

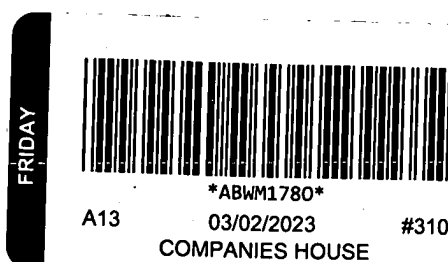
Company Registration Number: 08021855 (England & Wales)

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN
AS SOUTHMOOR MULTI ACADEMY TRUST)**

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022



**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**

(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 10
Governance Statement	11 - 15
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees' Responsibilities	17
Independent Auditors' Report on the Financial Statements	18 - 21
Independent Reporting Accountant's Report on Regularity	22 - 23
Statement of Financial Activities Incorporating Income and Expenditure Account	24
Balance Sheet	25 - 26
Statement of Cash Flows	27
Notes to the Financial Statements	28 - 58

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Dr J W Brown
M Crow
Dr A Green
A McCourt (appointed 10 February 2022)
C Witt

Trustees

Dr J W Brown, Chair¹
A Lawson, Vice Chair
J Alder
H Catcherside¹
R Edmonds¹
J Purdy¹
H Shields
E Young

¹ Members of the Finance and General Purpose Committee

Company registered number

08021855

Company name

Aspire North East Multi Academy Trust (previously known as Southmoor Multi Academy Trust)

Principal and registered office

Ryhope Road
Sunderland
Tyne & Wear
SR2 7TF

Company secretary

Muckle Secretary Limited

Accounting officer

J Maw (CEO)

The Executive Group

J Maw, CEO/ Head of Southmoor Academy
J Dodd, Head of Sandhill View Academy
P Davison, Head of Trust Finance & Operations

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**

(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Independent auditors

Clive Owen LLP
Kepier House
Belmont Business Park
Durham
DH1 1TW

Bankers

NatWest
Fawcett Street
Sunderland
SR1 1SB

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle
NE1 4BF

Internal Scrutiny Auditors

Duncan and Toplis
3 Castlegate
Grantham
Lincolnshire
NG31 6SF

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Academy Trust operates two Academies, Southmoor Academy for pupils aged 11 to 19 and Sandhill View Academy for pupils aged 11-16, both academies serve catchment areas in Sunderland. It has a pupil capacity of 2,160 and had a roll of 2,152 in the school census in May 2022.

Census Date	Sandhill View Academy	Southmoor Academy	Trust Total
October 2020	746	1,416	2,162
May 2022	714	1,438	2,152

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 Aspire North East Multi Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company, previously known as Southmoor Multi Academy Trust, changed its name on 17th February 2022, and now operates as Aspire North East Multi Academy Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The Trust is a member of the Department for Education's Risk Protection Arrangement which provides unlimited protection for the trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy business.

Method of Recruitment and Appointment or Election of Trustees

The members appoint a minimum of 8 Trustees. The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to any post ex-officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Trustees are given a tour of the academy / academies and the chance to meet with 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. As it is not a common occurrence to appoint new Trustees, induction is carried out informally and would be tailored specifically to the individual.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**

(A Company Limited by Guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Structure, Governance and Management (continued)

Organisational Structure

During the year the academy trust continued to operate a unified management structure. The structure consists of strategic and operational levels: Trustees, Executive Leadership, Trust finance and operations Team, strategic leadership and middle leadership. The aim of the management structure is to devolve responsibility, build partnership and a sense of identity in decision making at all levels.

The Trust operations team includes all central Trust services including governance, business, finance, human resources, marketing and operational management.

The Executive Group consists of the CEO, Headteachers, Trust Finance and Operations manager and Finance manager.

The Senior Leadership Team includes the Headteachers and Deputy Headteachers of the academies in the Trust.

The Middle Management of the academy trust is led through a collaborative model of 'Trust Teams.'

Arrangements for setting pay and remuneration of key management personnel

Trustees are unpaid.

The CEO is paid according to the Trust Pay Policy.

Senior Leaders (Headteachers and Deputy Heads) are paid in accordance with the School Teachers Pay and Conditions Document and points on the Leadership Pay Range.

Related Parties and other Connected Charities and Organisations

No Related Parties or other Connected Charities and Organisations

Trade union facility time

The Academy Trust did not employ any union officials during the period. The trust pays into a local authority scheme that provides this service.

Objectives, Strategies and Activities

Aspire North East is a family of academies who share one vision: To provide the highest quality education for young people in the communities we serve. Our vision goes beyond our own Trust. We want to contribute to the broader regeneration of our region by empowering our students to have high aspirations, achieve excellent outcomes and enjoy learning.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Objectives, Strategies and Activities (continued)

Objects and Aims

The main objectives of the academy trust during the year ended 31 August 2022 are as summarised below:

1. To rebrand the Trust to reflect our aims for our students:

Aspire

- To make sure that all students know that their education will support them to 'know more, do more and go further.

Achieve

- To achieve student examination outcomes that are in line with or above national averages.
- To ensure that NEET figures are lower than the city and national averages.

Enjoy

- To deliver a broad and balanced curricular and extracurricular offer centred around positive relationships.
- 2. We aim to achieve our aims by being an excellent employer which ensures that all staff within and across our academies work together with high levels of moral integrity.**
- 90% of responses from staff surveys indicate that staff feel valued as employees of the Trust and their individual academy.
 - 90% of staff rate CPD as good or better. The impact of CPD is identified in 90% of routine monitoring activities.
- 3. To prepare the Trust for sustainable growth**
- Audit and review identifies that the Trust provides good value for money.
 - Minutes from all governance meetings include evidence of a high level of challenge.
 - Those in governance are able to triangulate the evidence that is presented to them by questioning data, outcomes, senior and middle leaders.
 - Schools in the MAT build partnership arrangements with at least one additional educational provider.

Objectives, Strategies and Activities

We base every decision around one fundamental question:

- how will things improve for our young people as a result of this?

Our aims are underpinned by our values:

V - Value every member of our school community.

A - All policies and procedures provide clarity of purpose and are consistently applied.

L - Learning experiences are of high quality both within and beyond the classroom. We develop knowledge, skills and understanding, broaden horizons and inspire. We empower staff and students to demonstrate their own creativity, flare and passion for learning.

U - Understand that positive relationships are central to our success as a learning organisation. Our young people know that we work tirelessly in their best interests.

E - Expectations are high for all. Staff and students aspire to be the best they can now and in the future.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives, Strategies and Activities (continued)

S - Success or failure for one represents success or failure for all.

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for students between the ages of 11 and 19.

Public Benefit

The academy trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the academy trust should undertake.

Strategic Report

Achievements and Performance

The Southmoor MAT was rebranded as Aspire North East Multi Academy Trust in February 2022. This marked a significant milestone for the Trust, reflecting achievements of the past and ambition for the future. Over the past year the strong partnership between both Trust schools has matured and there has been a sharpening of the aligned vision for excellence and clarity of purpose in terms of systems and processes.

The rebranding of the Trust brought an opportunity to redefine our vision, 'to provide the highest quality education for young people in the communities we serve.' But our vision goes beyond our own Trust. We want to contribute to the broader regeneration of our region by empowering our students to have high aspirations, achieve excellent outcomes and enjoy their education to the fullest to inspire a life-long love of learning. This commitment to local community gives our academies the flexibility to respond to local need while also being supported through a strong strategic and operational Trust Team.

The success of our approach can be identified in our students' achievements; the 2022 student outcomes in both academies are the highest on record. In addition to this, progression rates onto full time education, employment and training are the most successful they have been, indicating the high quality of additional support offered to ensure not just success in school, but a successful transition beyond school.

Both academies continue to offer a broad and balanced curriculum, with a blend of academic and vocational qualifications. The range of subjects on offer is under continual review and reflects the needs of the area, as recognised in recent Ofsted inspections.

There has been significant investment in further developing the estates of both academies, with a focus on prioritising quality learning and social environments, supported by a high-quality ICT infrastructure to drive further improvements in teaching and learning.

As inclusive schools serving areas of high deprivation, we have invested significantly in further developing strong systems for pastoral support; staffing has increased over the past year to reflect this growing need. Both academies now offer onsite alternative provision called 'The Bridge' which caters for students who have additional support needs which cannot easily be met in a mainstream setting.

While leadership teams from both Academies in the Trust responded swiftly, safely and decisively to the challenges of the pandemic, the real challenges are now starting to emerge in terms of the social, emotional and mental health impact. Staff at both academies have now had extensive training on ACES (adverse childhood experiences) and understand their role as positive influences on our students.

Both academies continue to be committed to supporting early entrants to the profession and were included in

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Strategic Report (continued)

Achievements and Performance (continued)

uptake and delivery of the Early Career Framework, ahead of the national rollout last year. The support and training offered to new entrants to the profession in both schools is valued by all who access it and the impact can be seen in the quality of ECTs employed in the Trust.

Southmoor Academy's strong inspection report has certainly helped to support its continued high standing as the school of choice for an increasing number of feeder schools and this in turn has had a huge impact on the number of applications for school places. The sixth form is increasingly popular. Sandhill View's recent change to PAN, plus a very successful Ofsted inspection in 2021, means that it is now oversubscribed in year 7.

Given the Government White Paper, many Trusts are now actively seeking to grow. Aspire North East has plans to grow at a cautious, steady and sustainable rate. Although we have not yet embarked on any active recruitment activities, we are responsive to requests for additional information and have recently formed a more formal partnership with two local primary schools with a view to building stronger transition, designing and developing a 4-18 curriculum and creating opportunities for high quality staff development. We are very excited about this as we believe it will enhance the continuity of our students' education and give a powerful sense of belonging.

Key Performance Indicators

Awaiting Kreston Benchmarking Report for comparative values

Key Performance Indicator	Kreston Academies Benchmark Report 2022 Average	Kreston Academies Benchmark Report 2022 Median	Aspire North East Multi Academy Trust
Total Income Per Pupil	£6,593	£6,325	£7,113
Total GAG Income Per Pupil	£5,087	£5,034	£6,234
GAG income Ratio	79%	82%	88%
Staff Cost Per Pupil	£5,033	£4,908	£4,717
Teaching Staff Cost Per Pupil	£2,466	£2,512	£3,541
Staff Costs Ratio (as % of Total Costs)	76%	78%	72%
Pupil to Teacher Ratio	17.2	17.5	16.9
Cash Balance Ratio (as % of total Income)	17%	16%	24%

Going concern

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

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Strategic Report (continued)

The significant proportion of the Trust's income is received from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of pupil led funding, the use of which is restricted to particular activities. The grants received from the DfE/ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives capital funding such as Devolved Formula Capital. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year the Trust received Pupil Premium Grant funding and specific to 2021-2022 there were additional grants under the National Tutoring Programme and Recovery Premium Strategies.

During the year ended 31 August 2022, total expenditure of £16,647,000 was exceeded by recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding pension reserve movements and restricted fixed asset funds) was £686,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academy trust's objectives.

At 31 August 2022 net book value of fixed assets was £15,196,000 and movements in tangible fixed assets are shown in note 15 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a surplus of £165,000 recognised on the Balance Sheet.

The academy trust held fund balances as at 31 August 2022 of £18,752,000 comprising £2,204,000 of restricted general funds, £15,552,000 of restricted fixed asset funds, a pension surplus of £165,000 and £831,000 of unrestricted funds.

Reserves Policy

The Trustees review the reserve levels of the Trust regularly throughout the year alongside budget monitoring.

Cumulative reserves have reached a healthy position in excess of targets identified set in the previous year following two successive financial years which have returned in-year budget surpluses.

As at 31 August 2022 the academy trust holds available reserves of £3,035,000 comprising of restricted general funds (excluding pension reserves) of £2,204,000 and unrestricted funds of £831,000.

The Trust maintains a minimum reserves level equivalent to one-month total wage bill (£862,000) and as reserves are in excess of this Trustees have approved the use of some of these reserves to support the continued investment in capital to improve the learning environments across both sites.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Investment policy

The Chief Executive Officer and the Board of Trustees have overall responsibility for the security and management of funds. The day to day management of the treasury function is controlled by the Head of Trust Finance & Operations and Trust Finance Manager. The Head of Trust Finance & Operations and Trust Finance Manager will liaise with the Chief Executive Officer and Board of Trustees in relation to investment decisions. This applies to all funds held by the Trust.

The Finance Committee is presented with monthly cashflow forecasts and expected cash balances throughout the year for investment opportunities.

The Trust operates current accounts with a bank approved by the Board of Trustees, currently NatWest, and maintains sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments. The Trust has established a 'sweep' facility, which automatically transfers funds in excess of a minimum amount to a higher interest bearing deposit account on a daily basis. Any significant additional monies surplus to the working requirements shall be invested in term deposits with NatWest. Monies will only be paid into term deposits not exceeding six months and any monies invested will be reported in the monthly finance report on the Register of Deposits and Investments.

Principal Risks and Uncertainties

The principal risks and uncertainties are centred on changes in the level of funding from DfE/ESFA.

The Trustees have assessed the major risks, to which the academy trust is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the academy trust, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The academy trust has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

The academy trust is subject to a number of risks and uncertainties in common with other academies. The academy trust has in place procedures to identify and mitigate financial risks.

For the year ahead the Trust faces several areas of costs pressure with unfunded pay awards for teaching and support staff adding costs to the budget and the national energy picture has meant that a significant amount in comparison to previous years has needed to be provided in the budget.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans for Future Periods

The following highlight priorities for the future development of the Trust:

1. Ensuring top quality education within both academies in the Trust.
2. Build strong partnerships with local primary schools, with a view to further strengthening the partnership in the future.
3. Develop a strong 'cradle to career curriculum' which is fully aligned to the vision and ethos of the schools involved.
4. Investigate effective models for sustainable Trust growth and start to build the capacity to create a central school improvement team.
5. Further invest in ICT hardware to ensure the Trust is well equipped to deliver quality first teaching, with blended learning to supplement this.
6. Continually review the broad and balanced curriculum that retains existing strengths around Ebacc.
7. Embed effective approaches to alternative provision on each site
8. Invest more in vocational offers and in improving the performance of core subjects in order to improve Progress 8 scores.
9. Invest further in pastoral support systems, including CPD in wellbeing and mental health.
10. Continue to enhance the existing learning environment at Southmoor.
11. Create new classroom spaces at Southmoor - required due to pressures of an increasing roll.
12. Seek funding approaches to improve sports facilities at Southmoor.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 13 December 2022 and signed on its behalf by:



Dr J W Brown
Chair

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Aspire North East Multi 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.

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive 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 Aspire North East Multi 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.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Dr J W Brown (Chair)	6	6
A Lawson (Vice Chair)	5	6
J Alder	4	6
H Catcherside	4	6
R Edmonds	6	6
J Purdy	3	6
H Shields	6	6
E Young	4	6

Conflicts of interest

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all those involved in governance and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from whom the MAT may purchase goods or services. The register is open to public inspection and is published on the Trust's website. The register should include all business interests such as directorships, share holdings or other appointments of influence within a business or organisation which may have dealings with the Trust. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a Trustee or a member of staff by that person.

The existence of a register of business interests does not, of course, detract from the duties of Governors and staff to declare interests whenever they are relevant to matters being discussed by the Board of Trustees or a committee. Where an interest has been declared, Members / Trustees / Governors and staff should not attend that part of any committee or other meeting.

The Governance Manager will maintain the Register of Business Interests and will ensure that declarations are amended promptly whenever changes occur and are all updated on at least an annual basis.

Governance Review

In June 2022, the Board of Trustees carried out an annual Self Evaluation which was largely adapted from the NGAs 'Questions for Trust Boards'. All Trustees contributed their individual responses which were collated to produce an overview evaluation. Many strengths were evident including an effective committee structure with appropriately skilled Trustees and a well-established Board with a good knowledge of their school communities and high expectations to ensure the best possible outcomes for all students.

The key priorities to come out of the evaluation for the coming academic year are fed into the 'Schedule of Work' and progress will be reviewed by the Trustees at each termly meeting. These priorities include pursuing opportunities for growth of the MAT and to seek to appoint a new Member as a replacement for the Chair of Trustees in order to ensure separation at all levels of governance. The Board will also explore options to commission an external evaluation of governance at some point in the future. The Board will conduct their next annual Self Evaluation in the Summer Term 2023 to evaluate progress made over the 2022-23 academic year.

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist in the decision making of the Board by enabling more detailed consideration to be given to assist in fulfilling their responsibility in ensuring good management of the Trust's finances and resources including planning and monitoring.

Attendance at meetings during the year was as follows:

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Trustee	Meetings attended	Out of a possible
Dr J W Brown (Chair)	6	6
H Catcherside	4	6
R Edmonds	5	6
J Purdy	6	6

Review of Value for Money

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

The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Ensuring robust budget setting and monitoring
- Implementing Curriculum Led Financial Planning to ensure staffing efficiencies
- Utilising available benchmarking and comparison tools including DfE Metrics
- Robust purchasing and procurement decision making
- Challenge and overview of Contracts 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 academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Aspire North East Multi Academy Trust for the period of 1st September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework

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

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

The Board of Trustees has decided not to appoint an internal auditor for this purpose. However, the Trustees have re-appointed Duncan and Toplis to carry out an internal scrutiny programme of work spread over three termly visits. The internal auditor's report findings and subsequent actions are shared routinely with the Finance Committee and made available to all trustees through our information sharing platform.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/ bank reconciliations
- Testing of income
- Compliance with Academies Trust Handbook
- Governance arrangements
- Fixed asset testing
- Compliance
- Budgeting and financial monitoring

On a termly basis, the Internal Scrutiny Auditor reports to the Board of Trustees through the Finance and General Purposes committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the Internal Scrutiny Auditor prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. Through the Trust information sharing platform Internal Scrutiny reports are available to all trustees. From the three visit reports in 2021-2022 there were no significant issues raised that fell under the red category of the traffic light reporting method. The internal auditors did deliver their schedule of work over three visits and topped off with the annual summary report.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 Scrutiny Auditor
- the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;
- correspondence from ESFA

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

Approved by order of the members of the Board of Trustees on 13 December 2022 and signed on their behalf by:



Dr J W Brown
Chair



J Maw
Accounting Officer

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Aspire North East Multi Academy Trust (previously known as Southmoor Multi Academy Trust) I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of all 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 2021.

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.



J Maw
Accounting Officer
Date: 13 December 2022

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

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

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

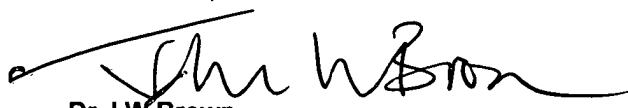
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 13 December 2022 and signed on its behalf by:


Dr J W Brown
Chair

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

Opinion

We have audited the financial statements of Aspire North East Multi Academy Trust (previously known as Southmoor Multi Academy Trust) (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 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 academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST) (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the academy 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 academy trust or to cease operations, or have no realistic alternative but to do so.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST) (CONTINUED)

Auditors' 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 Auditors' 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. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion.² Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**

(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASPIRE
NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY
TRUST) (CONTINUED)**

Use of our report

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



Gary Ellis BA BFP FCA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Kepier House

Belmont Business Park

Durham

DH1 1TW

Date: 15 October 2022

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST) AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Aspire North East Multi Academy Trust (previously known as Southmoor Multi Academy Trust) during the year 1 September 2021 to 31 August 2022 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 Aspire North East Multi Academy Trust (previously known as Southmoor Multi Academy Trust) and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Aspire North East Multi Academy Trust (previously known as Southmoor Multi 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 Aspire North East Multi Academy Trust (previously known as Southmoor Multi Academy Trust) and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Aspire North East Multi Academy Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Aspire North East Multi Academy Trust (previously known as Southmoor Multi Academy Trust)'s funding agreement with the Secretary of State for Education dated 1 May 2012 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 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.

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

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

[Signature]

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

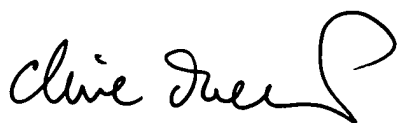
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST) AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Trustees and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Trustees;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Clive Owen LLP

Reporting Accountant

Kepier House
Belmont Business Park
Durham
DH1 1TW

Date: 15 December 2022

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Income from:						
Donations and capital grants	3	-	-	763	763	349
Other trading activities	5	164	-	-	164	123
Investments	6	1	-	-	1	-
Charitable activities	4	105	15,161	-	15,266	14,296
Total income		270	15,161	763	16,194	14,768
Expenditure on:						
Raising funds	7	21	-	-	21	23
Charitable activities		180	14,828	1,618	16,626	15,254
Total expenditure		201	14,828	1,618	16,647	15,277
Net income/ (expenditure)		69	333	(855)	(453)	(509)
Transfers between funds	19	-	(525)	525	-	-
Net movement in funds before other recognised gains		69	(192)	(330)	(453)	(509)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	27	-	6,195	-	6,195	425
Net movement in funds		69	6,003	(330)	5,742	(84)
Reconciliation of funds:						
Total funds brought forward		762	(3,634)	15,882	13,010	13,094
Net movement in funds		69	6,003	(330)	5,742	(84)
Total funds carried forward		831	2,369	15,552	18,752	13,010

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 08021855**

**BALANCE SHEET
AS AT 31 AUGUST 2022**

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	14	15,196	15,850
		<u>15,196</u>	<u>15,850</u>
Current assets			
Stocks	15	4	4
Debtors	16	1,332	858
Cash at bank and in hand		3,632	2,196
		<u>4,968</u>	<u>3,058</u>
Creditors: amounts falling due within one year	17	(1,571)	(637)
Net current assets		<u>3,397</u>	<u>2,421</u>
Total assets less current liabilities		<u>18,593</u>	<u>18,271</u>
Creditors: amounts falling due after more than one year	18	(6)	(40)
Net assets excluding pension asset / liability		<u>18,587</u>	<u>18,231</u>
Defined benefit pension scheme asset / liability	27	165	(5,221)
Total net assets		<u><u>18,752</u></u>	<u><u>13,010</u></u>


ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 08021855**

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022**

	Note	2022 £000	2021 £000
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	15,552	15,882
Restricted income funds	19	2,204	1,587
Restricted funds excluding pension liability / asset	19	<u>17,756</u>	<u>17,469</u>
Pension reserve	19	165	(5,221)
Total restricted funds	19	<u>17,921</u>	<u>12,248</u>
Unrestricted income funds	19	831	762
Total funds		<u><u>18,752</u></u>	<u><u>13,010</u></u>

The financial statements on pages 24 to 58 were approved by the Trustees, and authorised for issue on 13 December 2022 and are signed on their behalf, by:


Dr J W Brown
Chair

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by operating activities	21	2,452	1,199
Cash flows from investing activities	23	(955)	(863)
Cash flows from financing activities	22	(61)	(59)
Change in cash and cash equivalents in the year		1,436	277
Cash and cash equivalents at the beginning of the year		2,196	1,919
Cash and cash equivalents at the end of the year	24, 25	3,632	2,196

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Aspire North East Multi Academy Trust (previously known as Southmoor Multi Academy Trust) meets the definition of a public benefit entity under FRS 102.

1.2 Fund accounting

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

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

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.3 Income (continued)

the academy trust has provided the goods or services.

- **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated.

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust 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.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £1,000 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Leasehold land	- over 125 years
Long term leasehold property	- over 12 - 25 years
Furniture and equipment	- over 7 years
Computer equipment	- over 3 years
Motor vehicles	- over 4 years

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

1.7 Operating leases

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

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.10 Taxation

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

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

1.11 Liabilities and Provision

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Concessionary loans

Concessionary loans are initially recognised and measured at the amount received or paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

1.13 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions 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.

1.15 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 31.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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.

Goodwin

The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £9,000 which has been assessed to be immaterial to the financial statements.

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £1,618,000.

Critical areas of judgement:

Land – Land and buildings at Southmoor Academy are held under a 125 year lease from Sunderland City Council. These assets are included on the Balance Sheet of the academy trust due to the significant risks and rewards of ownership belonging to the academy trust, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy trust could use them without major modification.

The PFI contract for Sandhill View Academy is an engagement to receive services and, as the academy trust is deemed to control the services that are provided under the PFI scheme, the academy trust has recognised the assets used under the contract within tangible fixed assets. The Trustees consider the cost to obtaining an additional valuation would outweigh the benefit.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

3. Income from donations and capital grants

	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Donations	-	-	123
Capital Grants	763	763	226
Total 2022	<u>763</u>	<u>763</u>	<u>349</u>
Total 2021	<u>349</u>	<u>349</u>	

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

4. Funding for the academy trust's educational operations

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Academy's educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	13,484	13,484	12,315
Other DfE/ESFA grants				
Pupil Premium	-	775	775	736
Rates	-	57	57	60
Teachers' pay grant	-	30	30	148
Teachers' pension grant	-	26	26	418
Other DfE Group grants	-	214	214	41
	-	14,586	14,586	13,718
Other Government grants				
SEN	-	120	120	81
Local Authority grants	-	43	43	59
	-	163	163	140
Other income from the academy trust's academy's educational operations	105	41	146	45
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	-	-	155
Other DfE/ESFA COVID-19 funding	-	371	371	238
	-	371	371	393
	105	15,161	15,266	14,296
Total 2022	105	15,161	15,266	14,296
Total 2021	23	14,273	14,296	

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. Income from other trading activities

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Income from facilities and services	21	21	8
Rental and lettings income	3	3	3
Receipts from Maternity Absence Scheme	89	89	38
RPA claims	7	7	19
Other	44	44	55
Total 2022	164	164	123

All income from other trading activities was attributable to unrestricted funds for the year ended 31 August 2022.

6. Investment income

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Investment income	1	1	-

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

7. Expenditure

	Staff Costs 2022 £000	Premises 2022 £000	Other 2022 £000	Total 2022 £000	Total 2021 £000
Expenditure on fundraising trading activities:					
Allocated support costs	-	-	21	21	23
Academy trust's educational operations:					
Direct costs	10,246	-	894	11,140	10,264
Allocated support costs	864	3,225	1,397	5,486	4,990
Total 2022	11,110	3,225	2,312	16,647	15,277
Total 2021	10,153	3,220	1,904	15,277	

In 2022, of the total expenditure, £201,000 (2021 - £68,000) was to unrestricted funds and £16,446,000 (2021 - £15,209,000) was to restricted funds.

There were no individual transactions over £5,000 for:

- Compensation payments
- Gifts made by the trust
- Fixed asset losses
- Stock losses
- Cash losses
- Unrecoverable debts

There were no ex-gratia payments in the year.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £000	Support costs 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Academy trust's educational operations	11,140	5,486	16,626	15,254
Total 2021	10,264	4,990	15,254	

Analysis of direct costs

	Total funds 2022 £000	Total funds 2021 £000
Staff costs	10,246	9,342
Educational supplies	369	500
Examination fees	240	198
Technology costs	37	47
Educational consultancy	221	159
Transport	25	10
Other costs	2	8
Total 2022	11,140	10,264

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £000	Total funds 2021 £000
Pension finance costs	86	83
Staff costs	864	811
Depreciation	1,618	1,506
Staff development	42	54
Technology costs	246	183
Staff expenses	12	5
Supply insurance	45	43
Transport	18	18
Maintenance of premises	123	109
Cleaning	179	189
Other premises costs	87	68
Energy	127	135
Rent & rates	1,351	1,308
Insurance	45	41
Operating lease rentals	49	66
Catering	212	128
Legal costs - other	8	11
Other costs	356	211
Governance costs	18	21
Total 2022	5,486	4,990

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £000	2021 £000
Operating lease rentals	49	66
Depreciation of tangible fixed assets	1,618	1,506
Fees paid to auditors for:		
- audit	12	14
- other services	1	2

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £000	2021 £000
Wages and salaries	7,790	7,260
Social security costs	855	767
Pension costs	2,313	2,025
	<hr/> 10,958	<hr/> 10,052
Agency staff costs	145	101
Staff restructuring costs	7	-
	<hr/> <hr/> 11,110	<hr/> <hr/> 10,153

Included in operating costs of defined benefit pension schemes is a charge of £723,000 (2021: £557,000) relating to the LGPS actuarial adjustment.

Staff restructuring costs comprise:

	2022 £000	2021 £000
Severance payments	7	-
	<hr/> 7	<hr/> -
	<hr/> <hr/>	<hr/> <hr/>

b. Severance payments

The academy trust paid 1 severance payments in the year, disclosed in the following bands:

	2022 No.
£0 - £25,000	<hr/> <hr/> 1

c. Special staff severance payment

Included in staff restructuring costs is a special severance payment totalling £3,426 (2021:£nil).

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. Staff (continued)

d. Staff numbers

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

	2022 No.	2021 No.
Teachers	120	118
Administration and support	95	91
Management	19	13
	<u>234</u>	<u>222</u>

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. Staff (continued)

e. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	10	8
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	-	1
In the band £120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

f. Key management personnel

The key management personnel of the academy trust comprise the CEO, Headteachers and Head of Finance. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £354,000 (2021 : £396,000).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000. It is not possible to quantify the Directors and officers indemnity element from the overall cost of the RPA scheme.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

13. Central services

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

- Finance staff
- Legal services
- Audit
- HR SLA
- Governance SLA
- Finance SLA
- School Improvement
- IT Services

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

Pupil numbers

The actual amounts charged during the year were as follows:

	2022 £000	2021 £000
Southmoor Academy	467	467
Sandhill View Academy	234	247
Total	701	714

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

14. Tangible fixed assets

	Leasehold land and buildings £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 September 2021	24,255	449	739	50	25,493
Additions	563	171	222	8	964
At 31 August 2022	<u>24,818</u>	<u>620</u>	<u>961</u>	<u>58</u>	<u>26,457</u>
Depreciation					
At 1 September 2021	9,020	201	387	35	9,643
Charge for the year	1,349	67	188	14	1,618
At 31 August 2022	<u>10,369</u>	<u>268</u>	<u>575</u>	<u>49</u>	<u>11,261</u>
Net book value					
At 31 August 2022	<u>14,449</u>	<u>352</u>	<u>386</u>	<u>9</u>	<u>15,196</u>
At 31 August 2021	<u>15,235</u>	<u>248</u>	<u>352</u>	<u>15</u>	<u>15,850</u>

15. Stocks

	2022 £000	2021 £000
Uniform	<u>4</u>	<u>4</u>

16. Debtors

	2022 £000	2021 £000
Trade debtors	6	1
Prepayments and accrued income	1,106	662
VAT recoverable	220	195
	<u>1,332</u>	<u>858</u>

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

17. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	1,176	103
Other loans	32	59
Accruals and deferred income	363	475
	<u>1,571</u>	<u>637</u>
	2022 £000	2021 £000
Deferred income at 1 September 2021	25	35
Resources deferred during the year	36	25
Amounts released from previous periods	(25)	(35)
Deferred income at 31 August 2022	<u>36</u>	<u>25</u>

At the Balance Sheet date the academy trust was holding funds received in advance for 16-19 bursary and some small non-government grants.

18. Creditors: Amounts falling due after more than one year

	2022 £000	2021 £000
Other loans	<u>6</u>	<u>40</u>

Included within other creditors is a loan of £376,000 from Salix Finance Ltd which is provided on the following terms: Interest free loan repayable through GAG in 6-monthly instalments of £27,000 from March 2017.

Also included is a CIF loan of £27,000 from the ESFA which is provided on the following terms: Repayable through GAG in 48 monthly instalments from September 2020.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
General Funds	762	270	(201)	-	-	831
Restricted general funds						
General Annual Grant (GAG)	1,447	13,484	(12,202)	(525)	-	2,204
Pupil Premium	-	775	(775)	-	-	-
Other DfE/ESFA grants	-	327	(327)	-	-	-
SEN	-	120	(120)	-	-	-
COVID Catch-up Premium	140	-	(140)	-	-	-
Other COVID funding	-	371	(371)	-	-	-
Other Government grants	-	43	(43)	-	-	-
Other income	-	41	(41)	-	-	-
Pension reserve	(5,221)	-	(809)	-	6,195	165
	<u>(3,634)</u>	<u>15,161</u>	<u>(14,828)</u>	<u>(525)</u>	<u>6,195</u>	<u>2,369</u>
Restricted fixed asset funds						
Legacy Assets - Southmoor Academy	5,986	-	(338)	-	-	5,648
Devolved Formula Capital	243	45	(44)	-	-	244
Condition Improvement Fund	1,610	718	(69)	-	-	2,259
Academies Capital Maintenance Fund	414	-	(5)	-	-	409
General Annual Grant (GAG)	1,729	-	(280)	525	-	1,974

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds (continued)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Legacy Assets - Sandhill View Academy	5,800	-	(840)	-	-	4,960
Donated assets	82	-	(42)	-	-	40
Receipts from RPA claims	18	-	-	-	-	18
	<u>15,882</u>	<u>763</u>	<u>(1,618)</u>	<u>525</u>	<u>-</u>	<u>15,552</u>
Total Restricted funds	<u>12,248</u>	<u>15,924</u>	<u>(16,446)</u>	<u>-</u>	<u>6,195</u>	<u>17,921</u>
Total funds	<u>13,010</u>	<u>16,194</u>	<u>(16,647)</u>	<u>-</u>	<u>6,195</u>	<u>18,752</u>

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

The General Annual Grant (GAG) must be used for the normal running of the Trust including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant and teachers' pension grant and the supplementary grant.

SEN funding is additional funding for pupils with special educational needs.

Other COVID funding relates to additional funding from Government support schemes in response to the Coronavirus outbreak, COVID-19 Recovery Premium must be spent on activities to support pupils' education recovery.

Other Government grants include other income from the local authority.

The pension reserve is the asset/liability on the Local Government Pension Scheme. Further details are shown in note 29.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

A transfer of £525,000 has been made to capital expenditure from GAG to reflect those items included within fixed assets which have been purchased using GAG monies.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds (continued)

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
General Funds	703	146	(68)	(19)	-	762
Restricted general funds						
General Annual Grant (GAG)	1,339	12,315	(11,245)	(962)	-	1,447
Pupil Premium	-	736	(736)	-	-	-
Other DfE/ESFA grants	-	667	(667)	-	-	-
SEN	-	81	(81)	-	-	-
COVID Catch-up Premium	-	155	(15)	-	-	140
Other COVID funding	-	238	(238)	-	-	-
Other Government grants	-	59	(59)	-	-	-
Other income	-	22	(22)	-	-	-
Pension reserve	(5,006)	-	(640)	-	425	(5,221)
	<u>(3,667)</u>	<u>14,273</u>	<u>(13,703)</u>	<u>(962)</u>	<u>425</u>	<u>(3,634)</u>
Restricted fixed asset funds						
Legacy Assets - Southmoor Academy	6,325	-	(339)	-	-	5,986
Devolved Formula Capital	250	44	(51)	-	-	243
Condition Improvement Fund	1,511	182	(83)	-	-	1,610

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds (continued)

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Academies Capital Maintenance Fund	419	-	(5)	-	-	414
General Annual Grant (GAG)	913	-	(146)	962	-	1,729
Legacy Assets - Sandhill View Academy	6,640	-	(840)	-	-	5,800
Donated assets	-	123	(41)	-	-	82
Receipts from RPA claims	-	-	(1)	19	-	18
	<u>16,058</u>	<u>349</u>	<u>(1,506)</u>	<u>981</u>	<u>-</u>	<u>15,882</u>
Total Restricted funds	<u>12,391</u>	<u>14,622</u>	<u>(15,209)</u>	<u>19</u>	<u>425</u>	<u>12,248</u>
Total funds	<u><u>13,094</u></u>	<u><u>14,768</u></u>	<u><u>(15,277)</u></u>	<u><u>-</u></u>	<u><u>425</u></u>	<u><u>13,010</u></u>

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £000	2021 £000
Southmoor Academy	831	304
Sandhill View Academy	2,204	2,045
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,035	2,349
Restricted fixed asset fund	15,552	15,882
Pension reserve	165	(5,221)
	<hr/>	<hr/>
Total	18,752	13,010
	<hr/> <hr/>	<hr/> <hr/>

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000
Southmoor Academy	5,900	317	225	1,428	7,870	7,616
Sandhill View Academy	3,447	150	138	1,911	5,646	5,441
Central services	899	397	6	211	1,513	714
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy trust	10,246	864	369	3,550	15,029	13,771
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	15,196	15,196
Current assets	831	3,330	807	4,968
Creditors due within one year	-	(1,126)	(445)	(1,571)
Creditors due in more than one year	-	-	(6)	(6)
Provisions for liabilities and charges	-	165	-	165
Total	831	2,369	15,552	18,752

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	15,850	15,850
Current assets	762	2,185	111	3,058
Creditors due within one year	-	(584)	(53)	(637)
Creditors due in more than one year	-	(14)	(26)	(40)
Provisions for liabilities and charges	-	(5,221)	-	(5,221)
Total	762	(3,634)	15,882	13,010

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

21. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £000	2021 £000
Net expenditure for the year (as per Statement of Financial Activities)	(453)	(509)
Adjustments for:		
Depreciation	1,618	1,506
Capital grants from DfE and other capital income	(9)	(226)
Defined benefit pension scheme cost less contributions payable	723	557
Defined benefit pension scheme finance cost	86	83
Increase in debtors	(474)	(302)
Increase in creditors	961	213
Donated fixed assets	-	(123)
Net cash provided by operating activities	2,452	1,199

22. Cash flows from financing activities

	2022 £000	2021 £000
Repayments of borrowing	(61)	(59)
Net cash used in financing activities	(61)	(59)

23. Cash flows from investing activities

	2022 £000	2021 £000
Purchase of tangible fixed assets	(964)	(1,089)
Capital grants from DfE Group	9	226
Net cash used in investing activities	(955)	(863)

24. Analysis of cash and cash equivalents

	2022 £000	2021 £000
Cash in hand and at bank	3,632	2,196
Total cash and cash equivalents	3,632	2,196

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

25. Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash at bank and in hand	2,196	1,436	3,632
	<u>2,196</u>	<u>1,436</u>	<u>3,632</u>

26. Capital commitments

	2022 £000	2021 £000
Contracted for but not provided in these financial statements	<u>552</u>	<u>111</u>

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

27. Pension commitments

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 South Tyneside 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 August 2022.

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

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 full-time 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. 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, 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 2024.

The employer's pension costs paid to TPS in the year amounted to £1,301,000 (2021 - £1,201,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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.

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £398,000 (2021 - £357,000), of which employer's contributions totalled £289,000 (2021 - £259,000) and employees' contributions totalled £109,000 (2021 - £98,000). The agreed contribution rates for future years are 17.3% for employers and 5.5 - 12.5% for employees.

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

Principal actuarial assumptions

	2022 %	2021 %
Rate of increase in salaries	4.20	4.10
Rate of increase for pensions in payment/inflation	2.70	2.60
Discount rate for scheme liabilities	4.10	1.70
Inflation assumption (CPI)	2.70	2.60
Commutation of pensions to lump sums	75.00	75.00

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

	2022 Years	2021 Years
Retiring today		
Males	21.8	21.9
Females	25.0	25.1
Retiring in 20 years		
Males	23.5	23.6
Females	26.7	26.9

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +0.1%	(232)	(366)
Discount rate -0.1%	241	381
Mortality assumption - 1 year increase	(259)	(542)
Mortality assumption - 1 year decrease	259	557
CPI rate +0.1%	204	322
CPI rate -0.1%	(195)	(308)

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

27. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022 £000	At 31 August 2021 £000
Equities	5,072	5,244
Government bonds	151	198
Corporate bonds	1,753	1,895
Property	1,046	754
Cash and other liquid assets	170	377
Multi Asset Credit	415	-
Other	820	962
Total market value of assets	9,427	9,430

The actual return on scheme assets was £(169,000) (2021 - £1,421,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2022 £000	2021 £000
Current service cost	(1,012)	(816)
Interest income	162	134
Interest cost	(248)	(217)
Total amount recognised in the Statement of Financial Activities	(1,098)	(899)

Changes in the present value of the defined benefit obligations were as follows:

	2022 £000	2021 £000
At 1 September	14,651	12,777
Current service cost	1,012	816
Interest cost	248	217
Employee contributions	109	98
Actuarial (gains)/losses	(6,526)	862
Benefits paid	(232)	(119)
At 31 August	9,262	14,651

ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI ACADEMY TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

27. Pension commitments (continued)

Changes in the fair value of the academy trust's share of scheme assets were as follows:

	2022 £000	2021 £000
At 1 September	9,430	7,771
Interest income on assets	162	134
Actuarial (losses)/gains	(331)	1,287
Employer contributions	289	259
Employee contributions	109	98
Benefits paid	(232)	(119)
At 31 August	<u>9,427</u>	<u>9,430</u>

28. Operating lease commitments

At 31 August 2022 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £000	2021 £000
Not later than 1 year	46	9
Later than 1 year and not later than 5 years	48	35
Later than 5 years	-	38
	<u>94</u>	<u>82</u>

29. Other financial commitments

Under the PFI arrangement, the academy trust has a financial liability to make payments to the PFI contractor for the life of the contract, which began in September 2002 and will run for 25 years. The cost is based on pupil numbers and in the period was £1,296,000 (2021: £1,248,000). Funding was received from the ESFA to cover this cost.

**ASPIRE NORTH EAST MULTI ACADEMY TRUST (PREVIOUSLY KNOWN AS SOUTHMOOR MULTI
ACADEMY TRUST)**
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

30. Related party transactions

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

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

31. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the academy trust received £33,000 and disbursed £25,000 from the fund. An amount of £25,000 is included in deferred income relating to undistributed funds that is repayable to ESFA. Comparatives for the accounting period ending 31 August 2021 are £27,000 received, £10,000 disbursed and £17,000 included in deferred income.