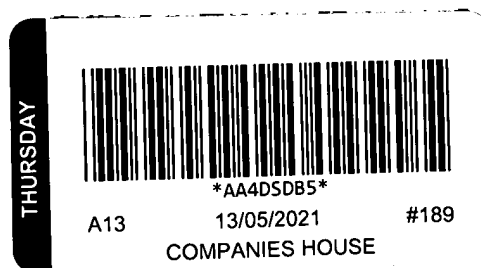


REGISTERED COMPANY NUMBER: 08657945 (England and Wales)

**Report of the Trustees and
Financial Statements for the Year Ended 31st August 2020
for
Inspirational Learning Academies Trust**

Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU



Inspirational Learning Academies Trust

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Inspirational Learning Academies Trust

Reference and Administrative Details for the Year Ended 31st August 2020

Members	Mr A E Irving Mrs E Harvey Mrs L Barrow
Trustees	Mr A Irving Mrs E Harvey Mrs A Ballard Mrs L Barrow Mrs P Smith Mrs B Grzegorzec Mr D Evans Mr B Mills Mr A Clewes
Senior Management Team	Mrs H Stocking CEO/Executive Head Teacher Miss S Rawlings Deputy CEO/Head Teacher Norton Le Moors Primary Academy Mrs K Nelson Head of School Whitfield Valley Primary Academy Miss L Gallagher Head of School Newstead Primary Academy
Registered office	Waterside Drive Newstead Blurton Stoke on Trent Staffordshire ST3 3LQ
Registered company number	08657945 (England & Wales)
Auditors	Hardings Chartered Accountants & Statutory Auditor 6 Marsh Parade Newcastle-under-Lyme Staffordshire ST5 1DU
Solicitors	Stone King LLP Solicitors 16 St. John's Lane London EC1M 4BS
Bankers	Lloyds Bank PLC The Strand Longton Stoke-on-Trent Staffordshire

**Report of the Trustees
for the Year Ended 31st August 2020**

The trustees of Inspirational Learning Academies Trust present their annual report together with the audited financial statements for the period from 1st September 2019 to 31st August 2020. The annual report serves the purpose of both a trustees' report, and a directors' report including a strategic report under company law.

The Trust was incorporated on 1st November 2013 and operates as an academy for pupils aged 3-11. There are currently three academies within the Trust with a combined capacity of 1,210 and a roll of 1,106 at the end of the Academic Year 2020. The three Academies within the Trust are Newstead Primary Academy, Norton-Le-Moors Primary Academy and Whitfield Valley Primary Academy.

Objectives and activities

The Vision of the Trust is simple -

Every child receives an outstanding education and reaches their full potential through an inspirational and highly stimulating curriculum. Many opportunities to experience the world outside of the classroom are provided to bring learning to life.

The Aim of the Trust is simple -

The Trust currently has a group of 3 schools who work together to realise the vision and provide an excellent service to the children, parents, and local community.

How the Trust realises its vision and aims is simple -

Whilst each school works coherently to realise the aims and the vision of the Trust, they also have their own annual individual school development plans to ensure that each school is highly effective at meeting its own performance and outcome targets for children in the school. Each school maintains its autonomy to deliver on their plans to ensure that each child makes good or better progress given their starting points. Termly Raising Attainment Plans are written and shared amongst all staff to ensure pupil progress and attainment remains at the heart of school improvement.

**Report of the Trustees
for the Year Ended 31st August 2020**

Objectives and activities

Significant activities

The main objectives of the Trust during the period ending 31 August 2020 are summarised below for each Academy:-

Inspirational Learning Academies Trust Development Plan
Key Priorities for Academic Year 2019/20

1. Quality of Education

- a. Maintain standards in teaching by ensuring that:
 - All Leadership scale teachers can role model outstanding practice across all aspects of school provision
 - All Upper pay scale teachers make a significant impact on the quality of provision in their own classroom and to that of the wider school community.
 - All main scale teachers (including UQ grade) are triangulated as consistently good practitioners.
 - All NQTs have an experienced mentor and complete their year moving towards consistently good practitioners.
 - All Teach First/Graduate Trainee participants complete their year securely at RI ready to work towards the National Teaching Standards
- b. To ensure that teaching staff only accept children's best work and develop presentation and handwriting amongst children and staff. There will also be a move to the teaching of full cursive handwriting from Nursery and a more fluid natural joins cursive higher up the school.
- c. Revisit the teaching of reasoning to develop better strategies for computation and developing the basic skills of the 4 key areas.
- d. Revisit the marking policy to ensure basic skills in children's work is highlighted all of the time to ensure improvements can be made for each individual.
- e. Further imbed the implementation of the new cross curricular intertwining skills document written by SLT from Trust to ensure full coverage of curriculum for all children.
- f. Continue to embed new assessment tool developed by trust for other curriculum areas of the foundation and arts subjects.
- g. Close gap between PP and Non PP attainment across all year groups in KS1 and 2.
- h. Ensure children working at Greater depth at end of KS1 are monitored to ensure continued high performance throughout KS2.
- i. Continue to adequately prepare children for test conditions by providing half termly tests in Reading, Writing and Maths.
- j. Develop greater depth provision across the curriculum by deepening teaching staff understanding to ensure teaching at this higher level is more effective.

2. Behaviour and Attitudes

- a. Revisit behaviour action plan to identify low level poor attitude issues at speed to ensure no loss of learning time and to ensure that children use positive behaviour strategies at all times and not just under supervision.

3. Personal Development

- a. To further develop pupil awareness of how to prevent the misuse of technology. All children to know how to liaise by email.

4. Leadership and Management

- a. Executive Head Teacher to develop/coach and lead changes to SLTs in all schools within the Trust.
- b. Further develop new posts of Assistant Head Teachers, Year Group Leaders, Newly Qualified Teachers and Graduate Teachers across all schools through quality CPD provision.

Individual school development plans recognise the Trust's key priorities. In addition, individual schools have the following priorities:

**Report of the Trustees
for the Year Ended 31st August 2020**

Objectives and activities

Newstead	Norton le Moors	Whitfield Valley
Reading comprehension interpretation and pulling out key facts to give own points of view.	Reading comprehension interpretation and pulling out key facts to give own points of view.	Reading comprehension interpretation and pulling out key facts to give own points of view.
Further develop Greater Depth skills amongst pupils identified as potential GD attainers.	Further develop Greater Depth skills amongst pupils identified as potential GD attainers.	Develop Greater Depth skills amongst pupils identified as potential GD attainers.
Develop knowledge and recall facts of multiplication facts to 12x12 by end of year 6.	Develop knowledge and recall facts of multiplication facts to 12x12 by end of year 6.	Develop knowledge and recall facts of multiplication facts to 12x12 by end of year 6.

Public benefit

The Trust provides educational services to all children in the local areas and offers facilities to a variety of local community groups outside the school hours. The Academies offer a wide range of family and adult learning opportunities and the facilities are frequently used by other agencies such as brownies, karate classes, football teams etc. The trust fully complies with all statutory guidance.

**Report of the Trustees
for the Year Ended 31st August 2020**

Strategic report

Achievement and performance

Charitable activities

Below are the 2020 results for Key Stage 1 and Key Stage 2 across the Trust.

Inspirational Learning Academies Trust KS1 Results Comparative Report 2019 and 2020

	National 2019 (as 2020 figures are not available due to COVID-19)	Newstead 2020 2019	Norton Le Moors 2020 2019	Whitfield Valley 2020 2019			
Expected Standard in Reading, Writing and Maths	75%	83%	85%	83%	80%	82%	81%
Higher Standard in Reading, Writing and Maths	25%	22%	35%	20%	20%	36%	23%
PP Expected Standard in Reading, Writing and Maths		77%	85%	80%	71%	73%	78%
PP Higher Standard in Reading, Writing and Maths		19%	30%	10%	14%	4%	19%
Non-PP Expected Standard in Reading, Writing and Maths		88%	94%	85%	82%	88%	86%
Non-PP Higher Standard in Reading, Writing and Maths		24%	32%	25%	22%	41%	27%
Expected Standard in Reading	75%	83%	84%	83%	80%	82%	82%
Higher Standard in Reading	25%	25%	35%	26%	20%	38%	23%
Expected Standard in Writing	69%	83%	85%	83%	80%	82%	79%
Higher Standard in Writing	15%	23%	36%	20%	20%	38%	23%
Expected Standard in Maths	76%	83%	88%	83%	80%	91%	82%
Higher Standard in Maths	22%	27%	37%	23%	20%	36%	23%

Inspirational Learning Academies Trust KS2 Results Comparative Report 2019 and 2020

	National 2019 (as 2020 figures are not available due to COVID-19)	Newstead 2020 2019	Norton Le Moors 2020 2019	Whitfield Valley 2020 2019			
Expected Standard in Reading, Writing and Maths	65%	90%	83%	85%	67%	89%	84%
Higher Standard in Reading, Writing and Maths	11%	55%	33%	25%	13%	35%	16%
Average Scaled Score in Reading	104.4	N/A	109.2	N/A	103.5	N/A	108.5
Average Scaled Score in Grammar, Punctuation and Spelling	106.3	N/A	111.9	N/A	104.8	N/A	112.6
Average Scaled Score in Maths	105.0	N/A	108.9	N/A	104.4	N/A	106.6

**Report of the Trustees
for the Year Ended 31st August 2020**

PP Expected Standard in Reading, Writing and Maths		90%	79%	83%	54%	89%	84%
PP Higher Standard in Reading, Writing and Maths		50%	43%	26%	0%	32%	19%
Non-PP Expected Standard in Reading, Writing and Maths		90%	88%	88%	71%	88%	87%
Non-PP Higher Standard in Reading, Writing and Maths		60%	31%	25%	24%	41%	39%
Expected Standard in Reading	73%	90%	93%	87%	73%	91%	89%
Higher Standard in Reading	27%	55%	57%	38%	23%	37%	49%
Expected Standard in Grammar, Punctuation and Spelling	78%	90%	93%	87%	80%	89%	89%
Higher Standard in Grammar, Punctuation and Spelling	36%	55%	70%	34%	27%	37%	75%
Expected Standard in Maths	79%	90%	97%	89%	80%	91%	85%
Higher Standard in Maths	27%	55%	47%	36%	20%	35%	40%

The results for the 2019/20 assessment reporting period are teacher assessment only due to the ongoing COVID-19 pandemic.

Key financial performance indicators

The main financial performance indicator that Inspirational Learning Academies Trust uses to monitor the financial position of the Academy is to ensure that delegate funds are not being overspent and that reserves are not being kept to an extreme level over and beyond the agreed balances policy. Also, to ensure funds are being spent appropriately on the current pupils of each Academy.

Staffing costs are calculated according to the key objectives of the Academy to ensure that pupils make the required progress. The Local Advisory Body monitor and review costs of running the building.

Financial review

Principal funding sources

The Trust's accounting year is from 1st September to 31st August in any year.

Most of the Trust's income is derived from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the year to 31st August 2020, and associated expenditure, are shown as restricted funds in the statement of financial activities.

All expenditure of the Academy Trust is made in line with the Academies Finance Policy which supports the provision of education of all pupils on roll.

Investment policy and objectives

Investments must be made only in accordance with written procedures approved by the Local Advisory Body under the Trust's separate Investment Policy contained within the Trust's finance policy.

Reserves policy

The Budget is managed in line with the Trust's Balances and Reserves Policy which is reviewed annually. The review considers income and expenditure and future commitments.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the 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 Accounting Policies note of the financial statements.

**Report of the Trustees
for the Year Ended 31st August 2020**

Strategic report

Principal risks and uncertainties

The system of internal control is designed to manage risk to a reasonable level rather than eliminate it. Actions to mitigate the risk have been planned for. Principal risks and uncertainties as noted by the trustees are: -

- Change in government funding regime.
- Pupil numbers decline resulting in loss of revenue. This could be caused by pupils failing to make good progress and unsatisfactory Ofsted report of loss of reputation.
- The school may not be able to function in the event of staffing issues such as loss of Senior Management, epidemic sickness, or long-term sickness.
- Inappropriate or insufficient financial controls and systems.
- Fraudulent activity.
- Financial commitments made without adequate authorisation.

Financial and risk management objectives and policies

The trustees of Inspirational Learning Academies Trust are responsible for the management of the risks faced by the academies. Risks are identified and assessed in a risk register. Actions taken and actions required to control these risks are noted throughout the year. The major risks to which the academies are exposed have been reviewed and systems have been developed to monitor and control those risks to mitigate any impact that they may have on the academies in the future

Risk is managed at Inspirational Learning Academies Trust through sound financial practice stipulated in the Trust's finance policy. The Trust operates a strong Scheme of Delegation Policy and an improving internal audit system to ensure financial procedures are correctly adhered to on a regular basis.

The Trust is committed to strengthening the structure of the finance department across the Trust and securing more expertise in each academy. Financial software has been installed across the Trust to allow collaborative working. Financial procedures and practices have been adopted by each academy to improved internal auditing with the advice from external auditors to obtain best practice.

**Report of the Trustees
for the Year Ended 31st August 2020**

Strategic report

Future plans

PRIORITY 1 QUALITY OF EDUCATION

INTENT - Deliver a curriculum from KS1 to KS2 that is coherently planned and sequenced to provide knowledge and skills for future learning inclusive of the most disadvantaged and those with SEND.

IMPLEMENTATION -Staff to have good subject knowledge and are well equipped to check learners understanding systematically. Staff to be able to adapt teaching as necessary to negate misconceptions and provide an environment that allow the learner to focus on learning.

IMPACT - All children achieve well irrespective of their disadvantage or SEND with knowledge and skills across the curriculum to prepare them for the next stage of their learning. All children to be given the opportunity to meet their interests and aspirations.

PRIORITY 2 BEHAVIOUR AND ATTITUDES

To maintain the higher standards of children's behaviour, conduct and attitudes with consistent and fair expectations.

To achieve 97% attendance rate to prepare children for life beyond school.

PRIORITY 3 PERSONAL DEVELOPMENT

To extend the curriculum beyond the academic providing children with the broader development of their character including their resilience, confidence, and independence.

To continue to equip children to be responsible, respectful, and active citizens for life in modern Britain.

PRIORITY 4 LEADERSHIP AND MANAGEMENT

Through strong shared values, policies and practices leaders have a clear and ambitious vision for providing high quality inclusive education and training for all.

All children complete their relevant programme of study exit point at above average progress from their given starting points.

All directors (trustees) are able to govern across each school with an in depth understanding of their role in school leadership.

Ensure all safeguarding arrangements and subsequent training are highly effective to protect all and especially the most vulnerable children in school.

PRIORITY 5 EARLY YEARS PROVISION (Nursery and Reception)

The aims of the Early Years Foundation Stage challenge the children through the content, sequencing, and progression of the 7 areas of learning.

To provide the necessary foundations for the rest of the children's schooling through the key characteristics of effective learning.

To ensure that all children are taught the necessary early reading skills to ensure national curriculum readiness.

**Report of the Trustees
for the Year Ended 31st August 2020**

Structure, governance, and management

Governing document

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

Two trustees of Inspirational Learning Academies Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Inspirational Learning Academies Trust. Details of the trustees who served throughout the year except as noted 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 Trust in the event of it being wound up while they are a member, or within a 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

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on the Trust's business. The insurance provides cover up to £1,000,000 on any one claim.

Recruitment and appointment of new trustees

The Trust buys into the professional services of the Governor Support Unit at Stoke on Trent City Council. They provide induction packs for all new governors and also provide full Governing Body training through an annual course directory which is presented at the trustee meetings. Courses are reviewed annually to reflect any changes in practice and legislation. The members of the Trust are responsible for the appointment of trustees except parent trustees and staff trustees who will be appointed through an election process directed by the governing body.

Organisational structure

The structure of the Trust consists of a Board of Trustees and Local Governing Bodies on each Academy site. Decisions delegated to the Board of Trustees and their Local Governing Bodies are defined in the Finance Policy and Procedure manual and the financial scheme of delegation.

The management structure of the Trust consists of an Executive Head Teacher, a Head Teacher at Norton-le-Moors Primary Academy and Whitfield Valley Primary Academy and a Head of School at Newstead Primary Academy, with each Academy having Assistant Head Teacher posts. There is also an Executive School Business Manager for the Trust and a School Business Manager in each Academy. These posts constitute the Senior Leadership Team of each Academy.

The Senior Leadership Team are responsible for the day to day leadership and management of each of the Academies which includes acting on strategic decisions made by the Trustees and Local Advisory Body members in line with each Academy Development plan.

Induction and training of new trustees

All trustees are provided with relevant copies of policies, procedures, minutes, accounts, budgets, plans and any other document that will support them in carrying out their role as a trustee. They are encouraged to take part in the Induction Training Course run by the Local Authority Governor Support Unit once elected. All policies and procedures are reviewed annually by the trustees.

Related parties and other connected charities and organisations

The Academy Trust is not part of a soft federation. It is a multi-academy trust with a named sponsor school and 2 sponsored schools which were forced into conversion following inadequate Ofsted inspections. Any relationships with related parties and any other charities/companies/organisations with which the multi academy trust cooperates can be found in the pecuniary interest forms and completed pro forma statement of assurance which have been added to the Trust Financial Handbook. If related parties exist in the form of companies which have not been used, then a pro forma statement of assurance will not be found.

**Report of the Trustees
for the Year Ended 31st August 2020**

Structure, governance, and management

Arrangements for setting pay and remuneration of key management personnel

Arrangements for setting the pay of the Trust's key management personnel is based upon performance management targets and pupil outcomes. Pay is benchmarked against other Multi Academy Trusts of similar size and socio-demographics.

Funds held as custodian for others

There are no funds held as Custodian Trustee on behalf of others.

Auditors

Insofar as the trustees are aware:

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

The auditors, Hardings Chartered Accountants, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 19th November 2020 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'Mr A E Irving', is written over a horizontal line.

Mr A E Irving - Trustee

Inspirational Learning Academies Trust

Governance Statement for the Year Ended 31st August 2020

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Inspirational Learning 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 Executive Head Teacher, 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 Inspirational Learning 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 of 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 from the 1st September 2019 to 31st August 2020.

Directors of the Inspirational Learning Academies Trust 2019/20						
Name of Director	Type of Membership	Date of Appointment	Date of Leaving	Term of Office	Relevant Business and Pecuniary Interest	Attendance Record at Board of Director Meetings
Rev Ann Ballard	Chair of Directors	September 2013	N/A	Ongoing	None	5/6
Mrs Leanne Barrow	Vice Chair of Directors	September 2014	N/A	Ongoing	None	6/6
Mrs Eileen Harvey	Director	September 2012	N/A	Ongoing	Yes	4/6
Mr Alan Irving	Director	September 2008	N/A	Ongoing	None	5/6
Mr Adam Clewes	Director	September 2019	N/A	Ongoing	None	5/6
Mrs Pauline Smith	Director	September 2017	N/A	Ongoing	None	6/6
Mr Dave Evans	Director	July 2018	N/A	Ongoing	None	4/6
Mr Ben Mills	Director	July 2018	N/A	Ongoing	Yes	4/6
Mrs Barbara Grzegorzek	Director	July 2018	N/A	Ongoing	None	5/6

The trustees have set up a Local Advisory Body to assist the decision making of the board of trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board of trustees' responsibilities to ensure sound management of the Trust's finances and resources. They will be able to make appropriate comments and recommendations on such matters to the trustees on a regular basis and major issues will be referred to the full board of trustees for ratification.

Inspirational Learning Academies Trust

Governance Statement for the Year Ended 31st August 2020

Review of Value for Money

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

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

- Exploring alternative purchasing options both on-line and direct through suppliers to find the best value.
- Group purchasing with other Academies within the trust to negotiate and drive down costs.
- Follow the tender process for larger value items or contracts according to the Financial Handbook.
- Review contracts/SLAs on an annual basis to ensure they are fit for purpose and best value i.e. Catering, Cleaning, Grounds Maintenance. We have ensured that resources are directed where they are most needed and most effective in meeting educational requirements.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Inspirational Learning Academies Trust for the year ended 31st August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of Trustees has reviewed the key risks to which the 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 of identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31st August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- Regular reviews by the Trustees/LAB 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
- Delegation of authority and segregation of duties
- Identification of management of risks

The trustees have introduced a programme of Peer to Peer reviews for the purpose of internal audits which are carried out by the School Business Managers/Executive Business Manager every half term at each Academy. The Financial Consultant employed by the Trust reviews the accounting systems at each visit and the Directors also carry out internal reviews as part of this programme on an annual basis across the trust. During the year 2019/2020 the Trust added another level of review. The School Business Manager from another local Academy will carry out a review at one of the Trust Academies and in turn our Business Managers will carry out a review at their Academy. These reports are presented at the half termly Directors meetings.

Inspirational Learning Academies Trust

Governance Statement for the Year Ended 31st August 2020

Review of Effectiveness

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

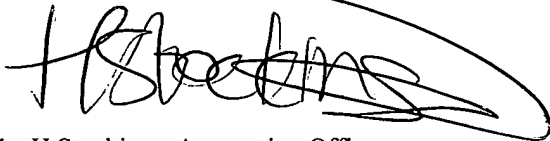
- The work of the internal reviews
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive managers with the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 19th November 2020 and signed on its behalf by:



Mr A E Irving - Trustee



Mrs H Stocking - Accounting Officer

Inspirational Learning Academies Trust

Statement on Regularity, Propriety and Compliance for the Year Ended 31st August 2020

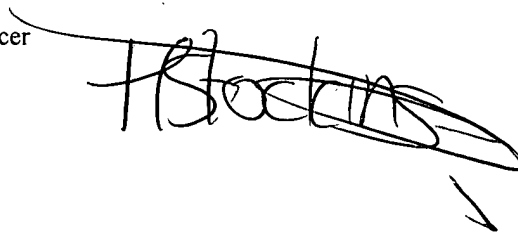
As accounting officer of Inspirational Learning Academies Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received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

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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

Mrs H Stocking - Accounting Officer

19th November 2020

A handwritten signature in black ink, appearing to read 'H Stocking', with a long horizontal flourish extending to the right.

Inspirational Learning Academies Trust

Statement of Trustees' Responsibilities for the Year Ended 31st August 2020

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

In so far as the trustees are aware:

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

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

Inspirational Learning Academies Trust

Statement of Trustees' Responsibilities for the Year Ended 31st August 2020

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

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

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

Approved by order of the board of trustees on 19th November 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'A E Irving', written over a horizontal line.

Mr A E Irving - Trustee

Report of the Independent Auditors to the Members of Inspirational Learning Academies Trust (Registered number: 08657945)

Opinion

We have audited the financial statements of Inspirational Learning Academies Trust (the 'academy trust') for the year ended 31st August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31st August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy 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.

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors 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. This description forms part of our Report of the Independent Auditors.

Use of our report

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



TIMOTHY McNEAL FCA (Senior Statutory Auditor)
for and on behalf of Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

19th November 2020

Independent Reporting Accountant's Assurance Report on Regularity to Inspirational Learning Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspirational Learning Academies Trust during the period 1st September 2019 to 31st August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Inspirational Learning 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 Inspirational Learning Academies Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Inspirational Learning Academies Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Inspirational Learning Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Inspirational Learning Academies Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1st September 2019 to 31st August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

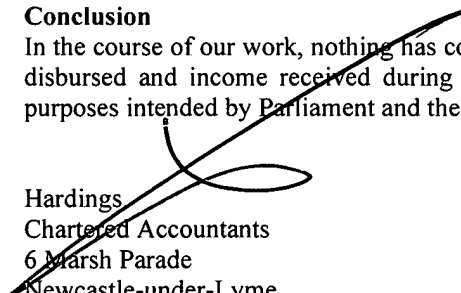
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2019 to 31st August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Hardings
Chartered Accountants
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

19th November 2020

Inspirational Learning Academies Trust

**Statement of Financial Activities
for the Year Ended 31st August 2020**

					31/8/20	31/8/19
		Unrestricted	Restricted	Restricted	Total	Total
	Notes	fund	fixed	funds	funds	funds
		£	assets	£	£	£
			funds			
			£			
Income and endowments from						
Donations and capital grants	2	-	23,635	45,922	69,557	88,036
Charitable activities						
Funding for the academy's educational operations	3	-	-	5,552,964	5,552,964	5,127,904
Other trading activities	4	11,132	-	101,588	112,720	190,101
Investment income	5	<u>372</u>	<u>-</u>	<u>-</u>	<u>372</u>	<u>338</u>
Total		11,504	23,635	5,700,474	5,735,613	5,406,379
Expenditure on						
Raising funds	7	-	-	146,589	146,589	167,819
Charitable activities						
Academy's educational operations	8	11,504	164,595	5,824,228	6,000,327	5,469,160
Total	6	<u>11,504</u>	<u>164,595</u>	<u>5,970,817</u>	<u>6,146,916</u>	<u>5,636,979</u>
NET EXPENDITURE		-	(140,960)	(270,343)	(411,303)	(230,600)
Transfers between funds	20	<u>-</u>	<u>79,808</u>	<u>(79,808)</u>	<u>-</u>	<u>-</u>
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		<u>-</u>	<u>-</u>	<u>(271,000)</u>	<u>(271,000)</u>	<u>(923,000)</u>
Net movement in funds		-	(61,152)	(621,151)	(682,303)	(1,153,600)
Reconciliation of funds						
Total funds brought forward		-	13,312,818	(2,361,710)	10,951,108	12,104,708
Total funds carried forward		<u>-</u>	<u>13,251,666</u>	<u>(2,982,861)</u>	<u>10,268,805</u>	<u>10,951,108</u>

The notes form part of these financial statements

Inspirational Learning Academies Trust (Registered number: 08657945)

Balance Sheet
31st August 2020

				31/8/20	31/8/19
		Unrestricted	Restricted		
	Notes	fund	fixed	Total	Total
		£	assets	funds	funds
		£	funds	£	£
Fixed assets					
Tangible assets	14	-	13,251,667	-	13,312,818
Current assets					
Stocks	15	-	-	912	10,481
Debtors	16	-	-	216,711	191,359
Cash at bank		-	-	720,348	505,472
		-	-	937,971	707,312
Creditors					
Amounts falling due within one year	17	-	-	(689,833)	(457,022)
Net current assets		-	-	248,138	250,290
Total assets less current liabilities		-	13,251,667	248,138	13,563,108
Pension liability	21	-	-	(3,231,000)	(2,612,000)
NET ASSETS		-	13,251,667	(2,982,862)	10,951,108
Funds	20				
Restricted funds				10,268,805	10,951,108
Total funds				10,268,805	10,951,108

The financial statements were approved by the Board of Trustees and authorised for issue on 19th November 2020 and were signed on its behalf by:



Mr A E Irving - Trustee

Inspirational Learning Academies Trust

**Cash Flow Statement
for the Year Ended 31st August 2020**

	Notes	31/8/20 £	31/8/19 £
Cash flows from operating activities			
Cash generated from operations	23	<u>294,313</u>	<u>200,884</u>
Net cash provided by operating activities		<u>294,313</u>	<u>200,884</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(133,444)	(123,693)
Capital grants from DfE/EFA		23,635	45,251
Sales of tangible fixed assets		30,000	-
Interest received		<u>372</u>	<u>338</u>
Net cash used in investing activities		<u>(79,437)</u>	<u>(78,104)</u>
Change in cash and cash equivalents in the reporting period		<u>214,876</u>	<u>122,780</u>
Cash and cash equivalents at the beginning of the reporting period		<u>505,472</u>	<u>382,692</u>
Cash and cash equivalents at the end of the reporting period		<u><u>720,348</u></u>	<u><u>505,472</u></u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st August 2020**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Inspirational Learning Academies Trust meets the definition of a public benefit entity under FRS 102.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 31st March 2016 has been used by the actuary in valuing the pensions liability at 31st August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

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

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

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

1. Accounting policies - continued

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Donated goods, facilities, and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy trust to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

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

Charitable activities

Costs of charitable activities are 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.

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Leasehold land & buildings	- over the expected useful economic life*
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

*Note that no depreciation is charged on any land included above.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

1. Accounting policies - continued

Tangible fixed assets

Assets costing £250 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Stocks

Unsold uniforms, stationery and curriculum supplies are valued at the lower of cost or net realisable value.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the academy trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes and include grants from the Education Funding Agency.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated 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 quinquennial valuations using a prospective benefit method. As stated in note 21, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

1. Accounting policies - continued

Pension benefits

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

2. Donations and capital grants

	Unrestricted funds	Restricted funds	31/8/20 Total funds	31/8/19 Total funds
	£	£	£	£
Grants	-	23,635	23,635	45,251
Educational visits	-	45,922	45,922	42,785
	-	69,557	69,557	88,036

Grants received, included in the above, are as follows:

	31/8/20 £	31/8/19 £
Capital grants	23,635	45,251

3. Funding for the academy's educational operations

	Unrestricted funds	Restricted funds	31/8/20 Total funds	31/8/19 Total funds
	£	£	£	£
DfE/ESFA revenue grant				
General Annual Grant (GAG)	-	3,999,977	3,999,977	3,802,636
Other DfE / ESFA grants	-	994,654	994,654	835,381
	-	4,994,631	4,994,631	4,638,017
Other government grant				
Local Authority grants	-	558,333	558,333	489,887
	-	5,552,964	5,552,964	5,127,904

Inspirational Learning Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

4. Other trading activities

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Catering income	-	101,588	101,588	145,608
Other income	<u>11,132</u>	<u>-</u>	<u>11,132</u>	<u>44,493</u>
	<u>11,132</u>	<u>101,588</u>	<u>112,720</u>	<u>190,101</u>

Other generated income includes funds received for the recharge of staff and services.

5. Investment income

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Deposit account interest	<u>372</u>	<u>-</u>	<u>372</u>	<u>338</u>

6. Expenditure

	Non-pay expenditure			31/8/20	31/8/19
	Staff costs £	Premises £	Other costs £	Total £	Total £
Raising funds					
Costs of fundraising					
Direct costs	-	-	146,589	146,589	167,819
Charitable activities					
Academy's educational operations					
Direct costs	3,404,586	-	345,532	3,750,118	3,429,206
Allocated support costs	<u>485,526</u>	<u>841,128</u>	<u>923,555</u>	<u>2,250,209</u>	<u>2,039,954</u>
	<u>3,890,112</u>	<u>841,128</u>	<u>1,415,676</u>	<u>6,146,916</u>	<u>5,636,979</u>

Net resources are stated after charging/(crediting):

	Year Ended 31/8/20 £	Year Ended 31/8/19 £
Auditor's remuneration	7,900	7,900
Depreciation - owned assets	59,528	95,876
Depreciation - leasehold assets	<u>128,259</u>	<u>127,451</u>

Inspirational Learning Academies Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2020

7. Raising funds

Costs of fundraising

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Educational visits	-	146,589	146,589	167,819

8. Charitable activities - academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Direct costs	11,504	3,738,614	3,750,118	3,429,206
Support costs	-	2,250,209	2,250,209	2,039,954
	<u>11,504</u>	<u>5,988,823</u>	<u>6,000,327</u>	<u>5,469,160</u>

	31/8/20 Total £	31/8/19 Total £
Analysis of support costs		
Support staff costs	486,544	487,024
Depreciation	30,761	59,986
Technology costs	98,038	107,543
Premises costs	841,128	690,302
Other support costs	384,188	416,140
Governance costs	<u>409,550</u>	<u>278,959</u>
Total support costs	<u>2,250,209</u>	<u>2,039,954</u>

9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31st August 2020 nor for the year ended 31st August 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2020 nor for the year ended 31st August 2019.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

10. Staff costs

	31/8/20	31/8/19
	£	£
Wages and salaries	2,963,898	2,842,388
Social security costs	255,703	244,427
Operating costs of defined benefit pension schemes	<u>653,200</u>	<u>480,589</u>
	3,872,801	3,567,404
Supply teacher costs	17,251	22,898
Compensation payments	<u>60</u>	<u>180</u>
	<u>3,890,112</u>	<u>3,590,482</u>

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	31/8/20	31/8/19
Teachers	30	30
Administration and support	77	82
Management	<u>15</u>	<u>14</u>
	<u>122</u>	<u>126</u>

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

	31/8/20	31/8/19
£60,001 - £70,000	2	2
Over £100,001	<u>1</u>	<u>1</u>
	<u>3</u>	<u>3</u>

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £362,139 (2019: £327,441).

11. Trustees' and officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

12. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted fixed assets funds £	Restricted funds £	Total funds £
Income and endowments from				
Donations and capital grants	-	45,251	42,785	88,036
Charitable activities				
Funding for the academy's educational operations	-	-	5,127,904	5,127,904
Other trading activities	44,493	-	145,608	190,101
Investment income	<u>338</u>	<u>-</u>	<u>-</u>	<u>338</u>
Total	44,831	45,251	5,316,297	5,406,379
Expenditure on				
Raising funds	-	-	167,819	167,819
Charitable activities				
Academy's educational operations	<u>44,831</u>	<u>144,885</u>	<u>5,279,444</u>	<u>5,469,160</u>
Total	44,831	144,885	5,447,263	5,636,979
NET EXPENDITURE	-	(99,634)	(130,966)	(230,600)
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>-</u>	<u>(923,000)</u>	<u>(923,000)</u>
Net movement in funds	-	(99,634)	(1,053,966)	(1,153,600)
Reconciliation of funds				
Total funds brought forward	-	13,412,452	(1,307,744)	12,104,708
Total funds carried forward	<u>-</u>	<u>13,312,818</u>	<u>(2,361,710)</u>	<u>10,951,108</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

13. Central services

The Academy Trust provided the following central services during the year:

- financial services
- legal services
- educational support
- IT

The Trust charges for these services based on a flat percentage of GAG income.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Newstead Primary Academy	50,000	58,478
Norton-Le-Moors Primary Academy	68,063	75,293
Whitfield Valley Primary Academy	<u>117,618</u>	<u>101,794</u>
Total	<u><u>235,681</u></u>	<u><u>235,565</u></u>

14. Tangible fixed assets

	Leasehold land & buildings £	Improvements to leasehold property £	Fixtures and fittings £
Cost			
At 1st September 2019	13,322,500	245,610	499,755
Additions	-	74,370	54,254
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 31st August 2020	<u>13,322,500</u>	<u>319,980</u>	<u>554,009</u>
Depreciation			
At 1st September 2019	559,179	15,468	210,245
Charge for year	122,676	5,583	45,638
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>
At 31st August 2020	<u>681,855</u>	<u>21,051</u>	<u>255,883</u>
Net book value			
At 31st August 2020	<u><u>12,640,645</u></u>	<u><u>298,929</u></u>	<u><u>298,126</u></u>
At 31st August 2019	<u><u>12,763,321</u></u>	<u><u>230,142</u></u>	<u><u>289,510</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

14. Tangible fixed assets - continued

	Motor vehicles £	Computer equipment £	Totals £
Cost			
At 1st September 2019	107,890	273,326	14,449,081
Additions	-	4,820	133,444
Disposals	(105,590)	-	(105,590)
At 31st August 2020	<u>2,300</u>	<u>278,146</u>	<u>14,476,935</u>
Depreciation			
At 1st September 2019	100,315	251,056	1,136,263
Charge for year	460	13,430	187,787
Eliminated on disposals	(98,782)	-	(98,782)
At 31st August 2020	<u>1,993</u>	<u>264,486</u>	<u>1,225,268</u>
Net book value			
At 31st August 2020	<u>307</u>	<u>13,660</u>	<u>13,251,667</u>
At 31st August 2019	<u>7,575</u>	<u>22,270</u>	<u>13,312,818</u>

15. Stocks

	31/8/20 £	31/8/19 £
Stocks	<u>912</u>	<u>10,481</u>

16. Debtors: amounts falling due within one year

	31/8/20 £	31/8/19 £
Other debtors	1,300	-
VAT	59,390	41,241
Prepayments and accrued income	<u>156,021</u>	<u>150,118</u>
	<u>216,711</u>	<u>191,359</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

17. Creditors: amounts falling due within one year

	31/8/20	31/8/19
	£	£
Trade creditors	404,804	192,422
Social security and other taxes	130,521	117,728
Accruals and deferred income	<u>154,508</u>	<u>146,872</u>
	<u>689,833</u>	<u>457,022</u>

Deferred Income

	31/8/20	31/8/19
	£	£
Deferred income as at 1st September 2019	81,639	95,232
Resources deferred in the year	82,775	81,639
Amounts released from previous years	<u>(81,639)</u>	<u>(95,232)</u>
Deferred income as at 31st August 2020	<u>82,775</u>	<u>81,639</u>

At the balance sheet date, the Trust was holding funds received in advance from the ESFA in respect of the Universal Infant Free School Meals and school trips in 2020/21.

18. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31/8/20	31/8/19
	£	£
Within one year	20,423	20,423
Between one and five years	<u>36,564</u>	<u>36,565</u>
	<u>56,987</u>	<u>56,988</u>

19. 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.

Inspirational Learning Academies Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

20. Movement in funds

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Restricted funds				
General Annual Grant (GAG)	250,290	77,656	(79,808)	248,138
Pension deficit	(2,612,000)	(619,000)	-	(3,231,000)
Restricted fixed assets funds	13,312,818	(140,959)	79,808	13,251,667
	<u>10,951,108</u>	<u>(682,303)</u>	<u>-</u>	<u>10,268,805</u>
TOTAL FUNDS	<u>10,951,108</u>	<u>(682,303)</u>	<u>-</u>	<u>10,268,805</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	11,504	(11,504)	-	-
Restricted funds				
General Annual Grant (GAG)	3,999,977	(3,922,321)	-	77,656
Local Authority grants	558,333	(558,333)	-	-
Other DfE / ESFA grants	994,654	(994,654)	-	-
Other	147,510	(147,510)	-	-
Pension deficit	-	(348,000)	(271,000)	(619,000)
Restricted fixed assets funds	23,635	(164,594)	-	(140,959)
	<u>5,724,109</u>	<u>(6,135,412)</u>	<u>(271,000)</u>	<u>(682,303)</u>
TOTAL FUNDS	<u>5,735,613</u>	<u>(6,146,916)</u>	<u>(271,000)</u>	<u>(682,303)</u>

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	At 31.8.19 £
Restricted funds			
General Annual Grant (GAG)	143,088	107,202	250,290
Other DfE / ESFA grants	15,168	(15,168)	-
Pension deficit	(1,466,000)	(1,146,000)	(2,612,000)
Restricted fixed assets funds	13,412,452	(99,634)	13,312,818
	<u>12,104,708</u>	<u>(1,153,600)</u>	<u>10,951,108</u>
TOTAL FUNDS	<u>12,104,708</u>	<u>(1,153,600)</u>	<u>10,951,108</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

20. Movement in funds - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	44,831	(44,831)	-	-
Restricted funds				
General Annual Grant (GAG)	3,802,636	(3,695,434)	-	107,202
Local Authority grants	489,887	(489,887)	-	-
Other DfE / ESFA grants	835,381	(850,549)	-	(15,168)
Other	188,393	(188,393)	-	-
Pension deficit	-	(223,000)	(923,000)	(1,146,000)
Restricted fixed assets funds	45,251	(144,885)	-	(99,634)
	<u>5,361,548</u>	<u>(5,592,148)</u>	<u>(923,000)</u>	<u>(1,153,600)</u>
TOTAL FUNDS	<u>5,406,379</u>	<u>(5,636,979)</u>	<u>(923,000)</u>	<u>(1,153,600)</u>

Purposes of unrestricted funds

Unrestricted funds include the surplus on conversion from a local authority school, income from outsourcing of staff and other income generated from the other small donations, etc. which carry no specific restrictions. These funds are available for the Academy Trust to use as deemed appropriate.

Purposes of restricted funds

The General Annual Grant represents the grant funding received from the ESFA in order to cover the on-going costs of the Academy Trust. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31st August 2020.

Other DfE/ESFA grants received include amounts to cover pupil premium and universal infant free school meals.

Local Authority grants include early years funding as well as funding to support children with special education needs and additional pupil premium.

Purposes of restricted fixed assets funds

The restricted fixed assets funds reflect resources received by the academy trust to acquire assets for continuing use and furtherance of the trust's aims and objectives. Resources expended reflect the associated depreciation charges as set out in the accounting policies.

Analysis of academies by fund balance

The trust manages costs centrally and operates the trust as a single unified organisation. Consequently, the carried forward surplus is considered to be attributable to the trust, rather than to individual constituent academies.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

20. Movement in funds - continued

Analysis of academies by cost

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

	Teaching/ Ed Support Staff Costs	Other Support Staff Costs	Education Supplies	Other Costs (ex Dep)	Total
	£	£	£	£	£
Newstead Primary Academy	939,340	643,626	67,612	634,711	2,285,289
Norton-Le-Moors Primary Academy	541,945	344,554	12,382	295,907	1,194,788
Whitfield Valley Primary Academy	811,682	608,965	40,500	663,097	2,124,244
FRS102 pension charge	-	-	-	348,000	348,000
Academy Trust	2,292,967	1,597,145	120,494	1,941,715	5,952,321

21. Pension and similar obligations

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

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

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

Teachers' pension scheme

Introduction

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

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

Valuation of the teachers' pension scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

21. Pension and similar obligations - continued

- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. Assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £297,593 (2019: £247,543).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £355,606 (2019: £302,963), of which employer's contributions totalled £283,547 (2019: £233,046) and employees' contributions totalled £72,059 (2019: £69,917). The agreed contribution rates for future years are 21.2 per cent for employers and the contribution for employees is dependent on salary banding.

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.

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Present value of funded obligations	(5,834,000)	(4,917,000)
Fair value of plan assets	<u>2,603,000</u>	<u>2,305,000</u>
	(3,231,000)	(2,612,000)
Present value of unfunded obligations	-	-
Deficit	<u>(3,231,000)</u>	<u>(2,612,000)</u>
Net liability	<u>(3,231,000)</u>	<u>(2,612,000)</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

21. Pension and similar obligations - continued

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

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Current service cost	581,000	447,000
Net interest from net defined benefit asset/liability	53,000	43,000
Past service cost	-	-
	<u>634,000</u>	<u>490,000</u>
Actual return on plan assets	<u>(43,000)</u>	<u>126,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Opening defined benefit obligation	4,917,000	3,313,000
Current service cost	581,000	447,000
Contributions by scheme participants	73,000	70,000
Interest cost	100,000	99,000
Benefits paid	(18,000)	(5,000)
Actuarial (gains)/losses from changes in financial assumptions	181,000	993,000
	<u>5,834,000</u>	<u>4,917,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Opening fair value of scheme assets	2,305,000	1,847,000
Contributions by employer	286,000	267,000
Contributions by scheme participants	73,000	70,000
Expected return	47,000	56,000
Actuarial gains/(losses)	(90,000)	70,000
Benefits paid	(18,000)	(5,000)
	<u>2,603,000</u>	<u>2,305,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

21. Pension and similar obligations - continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Actuarial (gains)/losses from changes in financial assumptions	(181,000)	(993,000)
	<u>(181,000)</u>	<u>(993,000)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Equities	1,770,040	1,567,400
Bonds	520,600	507,100
Property	208,240	184,400
Cash	<u>104,120</u>	<u>46,100</u>
	<u>2,603,000</u>	<u>2,305,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31/8/20	31/8/19
Discount rate	1.70%	1.90%
Future salary increases	2.60%	2.70%
Future pension increases	2.20%	2.30%
Inflation assumption (CPI)	2.30%	2.40%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31/8/20	At 31/8/19
Retiring today		
Males	21.2	22.1
Females	23.6	23.5
Retiring in 20 years		
Males	22.1	22.2
Females	25.0	24.8

Sensitivity Analysis

	Approx. monetary amount	
Change in assumption as at :	31/08/20	31/08/19
	£	£
0.5% decrease in Real Discount Rate	929,000	837,000
0.5% increase in Salary Increase Rate	118,000	148,000
0.5% increase in Pension Increase Rate	793,000	671,000

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

22. Related party disclosures

There were no related party transactions for the year ended 31st August 2020.

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

	31/8/20 £	31/8/19 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(411,303)	(230,600)
Adjustments for:		
Depreciation charges	187,787	223,326
Capital grants from DfE/ESFA	(23,635)	(45,251)
Profit on disposal of fixed assets	(23,192)	-
Interest received	(372)	(338)
Decrease/(increase) in stocks	9,569	(7,443)
(Increase)/decrease in debtors	(25,352)	71,914
Increase/(decrease) in creditors	232,811	(33,724)
Difference between pension charge and cash contributions	<u>348,000</u>	<u>223,000</u>
Net cash provided by operations	<u>294,313</u>	<u>200,884</u>

24. Analysis of changes in net funds

	At 1.9.19 £	Cash flow £	At 31.8.20 £
Net cash			
Cash at bank	<u>505,472</u>	<u>214,876</u>	<u>720,348</u>
	<u>505,472</u>	<u>214,876</u>	<u>720,348</u>
Total	<u>505,472</u>	<u>214,876</u>	<u>720,348</u>