

**Inspire Partnership Academy  
Trust**

**Annual Report and Financial  
Statements**

Year ended 31 August 2021

Company Limited by Guarantee  
Registration Number  
10421212 (England and Wales)

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## Reference and administrative information

<b>Members</b>	Fitzroy Andrew (appointed 1 September 2020) Una Coyne (resigned 11 November 2020) Sam Curtis (resigned 22 October 2020) Dame Sue John (appointed 22 September 2020) Maurice Woolf
<b>Trustees</b>	Rob Carpenter – Accounting Officer Karen Giles – Chair (resigned 31 August 2021) Joanne Gordon Danial Naqvi Ed Nedjari (resigned 18 December 2020) Sinead O’Brien Darrell Porter Penelope Rabiger Nathalie Romain – Chair (from 1 September 2021) Ray Williams (appointed 1 January 2021)
<b>Senior Management Team</b>	Rob Carpenter – CEO Melissa Carpenter – Executive Headteacher Julie Lombardo – COO Rupinder Bansil – Headteacher – West Thornton Primary School Dean Brewer – Head of School – Elaine Primary School Dora Indresano – Headteacher – Maundene Primary School Megan Minnett – Co-Headteacher – Foxfield Primary School Abi Oldfield – Principal – Forest Academy Claudia Fleary-Tayabali – Headteacher – Woodside Primary School Kate Taylor – Headteacher – Delce Academy Aimi Vdovin – Headteacher – Rockliffe Manor Primary School and Woodhill Primary School Tatum Ward – Co-Headteacher – Foxfield Primary School
<b>Registered address</b>	Inspire Partnership Academy Trust Foxfield Primary School Sandbach Place London SE18 7EX
<b>Company registration number</b>	10421212 (England and Wales)

## Reference and administrative information

<b>Independent Auditor</b>	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE
<b>Bankers</b>	Lloyds Bank 39 Threadneedle Street London EC2R 8AU
<b>Solicitors</b>	Stone King LLP 16 St John's Lane London EC1M 4BS

## Trustees' report 31 August 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Inspire Partnership Academy Trust (the 'Trust') operates nine academies (henceforth known as schools) for children aged 4 to 11. The schools are in the areas of Greenwich, Medway and Croydon. Pupil numbers at the Spring 2021 census were as follows:

	Number on roll (R-Y6)	Number on roll (nursery)
Delce Academy	414	N/A
Elaine Primary School	319	19
Forest Academy	234	N/A
Foxfield Primary School	607	94
Maundene Primary School	397	N/A
Rockcliffe Manor Primary School	206	26
West Thornton Primary School	940	N/A
Woodhill Primary School	498	50
Woodside Primary School	521	102
<b>Total for nine schools</b>	<b>4,136</b>	<b>291</b>

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

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

The Trust was incorporated on 11 October 2016 and is made up of nine schools. Three schools in Greenwich obtained academy status from 1 June 2017. Maundene Primary School joined the Trust on 1 January 2018 and Elaine Primary School joined on 1 May 2018. Delce Academy joined the Trust on 1 March 2020 and the three Croydon schools joined on 1 April 2020.

### Members' liability

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

### Trustees' indemnities

Trustees benefit from indemnity insurance purchased at Inspire Partnership's expense through the ESFA RPA scheme. The limit of this indemnity is £10,000,000.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Principal activities**

The principal activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools and settings offering a broad and balanced curriculum.

### **Method of recruitment and appointment or election of trustees**

The Trustees of the company shall comprise:

- Up to 11 Trustees that are appointed by ordinary resolution
- The Chief Executive Officer
- A minimum of 2 Parent Trustees (where there are no local Governing Bodies)

The total number of Trustees shall not be less than three, but shall not be subject to any maximum. The Board of Trustees may itself co-opt additional Trustees as co-opted Trustees.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to any post which is held ex officio or the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected.

### **Policies and procedures adopted for the induction and training of trustees**

The training and induction provided for new Trustees will depend on their existing experience. All new Trustees are enabled to visit the schools within the Trust with the chance to meet with local governors, staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Trustees are able to access a range of training opportunities including internal training, training provided by the Trust's advisors, and courses provided by other established Trustee and Governor training providers.

### **Organisational structure**

The Inspire Partnership organisational structure consists of four tiers to ensure we balance professional collaboration, system wide accountability and individual school autonomy. The agreed structure includes: The Inspire Partnership Board of Trustees, The Executive Leadership Team, Local Governing Bodies and individual School Leadership Teams. The aim of the leadership structure is to devolve responsibility widely and encourage involvement in decision making at all levels. This structure sits within an overall framework of principles which are:

- **Collaboration** matters
- **Excellence** in everything
- **Community** first
- **Equity** for everyone
- **Continuous growth**

Our current organisational structure continues to evolve but is still rooted in the principle of schools supporting schools and working in partnership to transform the lives of pupils. As the Trust has grown, we have invested in time to develop leadership at all levels, including reviewing the composition of the Board of Trustees, the structure and skillset within the Trust central team and ensuring dedicated time for school leaders to work together.

## STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

### Organisational structure (continued)

Trustees are responsible for setting general policy, adopting our strategic plan, budget monitoring by the use of budget reports, and for making major decisions about the direction of capital expenditure, and senior staff appointments.

Individual schools' Leadership Teams lead at school level but work closely with the Executive Leadership Team to review practice and policies defined collaboratively including with Local Governing Bodies and Trustees.

### Arrangements for setting pay and remuneration of key management personnel

The setting of the pay and remuneration for the Chief Executive Officer is devolved from the Inspire Partnership Board of Trustees to the Executive Remuneration committee responsible for reviewing the recommendations from CEO's performance management panel. This process is supported through the external facilitation of an experienced school improvement partner and validated to ensure it is robust and challenging.

The pay and remuneration of the executive team below CEO level is set by the Trustees. This process is externally benchmarked to ensure it is robust and challenging.

Head Teacher pay within all Trust schools is set using the formula within the pay and conditions document, applicable at the time of appointment. The pay ranges are set by the Trustees and the Trust Executive team will set the exact pay within the pay range identified within the pay and conditions document.

### Trade union facility time

<b>Relevant union officials</b>	
Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	0.88
<b>Percentage of time spent on facility time</b>	Number of employees
0%	—
1-50%	—
51-99%	—
100%	1
<b>Percentage of pay bill spent on facility time</b>	
Total cost of facility time	£24,442
Total pay bill	£20.46m
Percentage of the total pay bill spent on facility time	0.12%
<b>Paid trade union activities</b>	
Time spent on paid trade union activities as a percentage of total paid facility time hours	100%

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Engagement with employees (including disabled persons)**

The Inspire Partnership Academy Trust engages with its employees continuously and in a number of ways to suit their different working patterns. This includes regular Trust leadership, Headteacher and line manager briefings, a minimum of five staff training days each academic year and regular Trust communication through newsletters, regional meetings and a school visits programme.

Our Trust school improvement strategy includes staff voice and delivery of school improvement through collaboration. We have developed a number of working parties and cross Trust teams who lead on significant improvement initiatives. These include:

- Early Years Hub
- Curriculum Working Party
- Equality and Diversity Steering Group
- ICT Strategy Group

In 2021 we introduced an employee engagement platform that includes news, staff updates and survey/feedback forums. We actively promote good relations with our recognised trade unions and meet with regional representatives on a termly basis to discuss issues of mutual interest. Headteachers engage regularly with school-based trade union representatives.

The Trust seeks to ensure that every employee, without exception, is treated equally and fairly and that all employees are aware of their obligations under the Equality Act 2010. We encourage and support a wide diversity of applicants at the recruitment stage and all successful candidates undergo a health screening process to objectively advise line managers on workplace adjustments.

For colleagues with existing disabilities or those who become disabled during their time with the Partnership, we make reasonable adjustments to working practices and/or environment in order to keep the employee safe, and effective. This includes support and training to line managers and colleagues to better understand the needs of those with disabilities. We endeavour to ensure that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### **Engagement with suppliers, customers, and others in business relationships**

The Trust recognises that as a public service educational provider it needs to engage with its external stakeholders, which include suppliers, service providers and most importantly its parents, children and wider communities, in strict accordance with the Seven Principles of Public Life.

## **OBJECTIVES AND ACTIVITIES**

### **Objects and aims**

The principal activity of the Inspire Partnership is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools and settings offering a broad and balanced curriculum.



## **OBJECTIVES AND ACTIVITIES (continued)**

### **Our mission**

Our core mission since the inception of the Inspire Partnership is and will continue to focus on transforming children's lives through partnership and collaboration. We firmly believe education has the power to enhance life chances, to ensure our communities thrive. Our mission includes a commitment to staff, pupils and the communities we serve.

Inspire Partnership schools are fully inclusive and committed to achieving high quality educational outcomes for every child. Through the provision of a rich and meaningful curriculum, which places a strong emphasis on a global understanding of the world, we develop pupils' knowledge alongside a love of learning and the motivation to succeed. We know that school is just one element of our children's experience, and work alongside our families and community to foster a sense of moral and social responsibility.

### **Objectives, strategies and activities**

As a group, we have established an ambitious, challenging and creative curriculum that enables all children to flourish socially, spiritually, culturally, emotionally and academically.

The Inspire Partnership founding schools continue to provide high quality learning experiences using the Inspire Partnership curriculum. This is adapted across our regions to ensure it reflects the context of each community. Our self-evaluation of schools in Greenwich and Medway, including verification from external school improvement partners, highlights the quality of education, coupled with a consistent approach to teaching and learning as key strengths.

Our curriculum is underpinned by a strong personal development and Relationships, Sex and Health Education (RSHE) curriculum which all schools use to ensure pupils develop the knowledge and skills to thrive in readiness for the next phase of their education. Supporting this, we have created a Language and Oracy Framework which provides pupils with a voice to articulate their learning and make sense of the world around them. Our aim is that pupils develop the civic leadership to play an active role in their communities and beyond.

Our priority for the coming year is to ensure schools newest to the Inspire Partnership maintain good progress, at a time when schools have experienced significant disruption.

### **Trust Priorities 2021/22**

1. To deliver a Trust Inclusion Strategy which ensures education gaps between pupil groups closes and learning provision meets the needs of ALL learner groups and individuals across the Inspire Partnership.
2. To deliver a Trust wide pupil 'catch up' learning programme which ensures pupil outcomes are at least in line with national expectations across the Inspire Partnership
3. To develop an ICT strategy which enables the Partnership to create consistent communication approaches, improve efficiencies of Trust operations and embed blended learning across our 9 schools.
4. To review and revise the quality governance to ensure the Inspire Partnership governance structure meets the needs and demands of a growing Multi-Academy-Trust.

Embed the model of regional 'hub' school improvement to ensure the Trust has greater capacity to increase the size of the Trust.

## OBJECTIVES AND ACTIVITIES (continued)

### Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Trust adopts the admission policies of the Local Education authority in which it works. For full details see the individual school websites.

## STRATEGIC REPORT

### Achievements and performance

Published performance data for the academic year ended 31 August 2021 is not available due to cancellation of formal school assessment tests as a result of COVID-19. From September 2021, we welcomed back whole school cohorts and continue to ensure pupil assessments are used diagnostically to determine Trust strengths, areas for development and the specific learning gaps at school level that require attention.

Pupils enter our schools from a wide range of social, cultural and economic backgrounds as illustrated below. We pride ourselves on being inclusive, diverse communities and our curriculum focuses on addressing the particular challenges these pupil groups face as a result of the school closure due to COVID-19.

School	% of pupils eligible for free school meals	% of pupils whose first language is not English	% of pupils on Special Education Needs register
Delce Academy	35%	14%	23%
Elaine Primary School	54%	7%	32%
Forest Academy	62%	43%	7%
Foxfield Primary School	25%	47%	15%
Maundene Primary School	16%	6%	10%
Rockliffe Manor Primary School	35%	21%	19%
West Thornton Primary School	29%	53%	12%
Woodhill Primary School	41%	41%	12%
Woodside Primary School	32%	44%	15%

## **STRATEGIC REPORT** (continued)

### **Key performance indicators**

The individual schools within the Inspire Partnership were judged at their last OfSTED inspections as follows:

- Elaine Primary School as 'Requires Improvement' (June 2016)
- Forest Academy as 'Requires Improvement' (June 2018)
- Foxfield Primary School as 'Outstanding' (September 2015)
- Maundene Primary School as 'Good' (October 2012)
- Rockliffe Manor Primary School as 'Good' (December 2019)
- Woodside Primary School as 'Good' (June 2019)
- Woodhill Primary School as 'Good' (December 2019)

Delce Academy and West Thornton Primary School have not yet been inspected under their new unique reference numbers (URNs).

### **Going concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

### **Promoting the success of the company**

As directors of the charitable company, the Trustees have considered the interests of the Trust and its stakeholders in decision making. Trustees are highly cognisant of their role and the role of the schools in their communities as agents of transformation.

Trustees receive feedback from regular formal and informal stakeholder surveys. Where appropriate to do so, stakeholders including community groups and unions are consulted on specific policy decisions prior to their approval. For example, a consultation was undertaken regarding the risk assessments on re-opening of the schools.

The Trust Board is robust in its commitment to its own code of conduct and that of its staff. It is aware of the potential for conflicts of interest and puts in place mechanisms to counter these where they apply. The Trustees place a high premium on ethical practice, and making decisions that are right for the communities and children they serve. During the year, we further developed the central team structure and resources to enable better support of our schools.

### **Financial review**

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) and the Local Authority in the form of recurrent grants, some of which are restricted to particular purposes. The Trust also receives capital grants for fixed assets from the DfE. Other income is derived from running extended school clubs, hiring of facilities to external parties, provision of catering services, school trips, external events and bank interest.

## STRATEGIC REPORT (continued)

### Financial review (continued)

Income for the year ended 31 August 2021 was £29.4m (2020: £46.8m, including £26.5m of net assets from existing academies joining the trust during the year). Expenditure for the year ended 31 August 2021 was £29.6m (2020: £21.5m) and related only to the Trust's educational operations. Excluding movements in the fixed asset and pension restricted funds, the overall surplus for the year in restricted general and unrestricted funds was £1.89m (2020: £923k).

The Trust received additional funding from the COVID-19 catch up premium and the Academies Emergency grant to support our aim of improving educational outcomes and mitigate the impact of lost teaching time. COVID-19 funding was utilised on existing and agency staff to provide additional teaching time, and to purchase educational resources. The Academies Emergency support funding was utilised to cover the additional costs of cleaning and maintaining the premises. The Trust has also received supplementary Free School Meals grants to enable provision of free school meals during school holidays. Due to these grants, the Trust has not been significantly impacted from a financial perspective by COVID-19.

At 31 August 2021 the net book value of tangible fixed assets was £66.6m (2020: £67.4m). Movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust. The movements in fixed assets are shown in restricted fixed asset funds on the statement of financial activities. At 31 August 2021, the fixed asset fund included £496k (2020 - £nil) relating to DfE capital grants carried forward.

The Local Government pension scheme, in which the Trust participates, showed a deficit of £18.5m at 31 August 2021 (2020: £13.9m). The movements in the pension scheme are shown in restricted general funds on the statement of financial activities.

### Reserves policy

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 have determined that the appropriate level of free reserves should be equivalent to 4 week's expenditure, which is approximately £2.4m (2020: £1.7m). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy Trust's current level of free reserves (unrestricted funds) is £2.03m (2020: £1.49m). Including restricted general funds, reserves are £3.95m (2020: £2.05m), which exceeds the requirements of the reserves policy.

The Trust manages working capital to ensure cash and reserves are sufficient to meet ongoing liabilities, there have been no changes to the Trust's reserves policy as a result of COVID-19.

The Trust held fund balances at 31 August 2021 of £52.46m (2020: £55.49m) comprising £50.43m (2020: £54m) of restricted funds and £2.03m (2020: £1.49m) of unrestricted general funds. Of the restricted funds, £66.6m (2020: £67.4m) is represented by tangible fixed assets and £1.9m (2020: £566k) by unspent grants. The pension reserve which is included in restricted funds was £18.48m deficit (2020: £13.89m deficit).

## STRATEGIC REPORT (continued)

### Investment policy

Under the Memorandum and Articles of Association, the Academy Trust has the power to invest funds not immediately required for its own purposes, in any way the Trustees see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis. During the year the Trust invested £1m in a deposit account to increase interest income.

### Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances particularly in respect to funding arrangements. The one and three-year budgeting process is used to flag future changes in grants, and ensures planned resources allow the Trust to meet its objectives while staying within financial limits.

The Trustees have implemented a number of systems to assess risks that the schools face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Trustees have introduced systems, including operational procedures and internal financial controls in order to minimise risk.

Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The principal risks to Inspire Partnership Academy Trust are:

1. Impact of COVID-19 on educational outcomes for all pupils in the Trust. All schools have continued to provide education for all pupils including during closure periods.
2. Financial risk arising from falling pupil rolls in Forest Academy, Delce Academy and Elaine Primary School and also from potential reductions in funding arising from government policy in future years. To mitigate this the Trust prepares detailed budgets and 3 year plans and reforecasts year-end out-turn on a monthly basis so that timely corrective action can be taken.
3. Failure to achieve the highest quality standards for children in those schools that joined the Trust in 2019/20. In order to mitigate this risk Trustees ensure high quality recruitment and performance management of all senior staff. Schools that are new to the Trust are supported by experienced leaders across the Trust to implement the Inspire curriculum. All systems and processes are focussed on school improvement, there is a rigorous monitoring and accountability system focussing on children's outcomes.
4. Leadership capacity and the risk of insufficient leadership capacity to support across the expanding Trust. The Trust has mitigated this by increasing the size of the central team to support the operational functions and approving a new education leadership structure to be implemented in 2021-22.
5. Risk of non-compliance with statutory requirements. Growth of the Trust brings about a need for a more structured approach to monitoring compliance across all schools. External partnership agreements have been put in place to support with health and safety management and GDPR compliance.

## STRATEGIC REPORT (continued)

### Financial and risk management objectives and policies

The financial risks to which the Academy is exposed to relate primarily to:

- Change in government and legislation
- Potential of reduced funding and cash flow
- Reduction in student numbers
- A risk arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £18.5m (2020: £13.9m).

### FUNDRAISING

The Trust did not actively carry out any fundraising activity in the period other than for designated charities for whom the Trust may raise charitable donations, such as non-uniform days and pupil cake bake sales. The Trust does not engage with any commercial participators or professional fundraisers and no complaints were received during the year ended 31 August 2021 (2020 – none).

### STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (total kWh)	4,771,894 kWh	3,001,140 kWh
Energy consumption breakdown:		
• Gas	3,445,413 kWh	1,948,709 kWh
• Electricity	1,323,771 kWh	1,048,385 kWh
• Transport fuel	2,710 kWh	4,046 kWh
Scope 1 – emissions in metric tonnes CO <sub>2</sub> e from: Gas consumption	631.06 tCO <sub>2</sub> e	358.31 tCO <sub>2</sub> e
Scope 2 – emissions in metric tonnes CO <sub>2</sub> e from: Purchased electricity	281.08 tCO <sub>2</sub> e	244.42 tCO <sub>2</sub> e
Scope 3 – emissions in metric tonnes CO <sub>2</sub> e from: Business travel in employee owned vehicles	0.76 tCO <sub>2</sub> e	0.98 tCO <sub>2</sub> e
Total gross emissions in metric tonnes CO <sub>2</sub> e	912.90 tCO <sub>2</sub> e	603.71 tCO <sub>2</sub> e
Intensity ratio (tonnes CO <sub>2</sub> e per pupil)	0.21	0.13

- Quantification and reporting methodology – we have followed the 2019 HM Government Environmental Reporting Guidelines and the 2021 UK Government's Conversion Factors for Company Reporting.
- Intensity measurement – the chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.
- Measures taken to improve energy efficiency – included ensuring minimal energy consumption during long school closure periods and use of video conferencing to reduce staff travel between sites where possible.

## PLANS FOR FUTURE PERIODS

### Core Priorities for 2021/22

Key priorities for Standards are:

1. Standards at Delce Academy, Forest Academy and West Thornton Academy remain at least in line with national expectations in all key measurements. This includes % outcomes for pupils achieving the EYFS GLD, % of pupils achieving the phonics pass mark and the combined % of pupils achieving expected standards in RWM combined at both key stage 1 & 2.
2. All schools within the Partnership are self evaluating to be at least 'good' in quality of education.
3. Pupil outcomes combined across all nine schools ensure the Trust averages are at least in line with the national expectations in all key measurements.
4. Inspire Partnership schools have embedded the curriculum planning framework in all 3 regions.
5. All schools have undertaken a review of ICT provision and contributed to a 3-year Trust wide ICT strategy.

Key priorities for Leadership are:

1. The Inspire Partnership has implemented a regional 'hub' model for school improvement and central team services with all schools contributing to the development of regional delivery of services.
2. Staff in all schools have received a good standard of induction and professional development (as measured by the 2021/22 Trust staff survey) and contributed to the Trust review of induction practices for staff. Schools have contributed to the design and delivery of:
  - a. A Trust wide induction programme
  - b. Delivery of training programmes
3. The Trust has undertaken a review of governance across the Trust leading to:
  - a. Clarity of roles and expectations
  - b. Recruitment of new Trustees with expertise in identified areas
  - c. Full compliance with expectations (as evidence in 2021 Multi-academy Trust Guidance)
4. All schools have contributed to the development of a Partnership Equality and Diversity Strategy resulting in:
  - a. Delivery of staff training
  - b. Development of new personal development curriculum materials
  - c. Implementation of career development framework
  - d. Greater engagement with school communities
5. The Inspire Partnership has undertaken a review of Trust policies relating to performance management, remuneration and deployment of staff across the workforce.

**PLANS FOR FUTURE PERIODS** (continued)

**Core Priorities for 2021/22** (continued)

Key priorities for Efficiency are to:

1. Ensure the Trust has embedded a regional structure, including defining roles and responsibilities across the central team and regions.
2. Embed Trust financial planning, financial monitoring and financial reporting framework across the Partnership (including reporting to Trustees).
3. Embed the cycle of internal audit planning across the Trust.
4. Develop a consistent approach to policies and implementation of contracts across the Trust. To include the harmonisation of Trust wide policies and contracts.
5. Ensure all schools are able to set budgets with an agreed % carry forward surplus.
6. Design and implement a Trust wide IT strategy incorporating all aspects of Trust infrastructure.
7. Develop and embed a Trust wide risk management strategy.
8. Develop and embed a capital/asset management plan across the Trust.

**AUDITOR**

In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, approved by order of the members of the board of trustees and signed on its behalf by:



S O'Brien  
Vice Chair of Board of Trustees  
Date: 16 December 2021



### **Scope of responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Partnership Academy 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 four times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
R Carpenter	4	4
K Giles (resigned 31/08/21)	4	4
J Gordon	3	4
D Naqvi	4	4
E Nedjari (resigned 18/12/20)	2	2
S O'Brien	4	4
D Porter	4	4
P Rabiger	4	4
N Romain	3	4
R Williams (appointed 01/01/21)	2	2

During the year ended 31 August 2021, the main focus of the Board included:

- The continuing Trust response to Covid-19 and steps to recovery
- Ongoing integration of the new schools into the trust and development of a regional hub model
- Pupil engagement survey
- Further developing the membership strength of the board and putting in place board chair succession arrangements
- Establishing cross trust governance linkage through the formation of safeguarding, SEND and pupil premium forums
- Refining the approach to policy management and risk management

The Trust Board is populated with skilled trustees with a diverse range of relevant experiences and viewpoints, who have the capacity to work in partnership with executive leaders and contribute to the effective strategic leadership of the Trust, as well as hold its leaders to account. Composition of the Board is continually reviewed and areas for development identified to inform the recruitment of new Trustees.

**Governance** (continued)

The quality of data provided to the Board continues to improve in content as the central team strengthens. Financial data and its accompanying narrative fully responds to the good practice recommendations of the DfE's resource management and Academy Trust Handbook.

Trustees have access to a wealth of pupil performance data both contemporary data produced by the trust and in a normal year through published performance data. The Chair of the standards committee that review this data has an education background and the expertise to both interrogate the data effectively and to seek further information if it is needed. The 'overview heatmap' helps to ensure the right strategic focus is maintained.

**Governance reviews**

The Trust Board reviews its governance arrangements on an ongoing basis. Governance was also reviewed in the Trust self-evaluation document and resulting actions have been built into future planning. The Trustees intend to engage in an external review of governance during 2021/22 to reflect on how the Board's capacity can be further harnessed to add maximum value to the Trust.

The **Finance & Resources Committee** is a sub-committee of the main Board of Trustees. The purpose of the Finance & Resources Committee is to ensure effective oversight of the financial and other resources of the Trust. During the course of 2020/21, its work has included maintaining oversight of the Trust's resources and policies, providing supportive challenge regarding HR performance standards, admission numbers and sustainability, reserves and cyber-security. Attendance at Finance & Resources Committee meetings in the year was as follows:

<b>Committee member</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
R Carpenter (accounting officer)	3	3
K Giles (resigned 31/08/21)	3	3
E Nedjari (resigned 18/12/20)	2	2
S O'Brien	3	3
D Porter	3	3

The **Audit and Risk Committee** is a sub-committee of the main Board of Trustees. The purpose of the Audit and Risk committee is to ensure effective oversight of the Trust's governance, risk management and internal control framework. During 2020/21, its work has mainly been focussed on planning and reviewing the programme of internal scrutiny, review of risk and mitigating actions, and review and approval of policies.

Attendance at Audit and Risk Committee meetings in the year was as follows:

<b>Committee member</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
K Giles (resigned 31/08/21)	3	4
E Nedjari (resigned 18/12/20)	2	2
S O'Brien (appointed to committee 17/09/20)	3	3
D Porter	4	4
N Romain (appointed to committee 15/07/21)	1	1

### **Review of value for Money**

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

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

- Taking advantage of group negotiation in respect of larger contracts to provide security economies of scale and expertise in specialist areas.
- Sharing staffing across regional hubs, reducing duplication of work in schools and more effective resource management.

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

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

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

### **The risk and control framework**

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

- Comprehensive budgeting and monitoring systems with an annual budget and monthly financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint a responsible officer within its Trust, but to have an external firm of auditors cover this role. The Board have appointed Academy Advisory, to complete the internal audit function. Academy Advisory's role includes giving advice on the system of internal controls and performing a range of checks on the Trust's financial systems.

The internal audit work carried out in the year ended 31 August 2021 included review of the Trust's key financial systems and maintenance of student data relevant to funding eligibility.

The internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board's financial responsibilities. The internal audit team have no connection to the external audit team, this is to ensure the reviews are carried out independently.

The Trust confirms the internal auditor has delivered their schedule of work as planned, and no material control issues arose as a result of the internal auditor's work.

The Trust also commissioned external reviews of cyber security risk and GDPR compliance from experts in those fields and, as a result of these review findings, continues to strengthen controls and practises to manage and mitigate these risks.

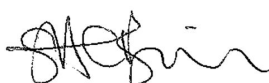
**Review of effectiveness**

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- Reviews commissioned from external experts in cyber security, GDPR and health and safety

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

Approved by order of the Board of Trustees and signed on their behalf by:



S O'Brien  
Vice Chair of trustees



R Carpenter  
Accounting Officer

Date: 16 December 2021

**Statement on regularity, propriety and compliance 31 August 2021**

As accounting officer of the Inspire Partnership Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2020.

I confirm that I and the academy 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 Academy Trust Handbook 2020.

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

A handwritten signature in black ink, appearing to be 'R Carpenter', written over a faint pink horizontal line.

R Carpenter  
Accounting Officer

Date: 16 December 2021

## Statement of Trustees' responsibilities 31 August 2021

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

Company law requires the trustees/directors 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 Academy and of 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 in the Charities' SORP 2015 and the Academies Accounts Direction 2020 to 2021;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust 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 Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the Trust'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 and signed on its behalf by:



S O'Brien  
Vice Chair of Board of Trustees

Date: 16 December 2021

**Inspire Partnership Academy Trust**  
**Independent auditor's report to the members of the Inspire Partnership Academy Trust**  
**for the year ending 31 August 2021**

**Opinion**

We have audited the Financial Statements of Inspire Partnership Academy Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2020 to 2021.

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The Trustees are responsible for the other information, which 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.

**Inspire Partnership Academy Trust**  
**Independent auditor's report to the members of the Inspire Partnership Academy Trust**  
**for the year ending 31 August 2021** (continued)

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law and includes 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 the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report 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 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.



**Inspire Partnership Academy Trust**  
**Independent auditor's report to the members of the Inspire Partnership Academy Trust**  
**for the year ending 31 August 2021 (continued)**

**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.

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

**Use of our report**

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



Dated: 22 December 2021

**Louise Hallsworth (Senior Statutory Auditor)**  
**For and on behalf of Baxter & Co**  
**Chartered Certified Accountants**

Lynwood House, Crofton Road, Orpington Kent BR6 8QE

**Inspire Partnership Academy Trust**  
**Independent auditor's report to the members of the Inspire Partnership Academy Trust**  
**for the year ending 31 August 2021**

In accordance with the terms of our engagement letter dated 26 April 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspire Partnership Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Inspire Partnership Academy Trust's Accounting Officer and the reporting accountant**

The accounting officer is responsible, under the requirements of the Inspire Partnership Academy Trust's funding agreement with the Secretary of State for Education dated 30 May 2017 and the Academy Trust Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

**Inspire Partnership Academy Trust**  
**Independent reporting accountant's assurance report on regularity to Inspire Partnership Academy Trust and the Education and Skills Funding Agency for the year ending 31 August 2021 (continued)**

**Approach** (continued)

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academies Financial Handbook 2020, issued by the ESFA.
- Consideration of compliance with the 'musts' in the Academies Financial Handbook.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Baxter & Co**  
**Independent Reporting Accountants**  
**Chartered Certified Accountants**  
Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

Dated: 22 December 2021

**Statement of financial activities** (including income and expenditure account) Year ended 31 August 2021

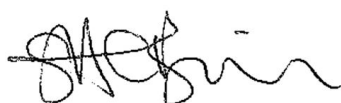
	Notes	Un-restricted general fund £'000	Restricted General £'000	Restricted Fixed assets fund £'000	<b>Total funds 2021 £'000</b>	Total funds 2020 £'000
<b>Income from:</b>						
Donations and capital grants	1	12	—	1,187	<b>1,199</b>	270
Donations – transfer of existing academies into the Trust		—	—	—	—	26,480
Charitable activities:						
. Funding for the Academy Trust's educational operations	2	70	27,676	—	<b>27,746</b>	19,640
Other trading activities	3	460	—	—	<b>460</b>	383
Investments	4	1	—	—	<b>1</b>	5
<b>Total income</b>		<b>543</b>	<b>27,676</b>	<b>1,187</b>	<b>29,406</b>	<b>46,778</b>
<b>Expenditure on:</b>						
Charitable activities						
. Academy Trust's Educational operations	6	—	27,983	1,572	<b>29,555</b>	21,535
<b>Total expenditure</b>		<b>—</b>	<b>27,983</b>	<b>1,572</b>	<b>29,555</b>	<b>21,535</b>
<b>Net income / (expenditure)</b>		<b>543</b>	<b>(307)</b>	<b>(385)</b>	<b>(149)</b>	<b>25,243</b>
Transfers between funds	15	—	(57)	57	—	—
<b>Other recognised gains and losses</b>						
Actuarial losses on defined benefit pension schemes	21	—	(2,875)	—	<b>(2,875)</b>	(2,280)
<b>Net movement in funds</b>		<b>543</b>	<b>(3,239)</b>	<b>(328)</b>	<b>(3,024)</b>	<b>22,963</b>
<b>Reconciliation of funds</b>						
Total fund balances brought forward at 1 September 2020		1,487	(13,327)	67,327	<b>55,487</b>	32,524
<b>Total fund balances carried forward at 31 August 2021</b>		<b>2,030</b>	<b>(16,566)</b>	<b>66,999</b>	<b>52,463</b>	<b>55,487</b>

All activities derived from continuing operations during the above two financial periods.

**Balance sheet** 31 August 2021

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
<b>Fixed assets</b>					
Tangible fixed assets	11		<b>66,603</b>		67,427
<b>Current assets</b>					
Stock		—		—	
Debtors	12	<b>1,275</b>		1,982	
Cash at bank and in hand		<b>5,613</b>		2,753	
		<b>6,888</b>		4,735	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	13	<b>(2,545)</b>		(2,732)	
<b>Net current assets</b>			<b>4,343</b>		2,003
<b>Total assets less current liabilities</b>					
			<b>70,946</b>		69,430
Creditors: amounts falling due after one year	14		—		(50)
<b>Net assets excluding pension scheme liability</b>			<b>70,946</b>		69,380
Defined benefit pension scheme liability	21		<b>(18,483)</b>		(13,893)
<b>Total net assets</b>			<b>52,463</b>		55,487
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	15		<b>66,999</b>		67,327
Restricted income fund	15		<b>1,917</b>		566
Pension reserve	15		<b>(18,483)</b>		(13,893)
<b>Total restricted funds</b>			<b>50,433</b>		54,000
<b>Unrestricted income funds</b>					
General fund	15		<b>2,030</b>		1,487
<b>Total funds</b>			<b>52,463</b>		55,487

The financial statements on pages 26 to 48 were approved by the Trustees, and authorised for issue on 16 December 2021 and are signed on their behalf by:



S O'Brien

Vice Chair of Board of Trustees

Inspire Partnership Academy Trust  
Company Limited by Guarantee  
Registration Number: 10421212 (England and Wales)

**Statement of cash flows** Year ended 31 August 2021

		2021 £'000	2020 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	A	2,067	1,492
<b>Cash flows from investing activities</b>			
	B	793	203
<b>Change in cash and cash equivalents in the period</b>		<b>2,860</b>	<b>1,695</b>
<b>Cash and cash equivalents at 1 September 2020</b>		<b>2,753</b>	<b>1,058</b>
<b>Cash and cash equivalents at 31 August 2021</b>		<b>5,613</b>	<b>2,753</b>

**A Reconciliation of net expenditure to net cash provided by operating activities**

	2021 £'000	2020 £'000
<b>Net (expenditure) income for the period (as per the statement of financial activities)</b>	<b>(149)</b>	25,243
<b>Adjusted for:</b>		
Depreciation charges (note 11)	1,219	851
Capital grants from DfE and other capital income	(1,187)	(258)
Assets (less cash) transferred from academies joining the Trust	—	(26,526)
Interest receivable (note 4)	(1)	(5)
Defined benefit pension scheme cost less contributions payable	1,481	1,242
Defined benefit pension scheme finance cost	234	173
Decrease in stock	—	10
Decrease (increase) in debtors	707	(1,272)
(Decrease) increase in creditors	(237)	2,034
<b>Net cash provided by operating activities</b>	<b>2,067</b>	<b>1,492</b>

**B Cash flows from investing activities**

	2021 £'000	2020 £'000
Interest received	1	5
Purchase of tangible fixed assets	(395)	(25)
Capital grants from DfE/ESFA	1,187	223
<b>Net cash used in investing activities</b>	<b>793</b>	<b>203</b>

**C Analysis of cash and cash equivalents**

	2021 £'000	2020 £'000
Cash at bank and in hand	5,613	2,753
<b>Total cash and cash equivalents</b>	<b>5,613</b>	<b>2,753</b>

### **Statement of accounting policies**

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

### **Basis of preparation**

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 2020 to 2021 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling and rounded to the nearest thousand pounds.

### **Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue 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.

### **Income**

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

### **Donations**

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

### **Grants**

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

The 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. Pupil premium is accounted for on an accruals basis.

**Income** (continued)

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

***Other income***

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

***Donated fixed assets***

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

**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.

***Charitable activities***

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

All expenditure is stated net of recoverable VAT.

**Tangible fixed assets**

Assets costing £2,000 or a group of items costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life and 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.



**Tangible fixed assets** (continued)

The land and buildings have either been valued using the ESFA desktop valuation, Local Authority Desktop valuation or valued by the Directors based on an average value per square metre of other schools in the local area. All schools have a 125 year lease from conversion on the land and buildings with their local authorities.

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

Buildings	50 years (land is not depreciated)
Fixture, fittings and equipment	4 years
Computer equipment	3 years

A review for impairment of fixed assets 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 that may arise would be recognised in the statement of financial activities.

**Liabilities**

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

**Leased assets**

Rentals under operating leases are charged on a straight line basis over the lease term.

**Financial instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

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

### **Stock**

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

### **Taxation**

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

### **Pensions benefits**

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

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

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

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

### **Fund accounting**

Unrestricted funds comprise the accumulated surpluses of unrestricted income over expenditure, which are available for use in furtherance of the general objectives of the Academy Trust and at the discretion of the Trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the period end are carried forward in the balance sheet.

Restricted fixed assets funds are resources which are to be applied to specific capital purposes imposed by the funders where the assets acquired or created are tangible fixed assets. Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education and Skills Funding Agency and the Department for Education.

### **Critical accounting estimates and areas of judgement**

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

### ***Critical accounting estimates and assumptions***

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

- The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability;

### ***Critical areas of judgement***

- The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.
- Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

Notes to the Financial Statements Year ended 31 August 2021

**1 Donations and capital grants**

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2021 Total funds £'000	2020 Total funds £'000
Capital grants	—	—	1,187	1,187	258
Other donations	12	—	—	12	12
	12	—	1,187	1,199	270
2020 total	12	—	258	270	

**2 Funding for the Academy Trust's educational operations**

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000 (as restated)*
<b>DfE / ESFA revenue grants</b>				
General Annual Grant (GAG)	—	20,382	20,382	14,273
Other DfE / ESFA grants:				
. Pupil premium	—	2,151	2,151	1,600
. Universal infant free school meals	—	416	416	380
. PE and sports grant	—	181	181	133
. Teachers' pay grant	—	234	234	169
. Teachers' pension grant	—	663	663	482
. Trust capacity fund (TCAF) grant	—	—	—	310
. Others	—	221	221	245
	—	24,248	24,248	17,592
<b>Other government grants</b>				
Local authority grants	—	2,924	2,924	1,972
	—	2,924	2,924	1,972
<b>Covid-19 additional funding (DfE/ESFA)</b>				
. Catch up premium	—	340	340	—
. Other DfE / ESFA Covid-19 funding	—	164	164	—
	—	504	504	—
Other income from the academy trust's educational operations	70	—	70	76
	70	27,676	27,676	19,640
2020 total	76	—	19,640	

The Trust received £340,000 of funding for catch-up premium and costs incurred in respect of this funding totalled £307,000, with the remaining £33,000 to be spent in 2021/22.

\*Other DfE / ESFA revenue grants have been shown as separate lines where individually material. The prior year comparative figures have been reclassified.

Notes to the Financial Statements Year ended 31 August 2021

**3 Other trading activities**

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Hire of facilities	121	—	121	44
Catering income	89	—	89	56
Extended school clubs	51	—	51	91
Other income	199	—	199	192
	<u>460</u>	<u>—</u>	<u>460</u>	<u>383</u>
2020 total	<u>383</u>	<u>—</u>	<u>383</u>	

**4 Investment income**

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Interest receivable	1	—	1	5
	<u>1</u>	<u>—</u>	<u>1</u>	<u>5</u>
2020 total	<u>5</u>	<u>—</u>	<u>5</u>	

**5 Expenditure**

	Non-pay expenditure			2021 Total funds £'000	2020 Total funds £'000
	Staff costs (note 7) £'000	Premises costs £'000	Other costs £'000		
Academy trust's educational operations (note 6)					
. Direct costs	18,197	1,153	1,556	20,906	14,707
. Allocated support costs	4,603	1,993	2,053	8,649	6,828
	<u>22,800</u>	<u>3,146</u>	<u>3,609</u>	<u>29,555</u>	<u>21,535</u>
2020 total	<u>16,785</u>	<u>2,255</u>	<u>2,495</u>	<u>21,535</u>	

	2021 £'000	2020 £'000
<b>Net expenditure for the year includes:</b>		
Depreciation (note 11)	1,219	851
Operating lease rentals	113	100
Net interest on defined benefit pension liability (note 21)	229	170
Fees payable to auditor in respect of:		
. Audit services	17	19
. Other services	9	14

**6 Charitable activities — the Academy Trust’s educational operations**

	2021 £'000	2020 £'000
Direct costs	20,906	14,707
Support costs	8,649	6,828
	<b>29,555</b>	<b>21,535</b>
<b>Analysis of support costs</b>		
	2021 £'000	2020 £'000
Support staff costs	4,603	3,595
Depreciation	66	94
Technology costs	320	208
Premises costs	1,927	1,404
Legal costs	15	34
Other support costs	1,672	1,459
Governance costs	46	34
<b>Total support costs</b>	<b>8,649</b>	<b>6,828</b>

**7 Staff**

**(a) Staff costs**

Staff costs during the period were:

	2021 £'000	2020 £'000
Wages and salaries	14,887	11,557
Social security costs	2,024	1,110
Pension costs	5,028	3,504
	<b>21,939</b>	<b>16,171</b>
Supply staff costs	776	531
Staff restructuring costs	85	83
	<b>22,800</b>	<b>16,785</b>
<b>Staff restructuring costs comprise:</b>		
Redundancy payments	4	1
Severance payments	81	82
	<b>85</b>	<b>83</b>

**(b) Staff severance payments**

Non-statutory/non-contractual severance payments during the year ended 31 August 2021 totalled £31,281 relating to seven payments. Individually the payments were: £2,493, £2,518, £2,928, £4,181, £4,719, £5,539 and £8,903. In the year ended 31 August 2020 there was one non-contractual payment of £20,000.

**7 Staff (continued)**

**(c) Staff numbers**

The average number of persons employed by the Academy Trust during the year expressed as average headcount, was as follows:

	<b>2021</b>	2020
	<b>No.</b>	No.
Teachers	<b>394</b>	322
Administration and support	<b>145</b>	76
Management	<b>47</b>	30
	<b>586</b>	428

**(d) Higher paid staff**

The number of employees whose employee benefits (excluding employer pension costs) exceeding £60,000 during the year and fell within the following bands were as follows:

	<b>2021</b>	2020
	<b>No.</b>	No.
£60,001 - £70,000	<b>8</b>	9
£70,001 - £80,000	<b>5</b>	6
£80,001 - £90,000	<b>3</b>	—
£90,001 - £100,000	—	1
£100,001 - £110,000	<b>1</b>	—
£110,001 - £120,000	<b>1</b>	1
£120,001 - £130,000	—	—
£130,001 - £140,000	<b>1</b>	—
£140,001 - £150,000	<b>1</b>	1

**(e) Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer national insurance and employer pension contributions) received by key management personnel for their services to the Academy Trust was £1,503,000 (2020 – £1,362,000), relating to 12 members of the Senior Management Team (2020 – 15 members of the Senior Management Team).

**8 Central services**

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

- Executive leadership
- Financial and procurement management
- Educational support services
- Human resources
- Professional services subscriptions
- Audit and accountancy services

The Academy Trust charges for these services based on 7% of the school budget share GAG income (2020 – 5-7%).

**8 Central services** (continued)

The actual amounts charged during the period were as follows:

	<b>2021</b> <b>£'000</b>	2020 £'000
Delce Academy	132	76
Elaine Primary School	95	94
Forest Academy	94	27
Foxfield Primary School	217	209
Maudene Primary School	109	100
Rockcliffe Manor Primary School	74	71
West Thornton Primary School	284	73
Woodhill Primary School	217	218
Woodside Primary School	174	52
	<b>1,396</b>	<b>920</b>

**9 Trustees' remuneration and expenses**

The CEO and other Staff Trustees only receive remuneration in respect of services they provide undertaking their role as employees of the Academy and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits during the period they served as trustees was as follows:

	<b>2021</b> <b>£'000</b>	2020 £'000
R Carpenter - CEO		
. Remuneration	<b>145 — 150</b>	140 — 145
. Employer's pension contributions	<b>35 — 40</b>	30 — 35

During the year ended 31 August 2021, £388 of travel and subsistence expenses were reimbursed to one trustee (2020 — £421 to one trustee).

Other related party transactions involving the Trustees are set out in note 22.

**10 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.



Notes to the Financial Statements Year ended 31 August 2021

**11 Tangible fixed assets**

	Leasehold Land and buildings £'000	Fixtures, fittings and equipment £'000	Computer equipment £'000	<b>Total £'000</b>
<b>Cost/valuation</b>				
At 1 September 2020	69,010	218	207	<b>69,435</b>
Additions	—	335	60	<b>395</b>
At 31 August 2021	<b>69,010</b>	<b>553</b>	<b>267</b>	<b>69,830</b>
<b>Depreciation</b>				
At 1 September 2020	1,831	93	84	<b>2,008</b>
Charge in period	1,067	66	86	<b>1,219</b>
At 31 August 2021	<b>2,898</b>	<b>159</b>	<b>170</b>	<b>3,227</b>
<b>Net book value</b>				
At 31 August 2021	<b>66,112</b>	<b>394</b>	<b>97</b>	<b>66,603</b>
At 31 August 2020	<b>67,179</b>	<b>125</b>	<b>123</b>	<b>67,427</b>

**12 Debtors**

	<b>2021 £'000</b>	2020 £'000
Trade debtors	<b>166</b>	170
VAT recoverable	<b>288</b>	460
Other debtors	<b>29</b>	8
Prepayments and accrued income	<b>792</b>	1,344
	<b>1,275</b>	1,982

**13 Creditors: amounts falling due within one year**

	<b>2021 £'000</b>	2020 £'000
Government loans	<b>100</b>	50
Trade creditors	<b>792</b>	823
Taxation and social security	<b>361</b>	366
Other creditors	<b>252</b>	415
Accruals and deferred income (see below)	<b>1,040</b>	1,078
	<b>2,545</b>	2,732
<b>Deferred income (included above)</b>		
Deferred income at 1 September 2020	<b>294</b>	153
Released during the period	<b>(294)</b>	(153)
Resources deferred in the period	<b>280</b>	294
Deferred income at 31 August 2021	<b>280</b>	294

Deferred income above relates to ESFA grants received in advance.

**14 Creditors: amounts falling due after more than one year**

	2021 £'000	2020 £'000
Government loans	—	50
	—	50

**15 Funds**

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
<b>Restricted general funds</b>					
General annual grant (GAG)	566	20,382	(19,007)	(57)	1,884
Pupil Premium	—	2,151	(2,151)	—	—
UIFSM	—	416	(416)	—	—
Catch-up premium	—	340	(307)	—	33
Other ESFA COVID-19 funding	—	164	(164)	—	—
Other DfE/ESFA grants	—	1,299	(1,299)	—	—
Local authority grants	—	2,924	(2,924)	—	—
Pension reserve	(13,893)	—	(1,715)	(2,875)	(18,483)
	(13,327)	27,676	(27,983)	(2,932)	(16,566)
<b>Restricted fixed assets funds</b>					
DfE/ESFA capital grants	(100)	1,181	(585)	—	496
General fixed assets	67,427	6	(987)	57	66,503
	67,327	1,187	(1,572)	57	66,999
<b>Total restricted funds</b>	54,000	28,863	(29,555)	(2,875)	50,433
<b>Unrestricted funds</b>					
General funds	1,487	543	—	—	2,030
<b>Total unrestricted funds</b>	1,487	543	—	—	2,030
<b>Total funds</b>	55,487	29,406	(29,555)	(2,875)	52,463

The academy trust is not subject to GAG carried forward limits. The specific purposes for which the funds are to be applied are as follows:

Pupil premium and Other DfE/ESFA grants: This includes pupil premium, rates relief, teachers' pay and pension grants, PE and sports grants and other smaller DfE grants. These funds are restricted for use in accordance with the ESFA grant conditions.

Local authority grants: This includes funding received from local authorities to be applied to provision of education for early years' foundation stage and high needs pupils.

**Notes to the Financial Statements** Year ended 31 August 2021

**15 Funds** (continued)

The pension reserve relates to the local government pension scheme liability (note 21).

Fixed asset funds: Relates to income received to carry out works of a capital nature, the associated expenditure to fund assets, and depreciation of those assets. A transfer has been made from the restricted general fund to show assets funded from revenue reserves.

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	38	14,273	(13,745)	—	<b>566</b>
Pupil Premium	—	1,600	(1,600)	—	<b>—</b>
Other DfE/ESFA grants	—	1,719	(1,719)	—	<b>—</b>
Other government grants	—	1,972	(1,972)	—	<b>—</b>
Pension reserve	(6,424)	(3,774)	(1,415)	(2,280)	<b>(13,893)</b>
	<u>(6,386)</u>	<u>15,790</u>	<u>(20,451)</u>	<u>(2,280)</u>	<u><b>(13,327)</b></u>
<b>Restricted fixed assets funds</b>					
DfE/ESFA capital grants	(100)	532	(532)	—	<b>(100)</b>
General fixed assets	37,918	30,061	(552)	—	<b>67,427</b>
	<u>37,818</u>	<u>30,593</u>	<u>(1,084)</u>	<u>—</u>	<u><b>67,327</b></u>
<b>Total restricted funds</b>	<u>31,432</u>	<u>46,383</u>	<u>(21,535)</u>	<u>(2,280)</u>	<u><b>54,000</b></u>
<b>Unrestricted funds</b>					
General funds	1,092	395	—	—	<b>1,487</b>
<b>Total unrestricted funds</b>	<u>1,092</u>	<u>395</u>	<u>—</u>	<u>—</u>	<u><b>1,487</b></u>
<b>Total funds</b>	<u>32,524</u>	<u>46,778</u>	<u>(21,535)</u>	<u>(2,280)</u>	<u><b>55,487</b></u>

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £'000	2020 £'000
Central Trust	<b>1,041</b>	351
Delce Academy	<b>317</b>	266
Elaine Primary School	<b>283</b>	281
Forest Primary School	<b>(304)</b>	(270)
Foxfield Primary School	<b>826</b>	437
Maudene Primary School	<b>156</b>	73
Rockcliffe Manor Primary School	<b>120</b>	58
West Thornton Primary School	<b>77</b>	99
Woodhill Primary School	<b>989</b>	439
Woodside Primary School	<b>442</b>	319
<b>Total before fixed assets and pension reserve</b>	<u><b>3,947</b></u>	2,053
Restricted fixed asset fund	<b>66,999</b>	67,327
Pension reserve	<b>(18,483)</b>	(13,893)
<b>Total</b>	<u><b>52,463</b></u>	<u>55,487</u>

**Notes to the Financial Statements** Year ended 31 August 2021

**15 Funds** (continued)

At 31 August 2021, Forest Academy was in deficit. Forest Academy joined the Trust on 1 April 2020 with a deficit of £242,000. The school has low pupil numbers and a declining roll. A deficit for the year was expected as the school has invested in improving educational standards. Staffing reviews have taken place to reduce costs in future years.

**Total cost analysis by Academy**

Expenditure incurred by each school during the period (excluding depreciation and central trust recharges) was as follows:

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	<b>Total 2021 £'000</b>
Central Trust	277	1,597	44	448	2,366
Delce Academy	1,892	304	137	311	2,644
Elaine Primary School	1,714	183	98	268	2,263
Forest Academy	1,117	263	100	365	1,845
Foxfield Primary School	2,671	552	153	497	3,873
Maudene Primary School	1,122	224	96	217	1,659
Rockliffe Manor Primary School	892	189	50	179	1,310
West Thornton Primary School	3,509	755	313	771	5,348
Woodhill Primary School	2,548	311	113	409	3,381
Woodside Primary School	2,455	225	95	519	3,294
<b>Total</b>	<b>18,197</b>	<b>4,603</b>	<b>1,199</b>	<b>3,984</b>	<b>27,983</b>

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

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	<b>Total 2020 £'000</b>
Central Trust	636	1,368	35	442	<b>2,481</b>
Delce Academy	945	159	56	90	<b>1,250</b>
Elaine Primary School	1,659	135	140	345	<b>2,279</b>
Forest Academy	490	116	12	161	<b>779</b>
Foxfield Primary School	2,535	687	202	533	<b>3,957</b>
Maudene Primary School	987	264	108	207	<b>1,566</b>
Rockliffe Manor Primary School	887	199	54	241	<b>1,381</b>
West Thornton Primary School	1,007	479	57	252	<b>1,795</b>
Woodhill Primary School	2,553	443	136	496	<b>3,628</b>
Woodside Primary School	1,054	182	17	315	<b>1,568</b>
<b>Total</b>	<b>12,753</b>	<b>4,032</b>	<b>817</b>	<b>3,082</b>	<b>20,684</b>

## 16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total funds 2021 £'000
Tangible fixed assets	—	—	66,603	<b>66,603</b>
Current assets	4,475	1,917	496	<b>6,888</b>
Creditors falling due within one year	(2,445)	—	(100)	<b>(2,545)</b>
Creditors falling due after one year	—	—	—	—
Pension scheme liability	—	(18,483)	—	<b>(18,483)</b>
<b>Total net assets</b>	<b>2,030</b>	<b>(16,566)</b>	<b>66,999</b>	<b>52,463</b>

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

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total funds 2020 £'000
Tangible fixed assets	—	—	67,427	<b>67,427</b>
Current assets	4,169	566	—	<b>4,735</b>
Creditors falling due within one year	(2,682)	—	(50)	<b>(2,732)</b>
Creditors falling due after one year	—	—	(50)	<b>(50)</b>
Pension scheme liability	—	(13,893)	—	<b>(13,893)</b>
<b>Total net assets</b>	<b>1,487</b>	<b>(13,327)</b>	<b>67,327</b>	<b>55,487</b>

## 17 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the financial statements	—	351
	<b>—</b>	<b>351</b>

## 18 Commitments under operating leases

At 31 August 2021, the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was as follows:

	2021 £'000	2020 £'000
Amounts due within one year	<b>91</b>	56
Amounts due between two and five years	<b>39</b>	54
	<b>130</b>	110

**19 Analysis of changes in net debt**

	At 1 September 2020 £'000	Cash flows £'000	Other non- cash changes £'000	At 31 August 2021 £'000
Cash	2,753	2,860	—	5,613
Loans falling due within one year	(50)	—	(50)	(100)
Loans falling due after one year	(50)	—	50	—
<b>Total</b>	<b>2,653</b>	<b>2,860</b>	<b>—</b>	<b>5,513</b>

**20 Members' liability**

Each member of the Academy Trust 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.

**21 Pension and similar obligations**

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

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

Contributions amounting to £154,000 were payable to the schemes at 31 August 2021 (2020 – £151,000) and are included within creditors.

***Teachers' Pension Scheme***

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

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

***Valuation of the Teachers' Pension Scheme***

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

**21 Pension and similar obligations (continued)**

**Valuation of the Teachers' Pension Scheme (continued)**

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023. A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

The employer's pension costs paid to TPS in the period amounted to £2,076,000 (2020 – £1,402,000).

**Local Government Pension Scheme (LGPS)**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,808,000 (2020 – £1,118,000), of which employer's contributions totalled £1,438,000 (2020 – £854,000) and employees' contributions totalled £370,000 (2020 – £264,000). The agreed contribution rates for future years are 15.9 – 21% for employers and 5.5% to 12.5% for employees.

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

<b>Principal Actuarial Assumptions</b>	<b>2021</b>	<b>2020</b>
	%	%
Rate of increase in salaries	<b>3.3</b>	2.6
Rate of increase for pensions in payment / inflation	<b>2.9</b>	2.2
Discount rate for scheme liabilities	<b>1.7</b>	1.7

**21 Pension and similar obligations (continued)**

**Local Government Pension Scheme (LGPS) (continued)**

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

	2021 £'000	2020 £'000
Retiring today:		
Males	21.7	21.7
Females	24.0	23.8
Retiring in 20 years:		
Males	22.8	22.6
Females	25.6	25.2

**Sensitivity analysis**

The below analysis shows the increase to the defined benefit obligation for the following changes in assumption:

	2021 £'000	2020 £'000
Discount rate +0.1%	(944)	(726)
Discount rate -0.1%	962	739
Mortality assumption +1 year	1,364	695
Mortality assumption -1 year	(1,331)	(670)
Salary rate +0.1%	66	56
Salary rate -0.1%	(66)	(56)
Pension rate +0.1%	884	677
Pension rate -0.1%	(868)	(664)

The Academy Trust's share of the assets and liabilities in the scheme were:

	2021 £'000	2020 £'000
Equities	10,260	5,698
Gilts and government bonds	1,238	1,064
Corporate and other bonds	1,440	1,157
Unitised insurance policies	—	1,433
UK & overseas unit trusts	614	855
Property	1,671	1,377
Cash and other assets	608	464
<b>Total market value of assets</b>	<b>15,831</b>	<b>12,048</b>
<b>Present value of scheme liabilities</b>		
Funded	(34,314)	(25,941)
<b>Share of scheme deficit</b>	<b>(18,483)</b>	<b>(13,893)</b>



**21 Pension and similar obligations (continued)**

**Local Government Pension Scheme (LGPS) (continued)**

<b>Amounts recognised in statement of financial activities</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
Current service cost	2,919	2,088
Past service cost	—	8
Interest income	(214)	(138)
Interest cost	443	308
Administration expenses	5	3
<b>Total operating charge</b>	<b>3,153</b>	<b>2,269</b>

<b>Changes in the present value of defined benefit obligations were as follows:</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
At 1 September 2020	25,941	11,039
Transferred in on existing academies joining the Academy Trust	—	8,742
Current service cost	2,919	2,088
Interest cost	443	308
Employee contributions	370	264
Actuarial loss	4,891	3,643
Benefits paid	(250)	(151)
Past service cost	—	8
<b>At 31 August 2021</b>	<b>34,314</b>	<b>25,941</b>

<b>Changes in the fair value of the Academy Trust's share of scheme assets:</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
At 1 September 2020	12,048	4,615
Transferred in on existing academies joining the Academy Trust	—	4,968
Interest income	214	138
Actuarial (loss) gain	2,016	1,358
Employer contributions	1,438	854
Employee contributions	370	269
Benefits paid	(250)	(151)
Administration expenses	(5)	(3)
<b>At 31 August 2021</b>	<b>15,831</b>	<b>12,048</b>

**22 Related party transactions**

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee may have an interest. All transactions involving such organisations would, of course, be conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

**22 Related party transactions** (continued)

The wife of Mr R Carpenter, a director of the Trust, was employed as Executive Headteacher during the year ended 31 August 2021, and as Trust Education Leader from 1 September 2021. Mrs Carpenter is paid within the approved salary scale for her role and receives no special treatment as a result of her relationship to a Trustee. In entering into these transactions, the Academy Trust has complied with the requirements of the Academy Trust Handbook 2020.

**23 Agency arrangements**

The Academy Trust holds funds as an agent for a consortium of schools in Medway. In the year ending 31 August 2021 the Trust received £nil and disbursed £1,480 from the fund. An amount of £7,349 is included in other creditors relating to undistributed funds at 31 August 2021. Comparatives for the year ending 31 August 2020 are £9,211 received, £382 disbursed and £8,829 included in other creditors.

**24 Contingent liabilities**

The Trust is currently subject to litigation but at the date of approving the financial statements, it is not possible to determine the outcome or the extent of any liability that would arise. Given the uncertainties, no financial impact has been recognised in the balance sheet relating to the litigation.