                    |                          |                         |                                      |
| Total General Funds                 | 368,126                                   | 343,162          | (28,225)           | (319,626)                | -                       | 363,437                              |
| Total Unrestricted funds            | 652,213                                   | 343,162          | (234,179)          | -                        | -                       | 761,196                              |
| <b>Restricted funds</b>             |                                           |                  |                    |                          |                         |                                      |
| General Annual Grant<br>(GAG)       | 719,025                                   | 5,452,701        | (5,504,656)        | 37,010                   | -                       | 704,080                              |
| Start Up Grant                      | 50,178                                    | 8,001            | (26,550)           | -                        | -                       | 31,629                               |
| Other Grants                        | -                                         | 1,179,274        | (1,179,274)        | -                        | -                       | -                                    |
| Pension reserve                     | (3,275,000)                               | -                | (334,000)          | -                        | 561,000                 | (3,048,000)                          |
|                                     | <u>(2,505,797)</u>                        | <u>6,639,976</u> | <u>(7,044,480)</u> | <u>37,010</u>            | <u>561,000</u>          | <u>(2,312,291)</u>                   |
| <b>Restricted fixed asset funds</b> |                                           |                  |                    |                          |                         |                                      |
| Transferred on conversion           | 12,230,386                                | -                | (225,731)          | -                        | -                       | 12,004,655                           |
| DfE / ESFA Capital                  | 1,086,393                                 | 47,962           | (42,748)           | -                        | -                       | 1,091,607                            |
| Transferred from GAG                | 129,764                                   | -                | (25,953)           | (37,010)                 | -                       | 66,801                               |
|                                     | <u>13,446,543</u>                         | <u>47,962</u>    | <u>(294,432)</u>   | <u>(37,010)</u>          | <u>-</u>                | <u>13,163,063</u>                    |
| Total restricted funds              | 10,940,746                                | 6,687,938        | (7,338,912)        | -                        | 561,000                 | 10,850,772                           |
| Total of funds                      | <u>11,592,959</u>                         | <u>7,031,100</u> | <u>(7,573,091)</u> | <u>-</u>                 | <u>561,000</u>          | <u>11,611,968</u>                    |

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

The balance of £735,709 on the Restricted General Funds will be used for educational purposes in accordance with the restrictions attached to the funding.

The Pension Reserve of £3,048,000 (overdrawn) represents the Academy Trust's share of the deficit in the West Midlands Pension Fund.

Restricted Fixed Assets Funds relate predominately to the assets acquired on conversion to an Academy Trust, being the properties.

The Unrestricted Funds represent the surplus generated by the Academy Trust on activities for generating funds. The designated funds represent amounts ringfenced for specific expenditure as detailed in the reserves policy within the Trustees' Report.

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

**Analysis of academies by fund balance**

Fund balances at 31 August 2018 were allocated as follows:

|                                                   | <b>Total<br/>2018<br/>£</b> | <b>Total<br/>2017<br/>£</b> |
|---------------------------------------------------|-----------------------------|-----------------------------|
| Clifford Bridge Academy                           | 187,458                     | 207,164                     |
| Whittle Academy                                   | 493,123                     | 529,674                     |
| Walsgrave Church of England Academy               | 492,566                     | 351,426                     |
| Hearsall Academy                                  | 237,260                     | 207,102                     |
| Central Services                                  | 86,498                      | 126,050                     |
|                                                   | <hr/>                       | <hr/>                       |
| Total before fixed asset fund and pension reserve | 1,496,905                   | 1,421,416                   |
| Restricted fixed asset fund                       | 13,163,063                  | 13,446,543                  |
| Pension reserve                                   | (3,048,000)                 | (3,275,000)                 |
|                                                   | <hr/>                       | <hr/>                       |
| Total                                             | <u>11,611,968</u>           | <u>11,592,959</u>           |

**Analysis of academies by cost**

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

|                                     | <b>Teaching<br/>and<br/>educational<br/>support<br/>staff costs<br/>£</b> | <b>Other<br/>support<br/>staff costs<br/>£</b> | <b>Educational<br/>supplies<br/>£</b> | <b>Other costs<br/>excluding<br/>depreciat-<br/>ion<br/>£</b> | <b>Total<br/>2018<br/>£</b> | <b>Total<br/>2017<br/>£</b> |
|-------------------------------------|---------------------------------------------------------------------------|------------------------------------------------|---------------------------------------|---------------------------------------------------------------|-----------------------------|-----------------------------|
| Clifford Bridge Academy             | 907,125                                                                   | 247,046                                        | 197,312                               | 205,276                                                       | 1,556,759                   | 1,578,759                   |
| Whittle Academy                     | 863,511                                                                   | 218,719                                        | 171,421                               | 152,113                                                       | 1,405,764                   | 1,378,810                   |
| Walsgrave Church of England Academy | 1,061,490                                                                 | 330,531                                        | 266,615                               | 207,077                                                       | 1,865,713                   | 1,891,990                   |
| Hearsall Academy                    | 1,030,147                                                                 | 199,645                                        | 252,289                               | 195,010                                                       | 1,677,091                   | 720,158                     |
| Central Services                    | 162,062                                                                   | 246,844                                        | 6,718                                 | 23,726                                                        | 439,350                     | 344,669                     |
|                                     | <hr/>                                                                     | <hr/>                                          | <hr/>                                 | <hr/>                                                         | <hr/>                       | <hr/>                       |
|                                     | <u>4,024,335</u>                                                          | <u>1,242,785</u>                               | <u>894,355</u>                        | <u>783,202</u>                                                | <u>6,944,677</u>            | <u>5,914,386</u>            |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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

**Statement of funds - prior year**

|                                     | Balance at<br>1<br>September<br>2016<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2017<br>£ |
|-------------------------------------|-------------------------------------------|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Ringfenced funds                    | -                                         | -                | -                  | 284,087                  | -                       | 284,087                              |
| <b>General funds</b>                |                                           |                  |                    |                          |                         |                                      |
| Total General funds                 | 694,176                                   | 583,293          | (625,256)          | (284,087)                | -                       | 368,126                              |
| <b>Restricted funds</b>             |                                           |                  |                    |                          |                         |                                      |
| General Annual Grant<br>(GAG)       | 255,016                                   | 4,616,493        | (4,063,856)        | (88,628)                 | -                       | 719,025                              |
| Start Up Grant                      | 147,251                                   | -                | (97,073)           | -                        | -                       | 50,178                               |
| Other Grants                        | 42,500                                    | 872,701          | (915,201)          | -                        | -                       | -                                    |
| Pension reserve                     | (2,989,000)                               | (726,000)        | (213,000)          | -                        | 653,000                 | (3,275,000)                          |
|                                     | <u>(2,544,233)</u>                        | <u>4,763,194</u> | <u>(5,289,130)</u> | <u>(88,628)</u>          | <u>653,000</u>          | <u>(2,505,797)</u>                   |
| <b>Restricted fixed asset funds</b> |                                           |                  |                    |                          |                         |                                      |
| Transferred on conversion           | 9,669,265                                 | 2,753,694        | (192,573)          | -                        | -                       | 12,230,386                           |
| DfE / ESFA Capital                  | 913,833                                   | 195,530          | (22,970)           | -                        | -                       | 1,086,393                            |
| Transferred from GAG                | 51,420                                    | -                | (10,284)           | 88,628                   | -                       | 129,764                              |
|                                     | <u>10,634,518</u>                         | <u>2,949,224</u> | <u>(225,827)</u>   | <u>88,628</u>            | <u>-</u>                | <u>13,446,543</u>                    |
| Total restricted funds              | <u>8,090,285</u>                          | <u>7,712,418</u> | <u>(5,514,957)</u> | <u>-</u>                 | <u>653,000</u>          | <u>10,940,746</u>                    |
| Total of funds                      | <u>8,784,461</u>                          | <u>8,295,711</u> | <u>(6,140,213)</u> | <u>-</u>                 | <u>653,000</u>          | <u>11,592,959</u>                    |

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

|                                        | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Restricted<br>fixed asset<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ |
|----------------------------------------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|
| Tangible fixed assets                  | -                                  | -                                | 13,062,424                                      | 13,062,424                  |
| Current assets                         | 761,196                            | 1,232,446                        | 100,639                                         | 2,094,281                   |
| Creditors due within one year          | -                                  | (496,737)                        | -                                               | (496,737)                   |
| Provisions for liabilities and charges | -                                  | (3,048,000)                      | -                                               | (3,048,000)                 |
|                                        | <u>761,196</u>                     | <u>(2,312,291)</u>               | <u>13,163,063</u>                               | <u>11,611,968</u>           |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Analysis of net assets between funds (continued)**

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

|                                        | Unrestricted<br>funds | Restricted<br>funds | Restricted<br>fixed asset<br>funds | Total<br>funds    |
|----------------------------------------|-----------------------|---------------------|------------------------------------|-------------------|
|                                        | 2017<br>£             | 2017<br>£           | 2017<br>£                          | 2017<br>£         |
| Tangible fixed assets                  | -                     | -                   | 13,346,564                         | 13,346,564        |
| Current assets                         | 659,171               | 1,175,709           | 99,979                             | 1,934,859         |
| Creditors due within one year          | (6,958)               | (406,506)           | -                                  | (413,464)         |
| Provisions for liabilities and charges | -                     | (3,275,000)         | -                                  | (3,275,000)       |
|                                        | <u>652,213</u>        | <u>(2,505,797)</u>  | <u>13,446,543</u>                  | <u>11,592,959</u> |

**18. Reconciliation of net movement in funds to net cash flow from operating activities**

|                                                                                  | 2018<br>£      | 2017<br>£      |
|----------------------------------------------------------------------------------|----------------|----------------|
| Net (expenditure)/income for the year (as per Statement of Financial Activities) | (541,991)      | 2,155,498      |
| <b>Adjustment for:</b>                                                           |                |                |
| Depreciation charges                                                             | 294,432        | 225,827        |
| Dividends, interest and rents from investments                                   | (1,010)        | (1,260)        |
| Decrease/(increase) in debtors                                                   | 32,646         | (50,250)       |
| Increase in creditors                                                            | 83,272         | 37,103         |
| Capital grants from DfE and other capital income                                 | (47,962)       | (195,530)      |
| Defined benefit pension scheme obligation inherited                              | -              | 726,000        |
| Defined benefit pension scheme cost less contributions payable                   | 253,000        | 143,000        |
| Defined benefit pension scheme finance cost                                      | 81,000         | 70,000         |
| Net (loss) on assets and liabilities from local authority on conversion          | -              | (2,753,694)    |
| <b>Net cash provided by operating activities</b>                                 | <u>153,387</u> | <u>356,694</u> |

**19. Analysis of cash and cash equivalents**

|              | 2018<br>£        | 2017<br>£        |
|--------------|------------------|------------------|
| Cash in hand | 1,940,774        | 1,748,707        |
| <b>Total</b> | <u>1,940,774</u> | <u>1,748,707</u> |



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. Pension commitments**

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £458,000 (2017 - £282,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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



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**20. Pension commitments (continued)**

trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £425,000 (2017 - £318,000), of which employer's contributions totalled £339,000 (2017 - £259,000) and employees' contributions totalled £86,000 (2017 - £59,000). The agreed contribution rates for future years are 17.8% for employers and 6.2% 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.

Principal actuarial assumptions:

|                                                      | <b>2018</b> | <b>2017</b> |
|------------------------------------------------------|-------------|-------------|
| Discount rate for scheme liabilities                 | 2.65 %      | 2.60 %      |
| Rate of increase in salaries                         | 3.80 %      | 4.20 %      |
| Rate of increase for pensions in payment / inflation | 2.30 %      | 2.70 %      |
| Inflation assumption (CPI)                           | 2.30 %      | 2.70 %      |

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

|                      | <b>2018</b> | <b>2017</b> |
|----------------------|-------------|-------------|
| Retiring today       |             |             |
| Males                | 21.9        | 21.8        |
| Females              | 24.4        | 24.3        |
| Retiring in 20 years |             |             |
| Males                | 24.1        | 24.0        |
| Females              | 26.7        | 26.6        |

| <b>Sensitivity analysis</b>            | <b>At 31 August<br/>2018<br/>£</b> | <b>At 31 August<br/>2017<br/>£</b> |
|----------------------------------------|------------------------------------|------------------------------------|
| Discount rate +0.1%                    | 121,000                            | 116,000                            |
| Discount rate -0.1%                    | (125,000)                          | (119,000)                          |
| Mortality assumption - 1 year increase | (152,000)                          | (145,000)                          |
| Mortality assumption - 1 year decrease | 147,000                            | 141,000                            |
| CPI rate +0.1%                         | 105,000                            | 92,000                             |
| CPI rate -0.1%                         | (102,000)                          | (89,000)                           |

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**20. Pension commitments (continued)**

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

|                              | Fair value at<br>31 August<br>2018<br>£ | Fair value at<br>31 August<br>2017<br>£ |
|------------------------------|-----------------------------------------|-----------------------------------------|
| Equities                     | 1,086,000                               | 808,000                                 |
| Gilts                        | 123,000                                 | 93,000                                  |
| Corporate bonds              | 64,000                                  | 49,000                                  |
| Property                     | 139,000                                 | 93,000                                  |
| Cash and other liquid assets | 64,000                                  | 63,000                                  |
| Other                        | 240,000                                 | 169,000                                 |
|                              | <hr/>                                   | <hr/>                                   |
| Total market value of assets | 1,716,000                               | 1,275,000                               |
|                              | <hr/> <hr/>                             | <hr/> <hr/>                             |

The actual return on scheme assets was £18,000 (2017 - £119,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

|                                                      | 2018<br>£   | 2017<br>£   |
|------------------------------------------------------|-------------|-------------|
| Current service cost (net of employee contributions) | 253,000     | 244,000     |
| Net interest cost                                    | 80,000      | 60,000      |
| Administrative expenses                              | 1,000       | -           |
|                                                      | <hr/>       | <hr/>       |
| Total amount recognised in the SOFA                  | 334,000     | 304,000     |
|                                                      | <hr/> <hr/> | <hr/> <hr/> |

Movements in the present value of the defined benefit obligation were as follows:

|                                    | 2018<br>£   | 2017<br>£   |
|------------------------------------|-------------|-------------|
| Opening defined benefit obligation | 4,550,000   | 3,535,000   |
| Upon conversion                    | -           | 726,000     |
| Current service cost               | 592,000     | 402,000     |
| Employee contributions             | 86,000      | 59,000      |
| Interest cost                      | 119,000     | 85,000      |
| Change in financial assumptions    | (583,000)   | (257,000)   |
|                                    | <hr/>       | <hr/>       |
| Closing defined benefit obligation | 4,764,000   | 4,550,000   |
|                                    | <hr/> <hr/> | <hr/> <hr/> |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**20. Pension commitments (continued)**

Movements in the fair value of the academy's share of scheme assets:

|                                     | <b>2018</b> | <b>2017</b> |
|-------------------------------------|-------------|-------------|
|                                     | <b>£</b>    | <b>£</b>    |
| Opening fair value of scheme assets | 1,275,000   | 546,000     |
| Interest income                     | 39,000      | 15,000      |
| Employee contributions              | 86,000      | 59,000      |
| Employer contributions              | 339,000     | 259,000     |
| Return on plan assets               | (21,000)    | 104,000     |
| Actuarial gains                     | (2,000)     | 292,000     |
|                                     | <hr/>       | <hr/>       |
| Closing fair value of scheme assets | 1,716,000   | 1,275,000   |
|                                     | <hr/> <hr/> | <hr/> <hr/> |

**21. Operating lease commitments**

At 31 August 2018 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

|                         | <b>2018</b> | <b>2017</b> |
|-------------------------|-------------|-------------|
|                         | <b>£</b>    | <b>£</b>    |
| <b>Amounts payable:</b> |             |             |
| Within 1 year           | 12,194      | 14,766      |
| Between 1 and 5 years   | 8,351       | 20,545      |
|                         | <hr/>       | <hr/>       |
| Total                   | 20,545      | 35,311      |
|                         | <hr/> <hr/> | <hr/> <hr/> |

**22. Members' liability**

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

**23. Related party transactions**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.