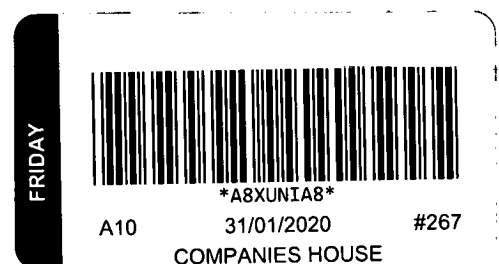


**ASPIRE ACADEMIES TRUST**

**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**



# **ASPIRE ACADEMIES TRUST**

**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Members**

Gbola Adeleke	
Carrie Bennett	Appointed 09/10/2018
Carole Connelly	
Prasad Pitale	Resigned 08/10/2019
Dave Stent	Appointed 08/10/2019
Alison Woodhams	
Louise Meikle	Resigned 09/10/2018

**Trustees**

Graham Barrett	
Christopher Canfield	
Carole Connelly	Appointed 09/10/2018
Ross Hayward	Resigned 18/07/2019
Vicky Parsey	Chief Executive and Accounting Officer
Prasad Pitale	Chair to 08/10/2019
Dave Stent	Chair from 08/10/2019
Carrie Bennett	Resigned 09/10/2018

**Senior Management Team**

Vicky Parsey	Chief Executive and Accounting Officer
Lyndon Evans	Executive Principal
Karen Land	Chief Financial Officer

**Company Name**

Aspire Academies Trust

**Principal and Registered Office**

Ground Floor, 2 The Waterhouse, Waterhouse Street, Hemel Hempstead, HP1 1ES

**Company Registered Number**

08187216 (England & Wales)

**Independent Auditor**

MHA MacIntyre Hudson, Abbey Place, 24 - 28 Easton Street, High Wycombe, Buckinghamshire, HP11 1NT

**Bankers**

National Westminster Bank PLC, 72-74 High Street, Watford, Hertfordshire, WD17 2GZ

**Solicitors**

Stone King LLP, 16 St John's Lane, London, EC1M 4BS

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

As at 31 August 2019 Aspire Academies Trust consists of six primary academies (Bedmond Academy, Bovingdon Primary Academy, Broadfield Academy, Hammond Academy, Knutsford Primary Academy, The Grove Academy) and the West Hertfordshire Teaching School Partnership, all operating in South West Hertfordshire. The Trust academies are for pupils aged 4 to 11 years. It has a combined pupil capacity of 2640 and had a roll of 2343 in the school census in October 2019.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

Aspire Academies 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 Academies Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Aspire Academies Trust.

West Hertfordshire Teaching Schools Partnership, company number 08240993, is a subsidiary company wholly owned by Aspire Academies 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**

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was included in the total insurance cost and could not be separately identified.

**Method of Recruitment and Appointment or Election of Trustees**

Aspire Academies Trust shall have a minimum of three and maximum of ten trustees as set out in its articles of association. Trustees shall include the Chief Executive Officer and up to nine others, as agreed by Members, who have relevant skills including (without limitation) finance, human resources, legal and school improvement.

Any vacancies or additions to the Board of Trustees are subject to a recruitment process which also involves sourcing candidates from the Academy Ambassadors programme. Prospective trustees complete an application form and a skills audit for consideration by Trustees. A Member and the Chair of Trustees will meet the prospective trustee and, if considered suitable, all Members are asked to authorise the appointment. The Trust Senior Human Resources Officer will undertake safer recruitment checks before appointment is confirmed.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for each new Trustee will depend on their existing experience and where necessary induction will provide training on charity, educational, legal and financial matters. All Trustees are provided with an induction booklet which includes copies of policies and procedures. Copies of minutes, accounts, budgets, plans and other documents needed to undertake their role as a Trustee are made available. The Trust will periodically perform a skills audit of Trustees and, should any gaps be identified, external training courses will be offered to address these issues.

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

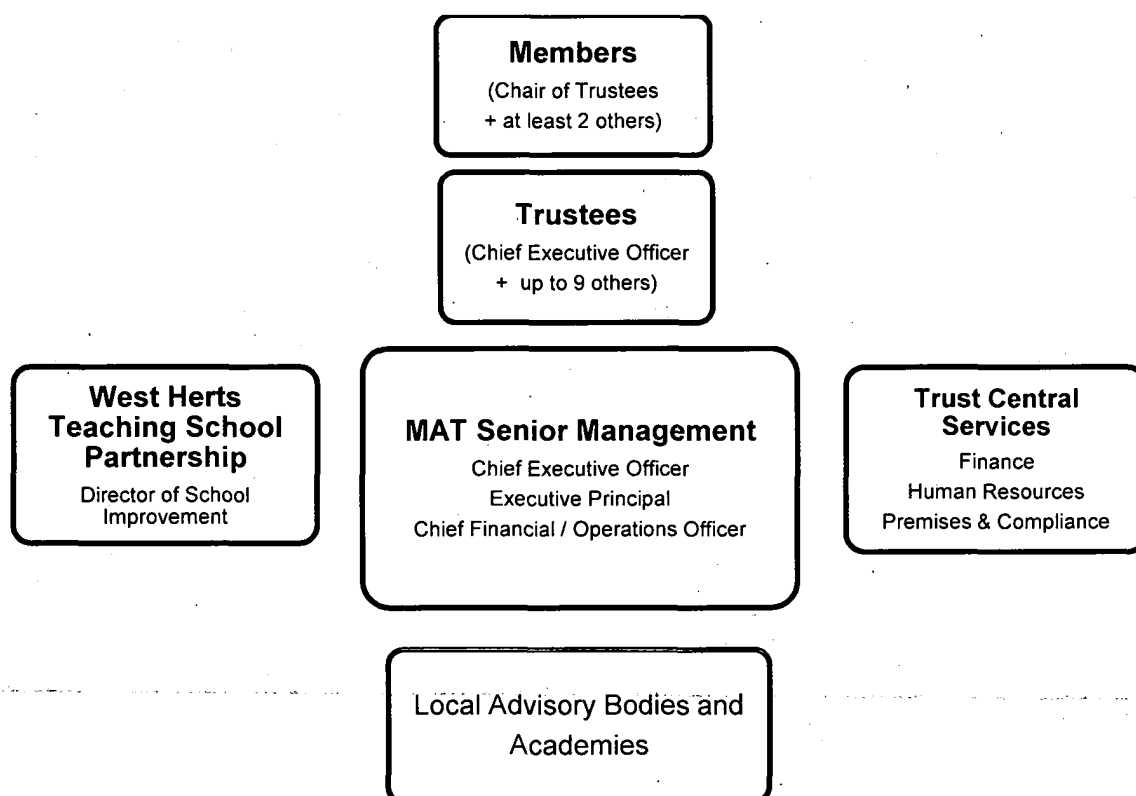
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**Organisational Structure**

Aspire Academies Trust currently consists of the following academies:

- Bedmond Academy
- Bovingdon Primary Academy
- Broadfield Academy
- Hammond Academy
- Knutsford Primary Academy (joined November 2018)
- The Grove Academy

The aim of the management structure of Aspire Academies Trust is to devolve responsibility and encourage involvement in decision making at all levels. The structure is:



The Members have ultimate responsibility for the Trust achieving its charitable objectives. They approve the articles of association and have power to appoint and remove Trustees ensuring an appropriate balance of skills and effectiveness.

The Trustees are responsible for setting general policy, adopting an annual strategic plan and budget, approving the statutory accounts, monitoring each academy's performance by the use of budgets and other data, and making major decisions about the direction of each academy's capital expenditure. Trustees are responsible for the appointment of the Senior Management positions within the organisation and Chairs of the Local Advisory Bodies.

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**Organisational Structure (continued)**

The Chief Executive Officer is supported by the MAT Senior Management Team, Aspire Central Team and the Principal and Senior Leadership Team of each Academy. This group control the Academies at an executive level implementing the strategy and policies laid down by the Trustees and reporting back to them. As a group they are responsible for the authorisation of spending and appointment of staff.

Each Local Advisory Body receives delegated authority from the Academy Trust Board to support the Trustees in fulfilling its obligations in the areas of Children, Curriculum and Community.

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

Employees at Trust level are employed on the same terms and conditions of employment as teaching staff and support staff, dependent on their role. The Trustees have determined the structure and pay scales for these employees and benchmark against ISRs, leadership, support staff pay and Hertfordshire County Council senior manager salary ranges.

There are Strategic Leadership Skills Descriptors in place for Trust level employees, as set out in the Trust performance management policy. The Trustees will ensure that both pay and performance development reviews are independently moderated for the Chief Executive Officer, Executive Principal and Chief Financial Officer roles

**Employees and disabled persons**

All employees have the opportunity to discuss issues of concern by means of regular staff meetings and have been kept informed on specific matters directly by management.

The Trust carried out a Wellbeing Staff Survey in January 2019. This led to establishing a Trust Wellbeing Committee which meets termly and is made up of a representative from each Academy. The survey also highlighted that teaching staff wanted a means of sharing resources and lesson plans across the Trust, as a result a pilot intranet has been set up to help assess and fully understand the needs of teachers.

The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of feedback for senior management and the Trustees.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities Policy
- Health and Safety Policy

In accordance with the Trust's Equal Opportunities Policy, the Trust has established fair employment practices in the recruitment, selection, retention and training of disabled staff. The Trust ensures that disabled persons have opportunities to fulfil their potential and realise their aspirations.

**Trade union facility time**

No member of staff in Aspire Academies Trust is a trade union representative therefore the percentage facility time and percentage pay bill is zero.

**Related Parties and other Connected Charities and Organisations**

The West Hertfordshire Teaching Schools Partnership (company no. 08240993) is a wholly owned subsidiary company of Aspire Academies Trust. The business of the Company is the provision of educational support to schools in accordance with the programmes defined by the Department for Education. The remit of the Partnership is as follows:

- to act as a channel for communication so that information and ideas can be disseminated to the Alliance Partners, Teaching Schools and other schools;

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**Related Parties and other Connected Charities and Organisations (continued)**

- to ensure that new models of teaching practice are shared amongst Alliance Partners, Teaching Schools and other schools;
- to work with Alliance Partners by:
  - playing a role in training new entrants to the profession (initial teacher training)
  - leading peer-to-peer professional and leadership development (continuing professional development);
  - identifying and developing leadership potential (succession planning and talent management) in order to improve outcomes within schools;
  - providing educational and other support to Alliance Partners, Teaching Schools and other schools; and
  - engaging in research and development activity.

Any surpluses generated by West Hertfordshire Teaching Schools Partnership are gift aided to Aspire Academies Trust.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

Aspire Academies Trust has entered into a funding agreement with the Secretary of State which specifies amongst other things, the basis for admitting pupils to the Trust, the catchment area from which the pupils are drawn, and that the curriculum should be broad and balanced.

The main objects / aims of the Trust during the period ended 31 August 2019 are summarised below

- to offer excellent education as standard to enable every pupil to reach their full potential
- to work collaboratively and in partnership across all our academies, sharing ideas and strengths
- to put people first, treating every person within the Trust and its Academies as individuals
- to provide value for money for the funds expended.

**Objectives, Strategies and Activities**

At Aspire Academies Trust we care deeply about the development of everyone in our Academies.

We believe in achievement in its broadest sense and that enjoyment of learning is crucial to success. The strength of our leadership team will ensure that we provide the very best education for our pupils.

Our pupils are empowered to have high aspirations for their future. We nurture and challenge them to take responsibility, make decisions and work together so they grow into confident young people.

We value excellent teaching in our Academies, underpinned by the high quality professional development support given by our Senior Management Team and the West Hertfordshire Teaching Schools Partnership. By sharing ideas and promoting best practice we will provide our pupils with a stimulating curriculum in a safe learning environment.

**Public Benefit**

The Trustees have complied with their duty in Section 4 of the Charities Act 2006, to have due regard to Public Benefit guidance published by the Charity Commission in exercising their powers and duties. Aspire Academies Trust fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role. Trustees consider how planned activities will contribute to the aims and objectives they have set. Community based projects are undertaken throughout the year by staff and pupils which further enhances the public benefit.

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**STRATEGIC REPORT**

**Achievements and Performance**

Aspire Academies Trust provided education for approximately 2343 children across South West Hertfordshire in the period ending 31 August 2019.

Partnership working has been a key strength of the Trust and continues to develop. Academy Principals, Senior Leaders, subject leaders and teachers meet regularly to share curriculum planning and best practice. In addition the West Hertfordshire Teaching Schools Partnership has continued to grow and develop leading to an increased breadth of training programmes and sharing of best practice within the Trust and its Alliance members.

Achievements within the Trust are supported by the following strengths:

- strong leadership by the Chief Executive Officer, Principals, combined with the effective support from the Trustees, the Local Advisory Bodies and Senior Leaders;
- all Academy data show pupils are making progress;
- the proportion of good or better teaching is high;
- pupil's behaviour and attitude to work are exemplary;
- pupil attendance is good;
- pupils get on well together and feel safe

Value for money has been secured through robust financial monitoring and control frameworks underpinned by the oversight maintained by the Trustees and MAT Senior Management Team. The Trust has secured additional efficiency savings of 0.8% during the course of the financial year.

**Key Performance Indicators**

Aspire Academies Trust uses a number of financial key performance indicators to monitor financial success of the Trust and progress / improvement against the targets set.

To ensure sustainability, staff costs as a % of income and expenditure are monitored by Trustees when approving the consolidated annual budget for the following financial year. Trustees are aware of the ESFA guidance on staff expenditure and have an expectation that its Academies are working towards these percentages. All Academies are required to produce a balanced in year budget.

	<b>2018-2019 Actual</b>	<b>ESFA Guidance</b>
Salary Costs to ESFA Revenue Income	85%	80%
Salary Costs to Total Income	87%	<74%
Salary Costs as % Total Expense	77%	>70%

The Trust Finance Committee monitors monthly expenditure and ensures appropriate checks and balances are in place to maintain high standards and the effective running of each of the Academies.

The Trust also uses a number of non-financial key performance indicators to monitor its Academies' performance. These include:

- pupil attendance data;
- staff recruitment, retention and promotion;
- Key Stage 1 and Key Stage 2 assessment data, ASP and IDSR



**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2019**

**Key Performance Indicators (continued)**

	<b>Trust's Performance 2019</b>	<b>National 2019</b>
Reading	-1.85	Bottom 25%
Writing	-1.33	Bottom 40%
Maths	-1.92	Bottom 25%

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that Aspire Academies 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.

**FINANCIAL REVIEW**

During the period ended 31 August 2019, £10,117,061 net income is recognised, being the net transfer of assets and liabilities to the Trust when Knutsford joined in November 2018. Excluding this income and depreciation (£792,415) and Local Government Pension Scheme movements (£2,108,000) and Capital grants (£1,113,962), Trust income from current grant funding from the DfE (via the Education & Skills Funding Agency) together with other incoming resources exceeded expenditure by £593,688.

At 31 August 2019 the net book value of fixed assets was £33,584,859 and movements in tangible fixed assets are shown in note 15 to the financial statements. Capital expenditure in the period was £711,784. All the assets were used exclusively for providing education and the associated support services to the pupils of Aspire Academies Trust.

**Reserves Policy**

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

The Trust is committed towards maintaining its buildings and has updated its capital maintenance programme aimed at ensuring a long useful life of the Trust's assets.

Future financial cost pressures for each of the Academies may reduce the level of financial reserves in the long term. The Board of Trustees have agreed that the consolidated minimum level of reserves held for revenue purposes should be no less than two months of the combined General Annual Grant for all schools. The reserve balance should only decrease due to capital investment and / or other organisational needs which shall at all times be approved by the Finance Committee.

At 31 August 2019 the total funds comprised:

Unrestricted		1,117,957
Restricted:	Fixed asset funds	34,254,022
	Pension reserve	(5,112,000)
	Other	1,902,071
		<u>32,162,050</u>

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Investment Policy**

There are no material investments held by Aspire Academies Trust.

Surplus funds are invested with the Trust's banker, National Westminster Bank, in a business reserve account. An account is set up for each Academy. Funds are automatically transferred between the Academy's current account and business reserve account to maximise the interest received. Interest is received monthly.

**Principal Risks and Uncertainties**

The major risks to which the Trust is exposed, as identified by the Trustees, have been reviewed and systems and procedures have been established to mitigate those risks. The schedule of risks is tabled and the top five risks are reviewed at each Board Meeting and mitigating actions are agreed as required.

The Trust's most significant financial risk is future funding from Government which remains uncertain. Increased employment and premises costs are all contributing to cost pressures in future years, which in turn increases the importance of maintaining robust levels of revenue reserves. In addition, the Trust has plans for capital expenditure to improve its buildings and facilities some of which may have to be delayed if unanticipated emergency expenditure is needed.

The Trust recognises that the defined benefit scheme (Local Government Pension Scheme) is a significant liability, set out in note 25 to the financial statements. It is a potential liability which may result in the Trust having to make additional contributions in future years.

**FUNDRAISING**

Aspire Academies Trust has no commercial fund raising arrangements in place. Each Academy within the Trust works in partnership with their school parents association to raise funds to wholly benefit the education of its pupils. The local association is accountable to the parent community reporting on the funds they have raised.

Principals and SLT encourage pupils to fundraise for Charities of their choice. In each Academy the pupil council will be involved to nominate a fundraising activity and decide on the charity. Beneficiaries have included Children in Need, Comic Relief, UNICEF, and Air Ambulance in the current year.

**PLANS FOR FUTURE**

Aspire Academies Trust will continue to deliver the following in all of its Academies:

- outstanding teaching and learning to ensure high levels of progress and attainment;
- provision of learning environments which allow pupils of all abilities to thrive;
- mutual respect between the children, staff and community;
- high standards of behaviour and conduct;
- a wide range of enrichment opportunities for all pupils to get involved in
- adherence to an Equal Opportunities Policy for all stakeholders.

The Trust plans for growth in the number of Academies it runs. Trustees and Members continue to review the organisational structure to ensure it meets the requirements of a growing Multi-Academy Trust.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

None

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2019**

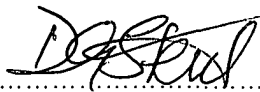
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**AUDITOR**

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.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 3 December 2019 and signed on the Board's behalf by:



**Dave Stent**  
Chair of Trustees

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**SCOPE OF RESPONSIBILITY**

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Aspire Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Graham Barrett	6	6
Christopher Canfield	5	6
Carole Connelly	4	6
Ross Hayward (resigned 18/07/2019)	6	6
Vicky Parsey (Chief Executive and Accounting Officer)	6	6
Prasad Pitale (Chair to 08/10/2019)	5	6
Dave Stent (Chair from 08/10/2019)	6	6

During the year the Board of Trustees undertook a skills audit and identified areas for future Trustee recruitment, namely individuals with legal, marketing and business skills. Academy Ambassadors are assisting the Board in the recruitment process.

The Audit and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure that the highest standards of financial governance are met and review any issues that may impact the finances of the Academy Trust.

During the year the Committee has updated the terms of reference, and reviewed all financial policies and challenged the working practices in the Academies to ensure the end of year accounts are accurate and can be consolidated.

The Committee is aware of growing financial issues presented to all schools through Government legislation and are being proactive and strategic to ensure financial sustainability.

Attendance at meetings in the year was as follows:

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

Trustee	Meetings attended	Out of a possible
Prasad Pitale (Chair)	3	3
Vicky Parsey (CEO & Accounting Officer)	3	3
Karen Land (CFO)	3	3
Alison Woodhams	3	3

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer the Chief Executive Officer has responsibility for ensuring that Aspire Academies 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 Aspire Academies Trust's use of resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for Aspire Academies Trust has delivered improved value for money during the year by:

- securing the best possible education for all pupils, in the most efficient and effective way, at a reasonable cost;
- ensuring effective use of all resources in the Trust's charge;
- sharing expertise, experience, data and cost effective practices throughout the Trust Academies;
- having procedures in place for obtaining goods and services which provide 'best value' in terms of suitability, efficiency, time and cost. The Schedule of Financial Delegation ensures competitive tendering and consideration is given to the suitability and quality of workmanship when comparing quotations;
- being able to access economies of scale when making shared purchases and negotiate lower costs with suppliers for the benefit of all Trust Academies.

**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 Aspire Academies 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 Academies Trust for the period 01 September 2018 to 31 August 2019 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 Aspire Academies 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 Aspire Academies Trust's significant risks that has been in place for the period 01 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**THE RISK AND CONTROL FRAMEWORK**

Aspire Academies Trust 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 considered the need for a specific internal audit function and has decided to appoint MHA MacIntyre Hudson as internal auditor.

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

- a review of the new accounting software introduced December 2019 to ensure it meets the requirements set out in the Academies Financial Handbook. This included, and was not limited to, checking the opening balances, financial controls, purchase ledger, sales ledger, reporting, VAT.

The report identified areas of concern and, after additional training and a number of software upgrades, the named areas of risk have been removed. Where recommendations were made on internal procedures these have been adopted and incorporated into the finance manual.

The internal auditor reports to the Board of Trustees, through the Trust's Finance Committee, on the operation of the systems of control and on the discharge of financial responsibilities.

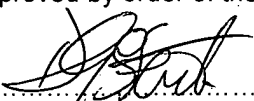
**REVIEW OF EFFECTIVENESS**

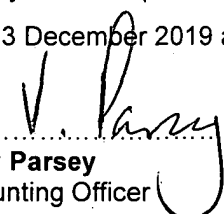
As Accounting Officer the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor
- the work of the external auditor
- the work of the executive managers within Aspire Academies Trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance ensures continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 3 December 2019 and signed on its behalf by:

  
.....  
**Dave Stent**  
Chair of Trustees

  
.....  
**Vicky Parsey**  
Accounting Officer

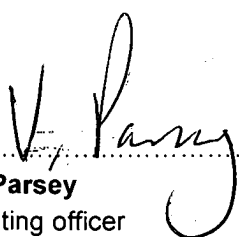
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2019**

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As accounting officer of Aspire Academies Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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 Academies Financial Handbook 2018.

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.

  
Vicky Parsey  
Accounting officer

3 December 2019

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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 & 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 Group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- 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 Group will continue in business.

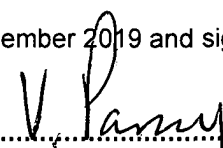
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and 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 their conduct and operation the Group and the charitable company apply 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 Group'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 3 December 2019 and signed on its behalf by:

  
.....  
**Dave Stent**  
Chair of Trustees

  
.....  
**Vicky Parsey**  
Accounting Officer



**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASPIRE ACADEMIES TRUST**

**Opinion**

We have audited the financial statements of Aspire Academies Trust (the 'Academy Trust') for the year ended 31 August 2019 which comprise the Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, the Consolidated and Academy Trust Balance Sheets, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Academy Trust's affairs as at 31 August 2019 and of the Group's 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 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASPIRE ACADEMIES TRUST (CONTINUED)**

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report and the Directors' Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees' Responsibilities Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the 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 (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements and
- the Strategic Report and the Directors 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 Group and the parent 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:

- the parent Academy Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy Trust 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.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ASPIRE ACADEMIES TRUST (CONTINUED)**

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent Academy Trust or to cease operations, or have no realistic alternative but to do so.

**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.

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

**Use of our report**

This report is made solely to the Academy Trust's members and Trustees, 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.

  
BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)

for and on behalf of  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors

Abbey Place  
24-28 Easton Street  
High Wycombe  
Buckinghamshire  
HP11 1NT

Date: 18 December 2019

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

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In accordance with the terms of our engagement letter dated 13 July 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Aspire Academies Trust during the year 1 September 2018 to 31 August 2019 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 Academies Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Aspire Academies 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 Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Aspire Academies Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Aspire Academies Trust's funding agreement with the Secretary of State for Education dated 31 August 2012 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- review of the objectives and activities of the Academies, with reference to the income streams and other information available to us as auditors of the Academies;
- testing a sample of payroll payments to staff;
- testing a sample of payments to suppliers and other third parties;
- consideration of governance issues and
- evaluating the internal control procedures and reporting lines, testing as appropriate, and making appropriate enquiries of the Accounting Officer.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*MHA MacIntyre Hudson*  
**Reporting Accountant**

**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors

Abbey Place  
24-28 Easton Street  
High Wycombe  
Buckinghamshire  
HP11 1NT

Date: 18 December 2019

**ASPIRE ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2019**

		Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
	Note					
<b>Income from:</b>						
Donations and capital grants:	3					
Academy transfer on conversion		132,148	(317,000)	10,301,913	10,117,061	8,949,596
Other donations and capital grants		-	-	1,113,962	1,113,962	472,953
Charitable activities	4	203,620	10,703,375	-	10,906,995	9,345,259
Teaching schools	30	264,023	-	-	264,023	96,998
Other trading activities	5	372,284	-	-	372,284	466,214
Investments	6	8,314	-	-	8,314	1,716
<b>Total income</b>		<b>980,389</b>	<b>10,386,375</b>	<b>11,415,875</b>	<b>22,782,639</b>	<b>19,332,736</b>
<b>Expenditure on:</b>						
Charitable activities	8	417,203	10,657,099	792,415	11,866,717	10,801,291
Teaching schools	30	260,626	-	-	260,626	83,786
<b>Total expenditure</b>	7	<b>677,829</b>	<b>10,657,099</b>	<b>792,415</b>	<b>12,127,343</b>	<b>10,885,077</b>
Net income/(expenditure)		<b>302,560</b>	<b>(270,724)</b>	<b>10,623,460</b>	<b>10,655,296</b>	<b>8,447,659</b>
Transfers between funds	18	-	(5,007)	5,007	-	-
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	25	-	(1,731,000)	-	(1,731,000)	816,000
<b>Net movement in funds</b>		<b>302,560</b>	<b>(2,006,731)</b>	<b>10,628,467</b>	<b>8,924,296</b>	<b>9,263,659</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		815,397	(1,203,198)	23,625,555	23,237,754	13,974,095
Net movement in funds		302,560	(2,006,731)	10,628,467	8,924,296	9,263,659
<b>Total funds carried forward</b>		<b>1,117,957</b>	<b>(3,209,929)</b>	<b>34,254,022</b>	<b>32,162,050</b>	<b>23,237,754</b>

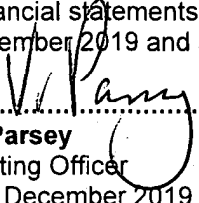
The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 56 form part of these financial statements.

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Tangible assets	15		<b>33,584,859</b>		23,363,575
			<b>33,584,859</b>		23,363,575
<b>Current assets</b>					
Debtors	16	<b>627,184</b>		346,987	
Cash at bank and in hand		<b>4,135,321</b>		3,129,937	
		<b>4,762,505</b>		3,476,924	
Creditors: amounts falling due within one year	17	<b>(1,073,314)</b>		(915,745)	
<b>Net current assets</b>			<b>3,689,191</b>		2,561,179
<b>Total assets less current liabilities</b>			<b>37,274,050</b>		25,924,754
Defined benefit pension scheme liability	25		<b>(5,112,000)</b>		(2,687,000)
<b>Total net assets</b>			<b>32,162,050</b>		23,237,754
<b>Funds of the Academy Trust</b>					
<b>Restricted funds:</b>					
Fixed asset funds	18	<b>34,254,022</b>		23,625,555	
Restricted income funds	18	<b>1,902,071</b>		1,483,802	
Pension reserve	18	<b>(5,112,000)</b>		(2,687,000)	
<b>Total restricted funds</b>	18		<b>31,044,093</b>		22,422,357
<b>Unrestricted income funds</b>	18		<b>1,117,957</b>		815,397
<b>Total funds</b>			<b>32,162,050</b>		23,237,754

The financial statements on pages 20 to 56 were approved by the Trustees, and authorised for issue on 03 December 2019 and are signed on their behalf, by:

  
**Vicky Parsey**  
Accounting Officer  
Date: 3 December 2019

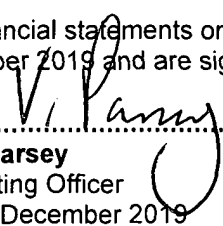
  
**Dave Stent**  
Trustee


The notes on pages 24 to 56 form part of these financial statements.

**ACADEMY TRUST BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2019 £	2018 £	2018 £
<b>Fixed assets</b>					
Tangible assets	15		33,584,859		23,363,575
			<u>33,584,859</u>		<u>23,363,575</u>
<b>Current assets</b>					
Debtors	16	628,407		349,198	
Cash at bank and in hand		4,117,460		3,095,414	
		<u>4,745,867</u>		<u>3,444,612</u>	
Creditors: amounts falling due within one year	17	(1,056,369)		(883,126)	
<b>Net current assets</b>			<u>3,689,498</u>		<u>2,561,486</u>
<b>Total assets less current liabilities</b>			<u>37,274,357</u>		<u>25,925,061</u>
Defined benefit pension scheme liability	25		(5,112,000)		(2,687,000)
<b>Total net assets</b>			<u><u>32,162,357</u></u>		<u><u>23,238,061</u></u>
<b>Funds of the Academy Trust</b>					
<b>Restricted funds:</b>					
Fixed asset funds	18	34,254,022		23,625,555	
Restricted income funds	18	1,902,071		1,483,802	
Pension reserve	18	(5,112,000)		(2,687,000)	
<b>Total restricted funds</b>	18		<u>31,044,093</u>		<u>22,422,357</u>
<b>Unrestricted income funds</b>	18		<u>1,118,264</u>		<u>815,704</u>
<b>Total funds</b>			<u><u>32,162,357</u></u>		<u><u>23,238,061</u></u>

The financial statements on pages 20 to 56 were approved by the Trustees, and authorised for issue on 03 December 2019 and are signed on their behalf, by:

  
 .....  
**Vicky Parsey**  
 Accounting Officer  
 Date: 3 December 2019

  
 .....  
**Dave Stent**  
 Trustee

The notes on pages 24 to 56 form part of these financial statements.



**ASPIRE ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>594,767</b>	1,185,511
<b>Cash flows from investing activities</b>	21	<b>410,617</b>	(19,929)
<b>Change in cash and cash equivalents in the year</b>		<b>1,005,384</b>	1,165,582
Cash and cash equivalents at the beginning of the year		<b>3,129,937</b>	1,964,355
<b>Cash and cash equivalents at the end of the year</b>	22	<b>4,135,321</b>	3,129,937

The notes on pages 24 to 56 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**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 historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 Basis of consolidation**

The financial statements consolidate the accounts of Aspire Academies Trust and all of its subsidiary undertakings ('subsidiaries').

The Academy Trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities incorporating Income and Expenditure Account.

The net income/expenditure for the year dealt with in the accounts of the Academy Trust was a surplus of £10,651,898 (2018 - £8,434,497 surplus) before actuarial gains/losses.

**1.3 Fund accounting**

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

Investment income, gains and losses are allocated to the appropriate fund.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies (continued)**

**1.4 Income**

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

- **Grants**

Grants are included in the Consolidated 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 unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance sheet in the restricted fixed asset fund. Capital grants 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 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 over the useful economic life in accordance with the Academy Trust's accounting policies.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies (continued)**

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central services have been allocated to the Academies in the trust in proportion to revenue General Annual Grant income.

• **Charitable activities**

Expenditure on charitable activities 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.

**1.6 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.

**1.7 Operating leases**

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

**1.8 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies (continued)**

**1.9 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 Consolidated 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 Consolidated Statement of Financial Activities and carried forward in the Consolidated Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Consolidated Statement of Financial Activities.

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

Depreciation is provided on the following bases:

Long leasehold property	- 2%-10% per annum on cost (on buildings only)
Fixtures and fittings	- 20% per annum on cost
Motor vehicles	- 20% per annum on cost
Computer equipment	- 33% per annum on cost

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

**1.10 Investments**

The Academy Trust's shareholding in the wholly owned subsidiary, West Hertfordshire Teaching School Partnership Limited is included in the Balance Sheet at the cost of the share capital owned less impairment. There is no readily available market value and the cost of valuation exceeds the benefit denied.

**1.11 Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the prepaid amount.

**1.12 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.13 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions 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 Consolidated 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.

**1.14 Liabilities and provisions**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

*Critical areas of judgement:*

The judgements that have a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

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

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Capital grants	-	-	1,113,962	<b>1,113,962</b>
Academy transfer on conversion	132,148	(317,000)	10,301,913	<b>10,117,061</b>
	<u>132,148</u>	<u>(317,000)</u>	<u>11,415,875</u>	<u><b>11,231,023</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**1. Accounting policies (continued)**

**1.15 Conversion to an academy trust**

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

The assets and liabilities transferred on conversion from Knutsford Primary School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Consolidated Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 23.

**1.16 Financial instruments**

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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. Amounts due from the Academy Trust's subsidiary are held at face value less any impairment. 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 note 17. 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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**Income from donations and capital grants (continued)**

Comparatives for the previous year:

	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Capital grants	-	472,953	472,953
Academy transfer on conversion	(341,898)	9,291,494	8,949,596
	<u>(341,898)</u>	<u>9,764,447</u>	<u>9,422,549</u>

**4. Funding for the Academy Trust's educational operations**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	8,552,402	<b>8,552,402</b>
Pupil premium	-	568,503	<b>568,503</b>
Other DfE/ESFA grants	-	624,215	<b>624,215</b>
	<u>-</u>	<u>9,745,120</u>	<u><b>9,745,120</b></u>
<b>Other government grants</b>			
SEN income	-	69,207	<b>69,207</b>
Schools early years funding	-	560,873	<b>560,873</b>
Other LA grants	-	146,575	<b>146,575</b>
	<u>-</u>	<u>776,655</u>	<u><b>776,655</b></u>
<b>Other funding</b>			
Trips and activities	-	181,600	<b>181,600</b>
Catering income	203,620	-	<b>203,620</b>
	<u>203,620</u>	<u>181,600</u>	<u><b>385,220</b></u>
	<u>203,620</u>	<u>10,703,375</u>	<u><b>10,906,995</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**Funding for the Academy Trust's educational operations (continued)**

Comparatives for the previous year:

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	7,023,916	7,023,916
Pupil premium	-	554,589	554,589
Other DfE/ESFA grants	-	424,751	424,751
	-	8,003,256	8,003,256
<b>Other government grants</b>			
SEN income	-	73,282	73,282
Schools early years funding	-	492,198	492,198
Other LA income	-	491,394	491,394
	-	1,056,874	1,056,874
<b>Other funding</b>			
Trips and activities	10,450	110,140	120,590
Catering income	164,539	-	164,539
	174,989	9,170,270	9,345,259

There are no unfulfilled conditions or other contingencies attached to the government grants above.

**5. Income from other trading activities**

	Unrestricted funds 2019 £	Total funds 2019 £
Hire of facilities	50,537	50,537
School clubs	192,996	192,996
Other income	38,141	38,141
Consultancy	30,447	30,447
School fund	60,163	60,163
	372,284	372,284

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**Income from other trading activities (continued)**

Comparatives for the previous year:

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Hire of facilities	19,013	-	19,013
School clubs	210,942	-	210,942
Other income	36,141	9,300	45,441
Consultancy	52,137	-	52,137
School fund	23,277	-	23,277
Trading subsidiary income - Teaching school	115,404	-	115,404
	<u>456,914</u>	<u>9,300</u>	<u>466,214</u>

**6. Investment income**

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest receivable	<u>8,314</u>	<u>8,314</u>	<u>1,716</u>

All investment income was unrestricted in 2018 and 2019.

**7. Expenditure**

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Academy Trust's educational operations:				
Direct costs	6,991,932	-	737,865	<b>7,729,797</b>
Allocated support costs	2,005,814	1,087,035	1,044,071	<b>4,136,920</b>
Teaching school	143,117	-	117,509	<b>260,626</b>
	<u>9,140,863</u>	<u>1,087,035</u>	<u>1,899,445</u>	<u><b>12,127,343</b></u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**7. Expenditure (continued)**

Comparatives for the previous year:

	Staff Costs 2018 £	Premises 2018 £	Other 2018 £	Total 2018 £
Academy's educational operations:				
Direct costs	6,135,482	-	732,451	6,867,933
Allocated support costs	2,060,532	1,012,914	859,912	3,933,358
Teaching school	-	-	83,786	83,786
Total 2018	<u>8,196,014</u>	<u>1,012,914</u>	<u>1,676,149</u>	<u>10,885,077</u>

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Academy's educational operations	<u>417,203</u>	<u>11,449,514</u>	<u>11,866,717</u>

Comparatives for previous year.

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Academy's educational operations	<u>427,679</u>	<u>10,373,612</u>	<u>10,801,291</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational operations	7,729,797	4,136,920	11,866,717

Comparatives for previous year:

	Activities undertaken directly 2018 £	Support costs 2018 £	Total funds 2018 £
Educational operations	6,867,933	3,933,358	10,801,291

**Analysis of direct costs**

	Educational operations 2019 £	Total funds 2019 £	Total funds 2018 £
Wages and salaries	6,991,932	6,991,932	6,135,482
Technology costs	46,742	46,742	76,038
Educational supplies	224,335	224,335	283,560
Bought in professional services	182,826	182,826	133,562
Other staff expenses	108,630	108,630	62,914
School trip expenditure	175,332	175,332	176,377
	7,729,797	7,729,797	6,867,933

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

**Analysis of support costs**

	<b>Educational operations 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Pension finance cost	89,000	<b>89,000</b>	75,000
Wages and salaries	2,005,814	<b>2,005,814</b>	2,060,532
Depreciation	792,415	<b>792,415</b>	662,589
Technology costs	98,883	<b>98,883</b>	52,153
Premises costs	520,775	<b>520,775</b>	480,402
Other support costs	579,726	<b>579,726</b>	550,955
Governance costs	50,307	<b>50,307</b>	51,727
	<b>4,136,920</b>	<b>4,136,920</b>	<b>3,933,358</b>

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

Net income/(expenditure) for the year includes:

	<b>2019 £</b>	<b>2018 £</b>
Operating lease rentals	<b>36,009</b>	35,979
Depreciation of tangible fixed assets - owned by the charitable group	<b>792,415</b>	662,589
Gifts made by the Trust	<b>758</b>	1,195
Fees paid to auditors for:		
- audit	<b>19,750</b>	20,000
- other services	<b>5,500</b>	5,500

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**11. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Academy Trust 2019 £</b>	<b>Academy Trust 2018 £</b>
Wages and salaries	<b>6,488,959</b>	5,668,040	<b>6,377,784</b>	5,668,040
Social security costs	<b>523,869</b>	449,915	<b>512,050</b>	449,915
Pension costs	<b>1,510,787</b>	1,532,747	<b>1,490,664</b>	1,532,747
	<b>8,523,615</b>	7,650,702	<b>8,380,498</b>	7,650,702
Agency staff costs	<b>617,248</b>	536,693	<b>617,248</b>	536,693
Staff restructuring costs	-	8,619	-	8,619
	<b>9,140,863</b>	8,196,014	<b>8,997,746</b>	8,196,014
Staff restructuring costs comprise:				
Redundancy payments	-	8,619	-	8,619

**b. Staff numbers**

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

	<b>Group 2019 No.</b>	<b>Group 2018 No.</b>	<b>Academy Trust 2019 No.</b>	<b>Academy Trust 2018 No.</b>
Teaching	<b>93</b>	74	<b>90</b>	74
Administration and support	<b>257</b>	243	<b>257</b>	243
Management	<b>19</b>	23	<b>19</b>	23
	<b>369</b>	340	<b>366</b>	340

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**11. Staff costs (continued)**

**c. Higher paid staff**

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

	Group 2019 No.	Group 2018 No.
In the band £60,001 - £70,000	5	1
In the band £70,001 - £80,000	-	1
In the band £100,001 - £110,000	1	1

**d. Key management personnel**

The key management personnel of the Academy Trust comprises the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension and employer's national insurance contributions) received by key management personnel for their services to the Academy Trust was £312,173 (2018: £179,759).

**12. Central services**

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

- Human Resources
- Finance team
- Legal services
- Education support
- Premises and estates advice

The Group charges a flat percentage of General Annual Grant income for these services.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Bovingdon Primary Academy	88,714	83,536
Grove Academy	140,906	136,406
Hammond Academy	111,366	105,283
Bedmond Academy	47,974	41,755
Broadfield Academy	95,718	78,515
Knutsford Primary Academy	62,570	-
<b>Total</b>	<b>547,248</b>	<b>445,495</b>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**13. Related party transactions - trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019 £	2018 £
V Parsey, Trustee	Remuneration	105,000 - 110,000	100,000 - 105,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000

During the year ended 31 August 2019, no Trustee incurred expenses (2018 - £213 to 1 Trustee).

**14. Trustees' and Officers' insurance**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**15. Tangible fixed assets**

**Group and Academy Trust**

	Long leasehold property £	Motor vehicles £	Computer equipment £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>					
At 1 September 2018	24,629,726	13,000	539,855	678,724	25,861,305
Additions	603,604	-	45,857	62,325	711,786
Academy transfer	10,269,800	-	7,098	25,015	10,301,913
At 31 August 2019	35,503,130	13,000	592,810	766,064	36,875,004
<b>Depreciation</b>					
At 1 September 2018	1,772,080	10,400	392,477	322,773	2,497,730
Charge for the year	636,224	2,600	61,898	91,693	792,415
At 31 August 2019	2,408,304	13,000	454,375	414,466	3,290,145
<b>Net book value</b>					
At 31 August 2019	33,094,826	-	138,435	351,598	33,584,859
At 31 August 2018	22,857,646	2,600	147,378	355,951	23,363,575

Included in long leasehold property is land held at valuation of £13,842,538 (2018: £10,677,538) which is not depreciated.

**ASPIRE ACADEMIES TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**16. Debtors**

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Academy Trust 2019 £</b>	<b>Academy Trust 2018 £</b>
Trade debtors	<b>13,416</b>	2,544	<b>10,984</b>	1,536
Amounts owed by group undertakings	-	-	<b>3,397</b>	23,217
Other debtors	<b>406,873</b>	181,055	<b>407,131</b>	161,138
Prepayments and accrued income	<b>135,870</b>	99,888	<b>135,870</b>	99,888
VAT recoverable	<b>71,025</b>	63,500	<b>71,025</b>	63,419
	<b>627,184</b>	346,987	<b>628,407</b>	349,198

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

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Academy Trust 2019 £</b>	<b>Academy Trust 2018 £</b>
Trade creditors	<b>56,074</b>	102,693	<b>56,074</b>	78,810
Other taxation and social security	<b>282,404</b>	250,861	<b>282,404</b>	250,861
Other creditors	<b>186,566</b>	8,736	<b>180,966</b>	-
Accruals and deferred income	<b>548,270</b>	553,455	<b>536,925</b>	553,455
	<b>1,073,314</b>	915,745	<b>1,056,369</b>	883,126

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Academy Trust 2019 £</b>	<b>Academy Trust 2018 £</b>
Deferred income at 1 September 2018	<b>368,558</b>	176,242	<b>368,558</b>	156,807
Resources deferred during the year	<b>237,907</b>	368,558	<b>237,907</b>	368,558
Amounts released from previous periods	<b>(368,558)</b>	(176,242)	<b>(368,558)</b>	(156,807)
	<b>237,907</b>	368,558	<b>237,907</b>	368,558

At the balance sheet date, the Academy Trust was holding funds received in advance for activities and universal free school meal grants for 2019/2020.

**ASPIRE ACADEMIES TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**18. Statement of funds - group**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds - all funds	815,704	716,366	(417,203)	-	3,397	1,118,264
Trading subsidiary	(307)	264,023	(260,626)	-	(3,397)	(307)
	<u>815,397</u>	<u>980,389</u>	<u>(677,829)</u>	<u>-</u>	<u>-</u>	<u>1,117,957</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	879,350	8,552,402	(8,067,776)	(5,007)	-	1,358,969
Pupil premium	-	568,503	(568,503)	-	-	-
Other DFE/ESFA income	-	624,215	(624,215)	-	-	-
SEN income	-	69,207	(69,207)	-	-	-
Early years funding	-	560,873	(560,873)	-	-	-
Other government funds	-	146,575	(146,575)	-	-	-
Other restricted income	-	181,600	(181,600)	-	-	-
NCSL grant	61,350	-	(61,350)	-	-	-
Academy transfer	543,102	(317,000)	-	317,000	-	543,102
Pension reserve	(2,687,000)	-	(377,000)	(317,000)	(1,731,000)	(5,112,000)
	<u>(1,203,198)</u>	<u>10,386,375</u>	<u>(10,657,099)</u>	<u>(5,007)</u>	<u>(1,731,000)</u>	<u>(3,209,929)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset funds	23,363,575	-	(792,415)	11,013,697	-	33,584,857
Devolved formula capital	46,247	151,866	-	(136,892)	-	61,221
Capital improvement fund	215,733	962,096	-	(569,885)	-	607,944
Fixed assets on academy transfer	-	10,301,913	-	10,301,913)	-	-
	<u>23,625,555</u>	<u>11,415,875</u>	<u>(792,415)</u>	<u>5,007</u>	<u>-</u>	<u>34,254,022</u>
<b>Total Restricted funds</b>	<u>22,422,357</u>	<u>21,802,250</u>	<u>(11,449,514)</u>	<u>-</u>	<u>(1,731,000)</u>	<u>31,044,093</u>
<b>Total funds</b>	<u>23,237,754</u>	<u>22,782,639</u>	<u>(12,127,343)</u>	<u>-</u>	<u>(1,731,000)</u>	<u>32,162,050</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

All general funds are held for the purposes of education in line with the Academy's objectives.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy via the Education & Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy.

The other DfE/ESFA restricted fund represents other funding received from the government which does not form part of GAG but is received in relation to specific purposes including Universal Free School Meals and PE Sports grant.

Pupil premium must be used for the purpose detailed in the grant or donation.

The NCSL teaching school fund is to provide high-quality training, development and support to new and experienced school staff.

The Restricted Fixed Asset fund represents the net book value of capitalised fixed assets and unspent capital funds. Transfers to the fund are to meet the cost of additions or transfers into GAG for revenue expenditure.

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 2019.

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

**Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Bovingdon Primary Academy	184,025	247,985
Grove Academy	329,221	547,803
Hammond Academy	292,890	777,081
Central funds	1,810,268	254,616
West Hertfordshire Teaching School Partnership Ltd - Subsidiary	(307)	(307)
Bedmond Academy	102,359	257,671
Broadfield Academy	205,520	214,350
Knutsford Primary Academy	96,052	-
Total before fixed asset funds and pension reserve	3,020,028	2,299,199
Restricted fixed asset fund	34,254,022	23,625,555
Pension reserve	(5,112,000)	(2,687,000)
<b>Total</b>	<b>32,162,050</b>	<b>23,237,754</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Bovingdon Primary Academy	1,066,002	320,925	41,105	328,104	<b>1,756,136</b>
Grove Academy	1,824,000	418,743	51,779	364,555	<b>2,659,077</b>
Hammond Academy	1,344,196	382,268	69,733	310,517	<b>2,106,714</b>
Central funds	158,762	287,409	-	122,934	<b>569,105</b>
West Hertfordshire Teaching School Partnership Ltd - subsidiary	129,353	27,246	-	104,027	<b>260,626</b>
Bedmond Academy	379,391	110,316	17,538	119,851	<b>627,096</b>
Broadfield Academy	1,107,959	311,013	18,066	310,347	<b>1,747,385</b>
Knutsford Primary Academy	1,125,690	176,827	102,275	203,997	<b>1,608,789</b>
<b>Academy Trust</b>	<b>7,135,353</b>	<b>2,034,747</b>	<b>300,496</b>	<b>1,864,332</b>	<b>11,334,928</b>

**ASPIRE ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
General Funds	562,147	628,355	(481,301)	106,503	-	815,704
Teaching school	(307)	115,404	(8,901)	(106,503)	-	(307)
	<u>561,840</u>	<u>743,759</u>	<u>(490,202)</u>	<u>-</u>	<u>-</u>	<u>815,397</u>
<b>Restricted general funds</b>						
General Annual Grant	1,085,444	7,023,916	(7,156,110)	(73,900)	-	879,350
Pupil premium	-	554,589	(554,589)	-	-	-
Other DFE/ESFA income	-	424,751	(424,751)	-	-	-
SEN income	-	73,282	(73,282)	-	-	-
Early years funding	-	492,198	(492,198)	-	-	-
Children's centre	-	371,028	(371,028)	-	-	-
NCSL grant	39,014	96,998	(74,662)	-	-	61,350
Other restricted income	-	129,666	(129,666)	-	-	-
Academy transfer	-	543,102	-	-	-	543,102
Pension reserve	(2,162,000)	(885,000)	(456,000)	-	816,000	(2,687,000)
	<u>(1,037,542)</u>	<u>8,824,530</u>	<u>(9,732,286)</u>	<u>(73,900)</u>	<u>816,000</u>	<u>(1,203,198)</u>
<b>Restricted fixed assets</b>						
Restricted fixed assets	14,240,071	-	(662,589)	9,786,093	-	23,363,575
Devolved formula capital	-	49,410	-	(3,163)	-	46,247
Capital improvement fund	209,726	423,543	-	(417,536)	-	215,733
Fixed assets transferred	-	9,291,494	-	(9,291,494)	-	-
	<u>14,449,797</u>	<u>9,764,447</u>	<u>(662,589)</u>	<u>73,900</u>	<u>-</u>	<u>23,625,555</u>
<b>Total Restricted funds</b>	<u>13,412,255</u>	<u>18,588,977</u>	<u>(10,394,875)</u>	<u>-</u>	<u>816,000</u>	<u>22,422,357</u>
<b>Total funds</b>	<u>13,974,095</u>	<u>19,332,736</u>	<u>(10,885,077)</u>	<u>-</u>	<u>816,000</u>	<u>23,237,754</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**19. Analysis of net assets between funds - Group**

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

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	33,584,859	<b>33,584,859</b>
Current assets	1,117,957	2,975,385	669,163	<b>4,762,505</b>
Creditors due within one year	-	(1,073,314)	-	<b>(1,073,314)</b>
Provisions for liabilities and charges	-	(5,112,000)	-	<b>(5,112,000)</b>
<b>Total</b>	<b>1,117,957</b>	<b>(3,209,929)</b>	<b>34,254,022</b>	<b>32,162,050</b>

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	23,363,575	23,363,575
Current assets	815,397	2,399,547	261,980	3,476,924
Creditors due within one year	-	(915,745)	-	(915,745)
Pension scheme liability	-	(2,687,000)	-	(2,687,000)
<b>Total</b>	<b>815,397</b>	<b>(1,203,198)</b>	<b>23,625,555</b>	<b>23,237,754</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**20. Reconciliation of net income to net cash flow from operating activities**

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	<b>10,655,296</b>	8,447,659
<b>Adjustments for:</b>		
Depreciation	<b>792,415</b>	662,589
Capital grants from DfE and other capital income	<b>(1,113,962)</b>	(472,953)
(Increase)/decrease in debtors	<b>(280,197)</b>	145,686
Increase in creditors	<b>157,569</b>	354,740
Dividends, interest and rents from investments	<b>(8,441)</b>	(1,716)
Net surplus on assets and liabilities from local authority on conversion	<b>(10,301,913)</b>	(9,291,494)
Pension adjustments	<b>377,000</b>	456,000
Pension transferred from local authority on conversion	<b>317,000</b>	885,000
<b>Net cash provided by operating activities</b>	<b>594,767</b>	1,185,511

**21. Cash flows from investing activities**

	Group 2019 £	Group 2018 £
Dividends, interest and rents from investments	<b>8,441</b>	1,716
Purchase of tangible fixed assets	<b>(711,786)</b>	(494,598)
Capital grants from DfE Group	<b>1,113,962</b>	472,953
<b>Net cash provided by/(used in) investing activities</b>	<b>410,617</b>	(19,929)

**22. Analysis of cash and cash equivalents**

	Group 2019 £	Group 2018 £
Cash in hand	<b>4,135,321</b>	3,129,937

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**23. Conversion to an academy trust**

On 1 November 2018 Knutsford School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Aspire Academies Trust from Hertfordshire County Council for £NIL consideration.

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

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Consolidated Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>Tangible fixed assets</b>				
Leasehold land and buildings	-	-	10,269,800	<b>10,269,800</b>
Other tangible fixed assets	-	-	32,113	<b>32,113</b>
<b>Current assets</b>				
Cash - representing budget surplus on LA funds	172,800	-	-	<b>172,800</b>
Debtors	7,732	-	-	<b>7,732</b>
Prepayments	15,455	-	-	<b>15,455</b>
<b>Current liabilities</b>				
Creditors	(56,741)	-	-	<b>(56,741)</b>
Pension deficit	-	(317,000)	-	<b>(317,000)</b>
<b>Net assets/(liabilities)</b>	<b>139,246</b>	<b>(317,000)</b>	<b>10,301,913</b>	<b>10,124,159</b>

**24. Capital commitments**

	Group 2019 £	Group 2018 £	Academy Trust 2019 £	Academy Trust 2018 £
<b>Contracted for but not provided in these financial statements</b>				
Acquisition of tangible assets	<b>713,695</b>	<b>258,916</b>	<b>713,695</b>	<b>258,916</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**25. Pension commitments**

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

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

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

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

**The Teachers pension budgeting and valuation account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

**Valuation of the teachers pension scheme**

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**25. Pension commitments (continued)**

**Scheme changes**

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the year amounted to £563,849 (2018 - £464,970).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £707,000 (2018 - £732,000), of which employer's contributions totalled £577,000 (2018 - £596,000) and employees' contributions totalled £130,000 (2018 - £136,000). The agreed contribution rates for future years are 25.3% per cent for employers and between 5.5 and 12.5 per cent for employees.

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

**Principal actuarial assumptions**

	<b>2019</b>	<b>2018</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>2.40%</b>	2.50%
Rate of increase for pensions in payment/inflation	<b>2.30%</b>	2.40%
Discount rate for scheme liabilities	<b>1.80%</b>	2.80%

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**25. Pension commitments (continued)**

	<b>2019</b>	<b>2018</b>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	<b>21.5</b>	22.5
Females	<b>23.7</b>	24.9
<i>Retiring in 20 years</i>		
Males	<b>22.3</b>	24.1
Females	<b>25.0</b>	26.7

**Sensitivity analysis**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Discount rate -0.5%	<b>1,708</b>	1,147
CPI rate +0.5%	<b>1,525</b>	1,012
Salary increase rate +0.5%	<b>156</b>	126

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

	<b>At 31</b>	<b>At 31 August</b>
	<b>August 2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Equities	<b>3,955,770</b>	3,316,210
Property	<b>645,840</b>	500,560
Cash and other liquid assets	<b>322,920</b>	250,280
Debt instruments - bonds	<b>3,148,470</b>	2,189,950
<b>Total market value of assets</b>	<b>8,073,000</b>	6,257,000

The actual return on scheme assets was £670,000 (2018 - £519,000).

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Current and past service cost	<b>(849,000)</b>	(977,000)
Past service cost	<b>(18,000)</b>	-
Interest cost	<b>(87,000)</b>	(75,000)
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>(954,000)</b>	(1,052,000)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**25. Pension commitments (continued)**

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

	2019 £	2018 £
<b>Opening defined benefit obligation</b>	<b>8,944,000</b>	6,308,000
Transferred in on existing academies joining the trust	840,000	1,983,000
Current service cost	849,000	977,000
Interest cost	284,000	209,000
Employee contributions	130,000	136,000
Actuarial losses/(gains)	2,157,000	(633,000)
Benefits paid	(37,000)	(36,000)
Past service costs	18,000	-
<b>Closing defined benefit obligation</b>	<b>13,185,000</b>	8,944,000

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

	2019 £	2018 £
<b>Opening fair value of scheme assets</b>	<b>6,257,000</b>	4,146,000
Transferred in on existing academies joining the trust	523,000	1,098,000
Interest income	197,000	134,000
Actuarial gains	426,000	183,000
Employer contributions	577,000	596,000
Employee contributions	130,000	136,000
Benefits paid	(37,000)	(36,000)
<b>Closing fair value of scheme assets</b>	<b>8,073,000</b>	6,257,000

	2019 £	2018 £
<b>The amount shown in the Group Statement of Financial Activities is:</b>		
Changes in financial assumptions	(2,157,000)	633,000
Return on assets excluding amounts included in net interest	426,000	183,000
<b>Actuarial gains/(losses) on defined benefit pension schemes</b>	<b>(1,731,000)</b>	816,000

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**25. Pension commitments (continued)**

	2019 £	2018 £
<b>The amount shown in the Balance Sheet is:</b>		
Present value of defined benefit obligation	(13,185,000)	(8,944,000)
Fair value of scheme assets	8,073,000	6,257,000
<b>Defined benefit pension scheme liability</b>	<b>(5,112,000)</b>	<b>(2,687,000)</b>

**26. Operating lease commitments**

At 31 August 2019 the Group and the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	33,268	34,970
Later than 1 year and not later than 5 years	12,130	40,022
	<b>45,398</b>	<b>74,992</b>

**27. Members' liability**

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

**28. Related Party Transactions**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial 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 13.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**29. Principal subsidiaries**

West Hertfordshire Teaching School Partnership Limited, a company limited by guarantee registered in England and Wales under company number 08240993, is consolidated within these accounts as it is under the control of the trustees. A summary of the results for the year to 31 August 2019 is as follows:

	2019 £	2018 £
<b>Summary balance sheet</b>		
Total assets as at 31 August 2019	20,293	43,622
Total liabilities as at 31 August 2019	(20,600)	(43,929)
	<u>          </u>	<u>          </u>
<b>Total equity as at 31 August 2019</b>	<u>(307)</u>	<u>(307)</u>
	2019 £	2018 £
<b>Summary profit and loss account</b>		
Income for the year ended 31 August 2019	264,023	264,932
Expenditure for the year ended 31 August 2019	(264,023)	(264,932)
	<u>          </u>	<u>          </u>
<b>Result for the year ended 31 August 2019</b>	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**30. Teaching school trading account**

	2019 £	2019 £	2018 £	2018 £
<b>Income</b>				
<b>Direct income</b>				
Grant income	207,553		187,528	
Other income	56,343		77,404	
<b>Total direct income</b>	<b>263,896</b>		<b>264,932</b>	
<b>Other income</b>				
Bank interest receivable	127		-	
<b>Total income</b>		<b>264,023</b>		<b>264,932</b>
<b>Expenditure</b>				
<b>Direct expenditure</b>				
Direct staff costs	115,871		114,062	
Other direct costs	93,223		78,177	
<b>Total direct expenditure</b>	<b>209,094</b>		<b>192,239</b>	
<b>Other expenditure</b>				
Other staff costs	22,078		24,764	
Other support costs	29,454		24,712	
<b>Total other expenditure</b>	<b>51,532</b>		<b>49,476</b>	
<b>Total expenditure</b>		<b>260,626</b>		<b>241,715</b>
<b>Transfers between funds excluding depreciation</b>		<b>(3,397)</b>		<b>(23,217)</b>
<b>Surplus from all sources</b>		<b>-</b>		<b>-</b>
<b>Teaching school balances at 31 August 2019</b>		<b>-</b>		<b>-</b>

The comparatives for 2018 are grossed up in the above note to show the gross value of the transactions relating to the teaching school.

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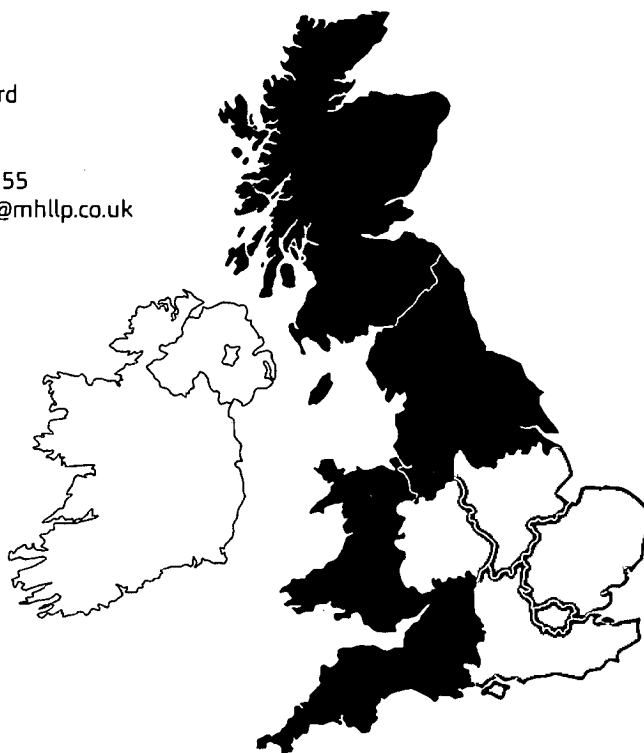
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