

Company Registration No. 08689696 (England and Wales)

THE ASPIRE EDUCATIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2015

Haines Watts
Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

THURSDAY



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17/12/2015
COMPANIES HOUSE

THE ASPIRE EDUCATIONAL TRUST

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THE ASPIRE EDUCATIONAL TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015

Trustees

Mr K Newton
 Mr K Simpson (Accounting officer)
 Mrs K Egdell
 Miss K L Harrop
 Mrs S Bowen (Chair of trustees)
 Mr B R Hardern (Resigned 1 October 2014)
 Mr M Gaffney (Resigned 1 October 2014)
 Mrs J E Ash (Resigned 1 October 2014)
 Mr G Bones (Resigned 1 October 2014)
 Mrs S Baggaley (Resigned 1 October 2014)
 Mrs F Burgess (Resigned 1 October 2014)
 Dr F Dobson (Resigned 1 October 2014)
 Mrs M E Grant (Resigned 1 October 2014) *
 Mrs L Jeuda (Resigned 1 October 2014)
 Mrs M Lisle (Resigned 1 October 2014)
 Miss H Jackson (Appointed 1 October 2014)
 Mrs M R Coppenhall (Appointed 1 March 2015)
 Mr C Dean (Appointed 1 March 2015)
 Mrs L V Hesmondhalgh (Appointed 1 March 2015)
 Mr S Naylor (Appointed 1 March 2015)
 Mrs L Treadway (Appointed 1 March 2015)

* Members of the audit committee

Members

Mrs D Morrison (Appointed 1 December 2014)
 Mr B R Hardern
 Mr J K Ashmore (Appointed 1 December 2014)
 Mrs S Bowen

Senior management team

- Executive principal
- Director of finance and administration
- Head of Ash Grove Academy
- Vice principal of Ash Grove Academy
- Head of Peover Superior Endowed Primary School
- Vice principal of Peover Superior Endowed Primary School
- Head of Sandbach Primary Academy
- Vice principal of Sandbach Primary Academy

Mr K Simpson
 Mrs K Stanier
 Miss H Jackson
 Mrs L Finnegan
 Mrs L Hesmondhalgh
 Mr S Birtwistle
 Mrs L Treadway
 Mrs C Younghusband

Company registration number

08689696 (England and Wales)

Registered office

Ash Grove Academy, Belgrave Road,
 Macclesfield, SK11 7TF

Academies operated

Ash Grove Academy
 Peover Superior Endowed Primary School
 Sandbach Primary Academy

Location

East Cheshire
 East Cheshire
 East Cheshire

Independent auditor

Haines Watts, Bridge House, Ashley Road
 Hale, Altrincham, WA14 2UT

Bankers

Lloyds Bank, 223 Finney Lane
 Heald Green, SK8 3PY

THE ASPIRE EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates 3 academies for pupils aged 2 to 11 serving catchment areas in Macclesfield, Peover and Sandbach. Ash Grove has a pupil capacity of 210 and has a roll of 220 (including nursery), Peover has a capacity of 77 and has a roll of 62 and Sandbach Primary Academy has a capacity of 105 and has a roll of 101.

Structure, governance and management

Constitution

The 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 trust.

The trustees of The Aspire Educational Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Aspire Educational Trust.

Details of the trustees who served during the year and the trust's registered office address are included in the reference and administrative details on page 1.

The Aspire Educational Trust consists of three schools - one sponsored and two voluntary converters. All our academies share the following:

- A commitment to the achievement, personal development and well-being of children and young people where the welfare of others is seen to be the first concern of all, no matter their starting point.
- A commitment to one academy rule: "All pupils/students and adults are expected to behave in a responsible manner, both to themselves and others, showing consideration, courtesy and respect at all times."
- A commitment to promoting and supporting parents' and carers' engagement in the development of learning and educational experience of their children.
- A commitment to the professional development and welfare of all the staff who are employees of The Aspire Educational Trust.
- A commitment to understand the community context within which the academy operates and to engage in appropriate activities with other agencies and community groups in order to promote community cohesion and economic regeneration.
- An aspiration to be the best, not just nationally but internationally, with outstanding learning and teaching which engages pupils and is active, collaborative and encourages independence.
- A commitment to pupil voice, intended to empower and involve young people in the development and delivery of their own education and the life of their academy.
- A modern curriculum which meets the needs of all learners, has clear progression routes internally and to future education and employment.
- Professional networks, within our group and beyond, providing school to school support, opportunities for pupils, and sharing professional development.
- A commitment to community involvement with our schools and to lifelong community learning.

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.

THE ASPIRE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Trustees' indemnities

Subject to the provisions of the Companies Act 2006, every trustee and officer is indemnified against any liability incurred by them in their capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the trust.

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

Method of recruitment and appointment or election of trustees

Trustees have been elected from and by, the three founding schools of the academy trust. They consist of the principal of each academy, the chair of the LGB of each academy and another elected LGB member. The chair and vice chair of the directors were former members of Ash Grove Academy's governing body. We seek to recruit by local knowledge of the experience and qualities which will be brought for the trust advantages.

Policies and procedures adopted for the induction and training of trustees

From conversion on 1 December 2013 we have held regular meetings which have formed the basis of our induction and training. We have also liaised with other MATs in order to learn from their experiences.

Organisational structure

The management structure consists of:

- the board of members;
- the board of directors;
- the schools' local governing bodies;
- an audit committee;
- a personnel committee (when required);
- a teaching and learning committee (when required); and
- a finance committee (when required).

The governance of the trust is at two levels; the board of directors (and its subcommittees) and the individual academy local governing bodies. The board of directors is responsible for the strategic decision making of the trust and the board of members is responsible for ensuring that high quality standards of corporate governance are maintained.

The main responsibilities of the directors are:

- approving statutory policies;
- adopting the annual budget and medium term financial plan;
- making major decisions about the direction of the trust;
- approving significant contractual or capital expenditure;
- senior staff appointments;
- the appointment of auditors; and
- risk management.

The day to day running of the schools is delegated to the senior leadership teams of the academies. These comprise of the principals and their respective teams. The SLT implement the policies laid down by the directors and report back to them.

The SLT of the trust comprises of the CEO, principals and a business manager. There are plans to appoint a finance director in the very near future.

The CEO of the trust has been appointed as accounting officer. All funds received by the trust are paid directly into The Aspire Educational Trust bank account.

THE ASPIRE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Related parties and other connected charities and organisations

The executive principal/CEO of The Aspire Educational Trust is a National Leader of Education and Head of a Teaching School Alliance. As part of this role he takes a lead in organising Pupil Premium reviews in Cheshire East schools on behalf of the LA and supports another school within another trust.

Objectives and activities

Objects and aims

- To advance, for the public benefit, education in the UK in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering broad and balanced curriculums.
- To ensure that all trust academies are at the forefront of international standards of excellence in educational provision and learning.

Objectives, strategies and activities:

We will ensure all our academies will share:

- A commitment to the achievement, personal development and well-being of children and young people, where the welfare of others is seen to be the first concern of all, no matter their starting point.
- A commitment to one academy rule: "All pupils/students and adults are expected to behave in a responsible manner, both to themselves and others, showing consideration, courtesy and respect at all times."
- A commitment to promoting and supporting parents' and carers' engagement in the development of learning and educational experience of their children.
- A commitment to the professional development and welfare of all the staff who are employees of The Aspire Educational Trust.
- A commitment to understand the community context within which the trust operates and to engage in appropriate activities with other agencies and community groups in order to promote community cohesion and economic regeneration.
- An aspiration to be the best, not just nationally but internationally, with outstanding learning and teaching which engages pupils and is active, collaborative and encourages independence.
- A commitment to pupil voice, intended to empower and involve young people in the development and delivery of their own education and the life of their academy.
- A modern curriculum which meets the needs of all learners, has clear progression routes internally and to future education and employment.
- Professional networks, within our group and beyond, providing school to school support, opportunities for pupils, and sharing professional development.
- A commitment to community involvement with our schools and to lifelong community learning.

The trust has currently identified the following short-term objectives:

- To grow the trust from 3 schools to 5 in 2015 – 2016.
- To ensure that excellent leadership is in place in each of the schools.
- To develop a strategic vision for the Trust.
- To ensure the Trust governance structure supports the strategic vision.

THE ASPIRE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Strategies and activities for achieving the objectives

The strategies for achieving the above objectives include:

- Holding governance reviews.
- Consultation with staff in schools.
- Development of the trust's website.
- Development of our support of other school providing development opportunities for all staff.
- Developing leadership at trust level using the government grant.

The quality of teaching and learning:

We will raise achievement through a relentless drive to improve the quality of teaching and learning, employing outstanding teachers and leader to model outstanding practice and to coach our people in best practice in planning, assessment and the use of data. The systems in the schools will ensure consistency, and the climate will be one of high expectations and aspirations for both staff and pupils.

Links with partners

We have formed links with several schools in Cheshire East as part of the Teaching School Alliance. We have a strong network of local schools who form part of the Macclesfield Academy Learning Community. In addition we have links with Edge Hill University and MMU.

Communication and decision making

Our scheme of delegation allows schools a high degree of autonomy for local boards, where this is merited through academy performance. Where performance is lower than expected the scheme of delegation will reflect this position. In the future we will include both local governors and principals/headteachers on the trust board.

Public benefit

The trust will promote for the benefit of the local inhabitants, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Strategic report

Achievement and performance

Sandbach Primary Academy

Key Stage 1	School	National Comparison
Level 2+ Reading	86%	90%
Level 2+ Writing	86%	88%
Level 2+ Maths	86%	93%
Key Stage 2	School	National Comparison
Level 4+ Reading, Writing TA and Maths	84%	80%
Level 5+ Reading, Writing TA and Maths	21%	24%
Level 4+ English Grammar, Punctuation and Spelling	60%	76%

THE ASPIRE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Peover Superior

Key Stage 1	School	National Comparison
Level 2+ Reading	100%	90%
Level 2+ Writing	100%	88%
Level 2+ Maths	89%	93%
Key Stage 2	School	National Comparison
Level 4+ Reading, Writing TA and Maths	83%	80%
Level 5+ Reading, Writing TA and Maths	33%	24%
Level 4+ English Grammar, Punctuation and Spelling	83%	76%

Ash Grove Academy

Key Stage 1	School	National Comparison
Level 2+ Reading	100%	90%
Level 2+ Writing	100%	88%
Level 2+ Maths	97%	93%
Key Stage 2	School	National Comparison
Level 4+ Reading, Writing TA and Maths	94%	80%
Level 5+ Reading, Writing TA and Maths	38%	24%
English Grammar, Punctuation and Spelling	94%	76%

Key performance indicators

In line with the high aspirations of the trust, a range of key performance indicators are now in place to regularly monitor the progress and success of each academy once they are part of the trust.

- All academies good or better in Ofsted inspections
- 100% satisfactory or better teaching
- 80% good or better teaching
- 30% outstanding teaching
- No student exclusion
- Student attendance at 95% plus

Pre 11 targets

- 80% of children achieve expected levels in English and Maths.
- No child at 11 to have a reading age more than 3 years behind chronological age.
- All children to have experienced a prevocational programme and/or a qualification in sport/sporting achievement.
- Pupil Premium children making as good or better progress than non pupil premium children in order to close the gap rapidly.

Leadership

- All LGBs to be working towards the Governor Mark.
- A commitment to the Aspirer Teaching School Alliance as an active member so that all leaders become outstanding.
- All schools to incorporate succession planning into their staffing structures.

Going concern

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

THE ASPIRE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

On conversion of the schools to an academy under the trust, all the operations, assets and liabilities were transferred to The Aspire Educational Trust from Cheshire East LA. Accordingly net assets of £1,633,000 have been recognised as incoming resources in this accounting period in respect of the new converter and sponsored academies.

Excluding the net assets acquired on conversion, most of the trust's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes.

During the year to 31 August 2015 £2,416,000 of recurrent grant funding from the EFA and other incoming resources (excluding net assets gifted on conversion) were offset by total expenditure of £2,050,000, resulting in a net surplus of £1,999,000 before actuarial gains on pensions of £16,000.

The net surplus represents a £366,000 operational surplus in the period.

After adjusting for actuarial gains on the pension scheme of £16,000 and including the net assets gifted on conversion of £1,633,000, the movement in funds during the period was £2,015,000.

The assets were used exclusively for providing education and the associated support services to the pupils of the trust.

We have a support system in place for finance officers in individual academies, and an internal audit committee which aims are to ensure compliance.

Our audit committee scrutinise all finances.

Reserves policy

In establishing a reserves policy, the trust considers and balances the following principles:

- sufficient funds should be immediately available to meet urgent or emergency requirements;
- the trust has an obligation to meet its liabilities as they fall due ensuring sufficient cash balances to smooth short-term cash deficit issues whether arising from adverse timing or from permanent reductions in income;
- the trustees have an obligation to protect the assets of the trust, predominantly leasehold land and buildings; and
- the income of the trust should be spent for the benefit of current pupils.

The trustees will review reserve levels of the trust annually.

Investment policy

The directors' investment powers are governed by the memorandum and articles of association, which permit the trust's funds to be held in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) as may for the time be imposed or required by law.

The policy is to invest surplus funds as to achieve the optimum return against an acceptable level of risk. The trust's investments will be managed in conformity with our policy and the memorandum and articles of association.

Principal risks and uncertainties

The trust has a risk register and risk review processes. The objectives will be to determine an approach, and where it is considered necessary put in place measures of control and mitigation in order to manage the risks.

The principle risks are the loss of reputation through falling standards, falling student rolls and failure to safeguard the students.

Key controls in place include:

- An organisational structure with defined roles, responsibilities and authorisation levels.
- Terms of reference for the committees.
- Financial planning, budgeting and regular management reporting highlighting areas of financial risk.
- Vetting procedures as required by law for the protection of the vulnerable.

THE ASPIRE EDUCATIONAL TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Plans for future periods

The trust is currently discussing conversion with one school with a view to it joining the trust in 2015 – 2016. The main aim of the year is to set up policies and procedures and establish a clear vision for the trust to move forward. This is clearly set out in the MAT Business Plan.

Auditor

Insofar as the trustees are aware:

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

This trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ~~09.12.2015~~ and signed on the board's behalf by:



.....
Sue Bowen
Chair of trustees

THE ASPIRE EDUCATIONAL TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that The Aspire Educational 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 CEO, Mr Kevin Simpson, 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 The Aspire Educational 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 new board of directors of the MAT (formed since March 2015) has formally met once. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
D Morrison (chair)	1	1
S Bowen (chair of directors)	1	1
R Ashmore	1	1
B Hardern	1	1
K Simpson (CEO and accounting officer)	1	1

The board of directors have met as follows:

Trustee	Meetings attended	Out of a possible
S Bowen (chairman)	1	1
K Newton (vice chair)	1	1
K Egdell	1	1
K Harrop	1	1
K Simpson (CEO and accounting officer)	1	1
K Stanier (director of finance)	1	1
H Jackson	1	1
L Treadway	1	1
S Naylor	1	1
M Coppenhall	1	1
C Dean	1	1
L Hesmondhough	1	1

The audit committee is also sub committee of the board of trustees, which was established in December 2013. The audit committee's purpose is to monitor internal controls and risk management systems, the effectiveness of internal and external audit activity and the integrity of the financial statements. The audit committee has met twice and will meet termly from now on.

Review of value for money

As accounting officer of The Aspire Educational Trust the chief executive officer is responsible and accountable for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer is aware of the guide to academy value for money statements published by the Education Funding Agency and understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

Set out below is how the accounting officer has ensured that the academy trust's use of its resources has provided good value for money during the academic year.

The governing body is accountable for the way in which the school's resources are allocated to meet the objectives set out in the school's development plans.

THE ASPIRE EDUCATIONAL TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Governors need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the school's achievements and services. Governors will apply the four principles of best value:

- Challenge - Is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- Compare - How does the school's pupil performance and financial performance compare with all schools? How does it compare with LEA schools? How does it compare with similar schools?
- Consult - How does the school seek the views of stakeholders about the services the school provides?
- Compete - How does the school secure efficient and effective services? Are services of appropriate quality, economic?

The governors' approach

The governors and school managers will apply the principles of best value when making decisions about:

- the allocation of resources to best promote the aims and values of the school;
- the targeting of resources to best improve standards and the quality of provision; and
- the use of resources to best support the various educational needs of all pupils.

Governors, and the school managers, will:

- make comparisons with other/similar schools using data provided by the LEA and the Government, e.g. benchmarking tools, quality of teaching & learning, levels of expenditure;
- challenge proposals, examining them for effectiveness, efficiency and cost, e.g. setting of annual pupil achievement targets;
- require suppliers to compete on grounds of cost, and quality/suitability of services/products/backups; and
- consult individuals and organisations on quality/suitability of service we provide to parents and pupils, and services we receive from providers, e.g. Sex and Relationships Education, pupil reports, OFSTED, Finance consultant, LEA, Energy Unit.

This will apply in particular to:

- staffing
- use of resources
- quality of teaching
- quality of learning
- purchasing
- pupils' welfare
- health and safety.

Governors and school managers:

- will not waste time and resources on investigating minor areas where few improvements can be achieved;
- will not waste time and resources to make minor savings in costs;
- will not waste time and resources by seeking tenders for minor supplies and services; and
- the pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

Staffing

Governors and school managers will deploy staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio, and curriculum management.

Use of premises

Governors and school managers will consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources, e.g. the library.

THE ASPIRE EDUCATIONAL TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Use of resources

Governors and school managers will deploy equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning.

Teaching

Governors and school managers will review the quality of curriculum provision and quality of teaching, to provide parents and pupils with:

- a curriculum which meets the requirements of the National Curriculum;
- agreed RE Syllabus, and the needs of pupils; and
- teaching which builds on previous learning and has high expectations of children's achievement.

Learning

Governors and school managers will review the quality of children's learning, by cohort, class and group, to provide teaching which enables children to achieve nationally expected progress, e.g. setting of annual pupil achievement targets and striving to improve on or maintain previous years exam results and attendance.

Purchasing

Governors and school managers will develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures already in place include:

- competitive tendering procedures (e.g. for goods and services above £10,000);
- three quotes for goods and services in excess of £3,000;
- procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship); and
- procedures which minimise office time by the purchase of goods or services under £1000 direct from known, reliable suppliers (e.g. stationery, small equipment).

Pupils' welfare

Governors and school managers will review the quality of the school environment and the school ethos, in order to provide a supportive environment conducive to learning and recreation.

Health & safety

Governors and school managers will review the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

Monitoring

These areas will be monitored for best value by:

1. In-house monitoring by the headteacher and curriculum managers, e.g. classroom practice, work sampling
2. Termly target setting meetings between the headteacher and curriculum managers
3. Staff appraisal
4. Annual budget planning
5. Headteacher's regular finance review
6. Analysis of school pupil performance data against similar LA schools and analysis of LA financial data against benchmark data for similar schools
7. Analysis of DfE pupil performance data
8. OFSTED inspection reports
9. Governors' termly committee meetings
10. Governors' full termly meetings
11. Governors' annual finance review
12. Governors' annual SATs target setting meeting

In the next three years the governing body will:

- Hold an annual performance plan meeting to set targets for improving pupil achievement.
- Hold an annual development plan meeting at its first meeting of the Autumn Term.
- Discuss "Best Value" at each Autumn Term meeting of the Finance Committee.
- Review their "Best Value" statement at each Spring Term meeting.
- Consider best value when arranging internal and external redecoration contracts

THE ASPIRE EDUCATIONAL TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realized, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Aspire Educational Trust for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2015 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 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; and
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Haines Watts as internal auditors.

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis the auditors reports direct to the audit committee who act on its findings and report the outcomes to the board of trustees, reflecting upon the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.


Review of effectiveness

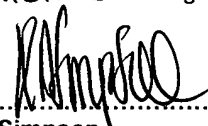
As accounting officer the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditors;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the executive managers within 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 by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 29/12/2015 and signed on its behalf by:


.....
Sue Bowen
Chair of trustees


.....
Kevin Simpson
Accounting officer

THE ASPIRE EDUCATIONAL TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of The Aspire Educational Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, 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.

I confirm that I and the academy trust's 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.

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 EFA.

Approved on 09/12/2015 and signed by:


.....

Mr K Simpson
Accounting officer

THE ASPIRE EDUCATIONAL TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2015

The trustees (who also act as governors for The Aspire Educational Trust and are also the directors of The Aspire Educational Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Annual Accounts Direction issued 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 accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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 that grants received from the 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 09/12/2015 and signed on its behalf by:


.....

Mrs S Bowen
Chair of trustees

THE ASPIRE EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASPIRE EDUCATIONAL TRUST

FOR THE YEAR ENDED 31 AUGUST 2015

We have audited the accounts of The Aspire Educational Trust for the year ended 31 August 2015 which comprise income and expenditure account and statement of financial activities, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the EFA.

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

Respective responsibilities of trustees and auditors

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees, who are also the directors of The Aspire Educational Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the trustees' annual report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report for the financial year for which the accounts are prepared is consistent with the accounts.

THE ASPIRE EDUCATIONAL TRUST

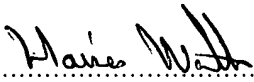
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASPIRE EDUCATIONAL TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Matters on which we are required to report by exception

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 accounts 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.


.....

John Whittick BSc FCA (Senior Statutory Auditor)

Haines Watts

Chartered Accountants

Statutory Auditor

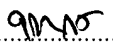
Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Dated: 

THE ASPIRE EDUCATIONAL TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE ASPIRE EDUCATIONAL TRUST AND THE EDUCATION FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2015

In accordance with the terms of our engagement letter dated 7 August 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Aspire Educational Trust during the period 1 September 2014 to 31 August 2015 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 The Aspire Educational Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Aspire Educational Trust and the EFA 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 The Aspire Educational Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Aspire Educational Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Aspire Educational Trust's funding agreement with the Secretary of State for Education dated 24 January 2014 and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. 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 1 September 2014, to 31 August 2015 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 2014 to 2015 issued by the EFA. 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 ASPIRE EDUCATIONAL TRUST

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

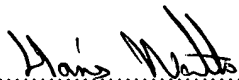
FOR THE YEAR ENDED 31 AUGUST 2015

The work undertaken to draw to our conclusion includes:

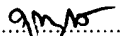
- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Haines Watts
Reporting Accountant

Dated: 

THE ASPIRE EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds	Restricted funds	Fixed Asset funds	Total 2015	Total 2014 9 months
	Notes	£'000	£'000	£'000	£'000	£'000
Incoming resources						
<i>Resources from generated funds</i>						
- Voluntary income	2	-	3	-	3	-
- Inherited on conversion	25	28	(215)	1,820	1,633	2,309
- Activities for generating funds	3	483	63	-	546	138
- Investment income	4	2	-	-	2	-
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	-	1,862	3	1,865	822
Total incoming resources		<u>513</u>	<u>1,713</u>	<u>1,823</u>	<u>4,049</u>	<u>3,269</u>
Resources expended						
<i>Costs of generating funds</i>						
- Relating to voluntary income	6	93	-	-	93	-
<i>Charitable activities</i>						
- Educational operations	7	-	1,904	5	1,909	858
Governance costs	8	-	48	-	48	33
Total resources expended	6	<u>93</u>	<u>1,952</u>	<u>5</u>	<u>2,050</u>	<u>891</u>
Net incoming/(outgoing) resources before transfers		420	(239)	1,818	1,999	2,378
Gross transfers between funds		(269)	247	22	-	-
Net income/(expenditure) for the year		<u>151</u>	<u>8</u>	<u>1,840</u>	<u>1,999</u>	<u>2,378</u>
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension scheme	19	-	16	-	16	(62)
Net movement in funds		151	24	1,840	2,015	2,316
Fund balances at 1 September 2014		140	(244)	2,420	2,316	-
Fund balances at 31 August 2015		<u>291</u>	<u>(220)</u>	<u>4,260</u>	<u>4,331</u>	<u>2,316</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

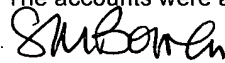
THE ASPIRE EDUCATIONAL TRUST

BALANCE SHEET

AS AT 31 AUGUST 2015

		2015	2014
	Notes	£'000	£'000
Fixed assets			
Tangible assets	12	4,260	2,420
Current assets			
Debtors	13	64	64
Cash at bank and in hand		1,513	180
		1,577	244
Current liabilities			
Creditors: amounts falling due within one year	14	(983)	(104)
Net current assets		594	140
Total assets less current liabilities		4,854	2,560
Creditors: amounts falling due after more than one year	15	(52)	-
Net assets excluding pension liability		4,802	2,560
Defined benefit pension liability	19	(471)	(244)
Net assets		4,331	2,316
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds		4,260	2,420
- General funds		251	-
- Pension reserve		(471)	(244)
Total restricted funds		4,040	2,176
Unrestricted income funds	17	291	140
Total funds		4,331	2,316

The accounts were approved by order of the board of trustees and authorised for issue on 09/12/2015



Mrs S Bowen
Chair of trustees

Company Number 08689696

THE ASPIRE EDUCATIONAL TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

		31 August 2015	31 August 2014
	Notes	£'000	9 months £'000
Net cash inflow/(outflow) from operating activities	20	1,271	114
Cash funds transferred on conversion		28	71
Returns on investments and servicing of finance			
Investment income	2	-	-
Net cash inflow/(outflow) from returns on investments and servicing of finance		2	-
		1,301	185
Capital expenditure and financial investments			
Capital grants received	3	2	
Payments to acquire tangible fixed assets	(26)	(7)	
Net cash flow from capital activities		(23)	(5)
Net cash inflow/(outflow) before financing		1,278	180
Financing			
New other loan	55	-	-
Net cash inflow/(outflow) from funding		55	-
Increase/(decrease) in cash	21	1,333	180

All of the cash flows are derived from acquisitions in the current financial period.

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

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

1.3 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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 is certainty of receipt and the value of the donation is measurable.

Donations

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

Other income

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

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

On conversion to an academy Cheshire East Borough Council donated, on a 125 year lease, the land and property of the schools. The buildings were over 50 years old so on the basis of depreciable replacement value no value was given to them. The land transferred at £nil was valued at the date of transfer according to local land prices

1.4 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the academy trust's educational operations.

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.

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Leasehold Land and buildings	Buildings have been fully depreciated before conversion
Computer equipment	3 years
Fixtures, fittings & equipment	8 years

A review of impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed assets 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.

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.7 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.

1.8 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes 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 19, 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 are recognised as they are paid each year.

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.

1.9 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency, Department for Education and other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency, Department for Education, the local authority and other funders.

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.10 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 and has been accounted for under the acquisition accounting method. The assets and liabilities transferred on conversion from the local authority to the academy trust have been valued at their fair value being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out by The Aspire Educational Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the 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 25.

2 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Other donations	-	3	3	-

3 Activities for generating funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Catering income	-	16	16	14
Parental contributions	-	47	47	-
Other income	483	-	483	124
	<u>483</u>	<u>63</u>	<u>546</u>	<u>138</u>

4 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Short term deposits	2	-	2	-

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

5 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
DfE / EFA grants				
General annual grant (GAG)	-	1,289	1,289	663
Start up grants	-	50	50	25
Capital grants	-	3	3	2
Other DfE / EFA grants	-	362	362	44
	<u>-</u>	<u>1,704</u>	<u>1,704</u>	<u>734</u>
Other government grants				
Local authority grants	-	146	146	88
Other grants	-	15	15	-
	<u>-</u>	<u>161</u>	<u>161</u>	<u>88</u>
Total funding	<u>-</u>	<u>1,865</u>	<u>1,865</u>	<u>822</u>

6 Resources expended

	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2015 £'000	Total 2014 £'000
Academy's educational operations					
- Direct costs	787	5	122	914	593
- Allocated support costs	695	42	258	995	265
	<u>1,482</u>	<u>47</u>	<u>380</u>	<u>1,909</u>	<u>858</u>
Other expenditure					
Costs of generating voluntary income	-	-	93	93	-
Governance costs	-	-	48	48	33
	<u>-</u>	<u>-</u>	<u>141</u>	<u>141</u>	<u>33</u>
Total expenditure	<u>1,482</u>	<u>47</u>	<u>521</u>	<u>2,050</u>	<u>891</u>
Net income/(expenditure) for the year includes:				2015 £'000	2014 £'000
Operating leases				13	6
- Plant and machinery					
Fees payable to auditor				17	5
- Audit				5	3
- Other services					

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Direct costs				
Teaching and educational support staff costs	-	770	770	482
Depreciation	-	5	5	2
Technology costs	-	18	18	7
Educational supplies and services	-	98	98	102
Staff development	-	17	17	-
Other direct costs	-	6	6	-
	-	914	914	593
Allocated support costs				
Support staff costs	-	695	695	155
Technology costs	-	21	21	-
Maintenance of premises and equipment	-	42	42	12
Cleaning	-	7	7	2
Energy costs	-	29	29	12
Rent and rates	-	20	20	6
Insurance	-	24	24	13
Security and transport	-	9	9	5
Catering	-	64	64	32
Additional pension costs	-	9	9	4
Other support costs	-	75	75	24
	-	995	995	265
Total costs	-	1,909	1,909	858

8 Governance costs

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Legal and professional fees	-	26	26	27
Auditor's remuneration				
- Audit of financial statements	-	17	17	5
- Other audit costs	-	5	5	1
	-	48	48	33

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

9 Staff costs

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

	2015 Number	2014 Number
Teachers	15	8
Administration and support	26	14
Management	12	5
	<u>53</u>	<u>27</u>

Costs included within the accounts:

	2015 £'000	2014 £'000
Wages and salaries	1,183	519
Social security costs	97	36
Other pension costs	172	71
	<u>1,452</u>	<u>626</u>
Supply teacher costs	14	3
Staff development	-	8
	<u>-</u>	<u>-</u>
Total staff costs	<u>1,466</u>	<u>637</u>

The number of employees whose annual remuneration was £60,000 or more was:

	2015 Number	2014 Number
£60,001 - £70,000	1	-
£80,001 - £90,000	-	1
£100,001 - £110,000	1	-
	<u>1</u>	<u>1</u>

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2015	2014
Teachers' Pension Scheme	Numbers	1	-
	£'000	<u>4</u>	<u>-</u>
Local Government Pension Scheme	Numbers	-	-
	£'000	<u>-</u>	<u>-</u>

THE ASPIRE EDUCATIONAL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

10 Trustees' remuneration and expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. During the year, travel and subsistence payments totalling £nil (2014: £838) were reimbursed to the trustees (2014: 2 trustees).

The value of trustees' remuneration was as follows:

K Simpson (Executive principal and trustee)

Remuneration: £100,001 - £105,000 (2014: £80,001 - £85,000)

Employer's pension contributions: £nil (2014: £nil)

H Jackson (Principal and trustee)

Remuneration: £45,001 - £50,000 (2014: £nil)

Employer's pension contributions: £5,001 - £10,000 (2014: £nil)

L Treadway (Principal and trustee)

Remuneration: £25,001 - £30,000 (2014: £nil)

Employer's pension contributions: £1 - £5,000 (2014: £nil)

L Hesmondhalgh (Principal and trustee)

Remuneration: £25,001 - £30,000 (2014: £nil)

Employer's pension contributions: £1 - £5,000 (2014: £nil)

Other related party transactions involving the trustees are set out within the related parties note.

Trustees' and officers' insurance

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

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Central services

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

- financial services
- educational support services
- others as arising

The trust charges for these services on the following basis:

- flat percentage of GAG income (4.5%)

The actual amounts charged during the year were as follows:

	2015
	£000
Ash Grove Academy	38
Peover Superior Endowed Primary School	7
Sandbach Primary Academy	11
	<u>56</u>

12 Tangible fixed assets

	Leasehold Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2014	2,415	7	-	2,422
Additions	-	3	23	26
Transfers on conversion	1,811	9	-	1,820
	<u>4,226</u>	<u>19</u>	<u>23</u>	<u>4,268</u>
At 31 August 2015	4,226	19	23	4,268
Depreciation				
At 1 September 2014	-	2	-	2
Charge for the year	-	5	1	6
	<u>-</u>	<u>7</u>	<u>1</u>	<u>8</u>
At 31 August 2015	-	7	1	8
Net book value				
At 31 August 2015	<u>4,226</u>	<u>12</u>	<u>22</u>	<u>4,260</u>
At 31 August 2014	<u>2,415</u>	<u>5</u>	<u>-</u>	<u>2,420</u>

THE ASPIRE EDUCATIONAL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

13 Debtors	2015 £'000	2014 £'000
Trade debtors	8	5
VAT recoverable	10	10
Prepayments and accrued income	46	49
	<u>64</u>	<u>64</u>
14 Creditors: amounts falling due within one year	2015 £'000	2014 £'000
Government loans	3	-
Trade creditors	5	5
Taxes and social security costs	31	16
Other creditors	27	12
Accruals	35	6
Deferred income	882	65
	<u>983</u>	<u>104</u>
15 Creditors: amounts falling due after more than one year	2015 £'000	2014 £'000
Government loans	<u>52</u>	<u>-</u>
Analysis of loans		
Wholly repayable within five years	55	-
Less: included in current liabilities	<u>(3)</u>	<u>-</u>
Amounts included above	<u>52</u>	<u>-</u>
Loan maturity		
Debt due in one year or less	3	-
In more than one year but not more than two years	7	-
In more than two years but not more than five years	28	-
In more than five years	<u>17</u>	<u>-</u>
	<u>55</u>	<u>-</u>

The government loan is part of the funding approved by the EFA for the improvements to schools within the trust. The funding was delivered as a combination of capital grant and a 0% "Salix" loan.

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

16 Deferred income	2015 £'000	2014 £'000
Deferred income is included within:		
Creditors due within one year	882	65
Total deferred income at 1 September 2014	65	-
Amounts credited to the statement of financial activities	(65)	-
Amounts deferred in the year	882	65
Total deferred income at 31 August 2015	882	65

At the balance sheet date, the academy trust was holding funds received in advance for the following purposes:

- Capital income received in advance - £792,088
- Other income received in advance - £90,171

17 Funds	Balance at 1 September 2014 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2015 £'000
Restricted general funds					
General Annual Grant	-	1,289	(1,395)	257	151
Start up grants	-	50	(50)	-	-
Other DfE / EFA grants	-	362	(262)	-	100
Other government grants	-	161	(151)	(10)	-
Other restricted funds	-	66	(66)	-	-
Funds excluding pensions	-	1,928	(1,924)	247	251
Pension reserve	(244)	(215)	(28)	16	(471)
	<u>(244)</u>	<u>1,713</u>	<u>(1,952)</u>	<u>263</u>	<u>(220)</u>
Restricted fixed asset					
DfE / EFA capital grants	-	3	(3)	-	-
Inherited fixed asset fund	2,415	1,820	(2)	-	4,233
Capital expenditure from GAG or other funds	5	-	-	22	27
	<u>2,420</u>	<u>1,823</u>	<u>(5)</u>	<u>22</u>	<u>4,260</u>
Total restricted funds	<u>2,176</u>	<u>3,536</u>	<u>(1,957)</u>	<u>285</u>	<u>4,040</u>
Unrestricted funds					
General funds	140	513	(93)	(269)	291
Total funds	<u>2,316</u>	<u>4,049</u>	<u>(2,050)</u>	<u>16</u>	<u>4,331</u>

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

17 Funds

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objectives of the academy.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objectives of the academy.

Unrestricted funds are those funds to which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

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 31 August 2014.

Analysis of academies by fund balance

	Total £'000
Fund balances at 31 August 2015 were allocated as follows:	
Ash Grove Academy	249
Peover Superior Endowed Primary School	110
Sandbach Primary Academy	61
Central services	122
	<hr/>
Funds excluding fixed asset fund and pensions reserve	542
Restricted fixed asset fund	4,260
Pension reserve	(471)
	<hr/>
Total funds	4,331
	<hr/>

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

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total £'000
Ash Grove Academy	523	579	97	235	1,434
Peover Superior Endowed Primary	106	48	7	71	232
Sandbach Primary Academy	139	84	10	74	307
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	768	711	114	380	1,973
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

18 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Fixed asset funds £'000	Total funds £'000
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	4,260	4,260
Current assets	291	1,286	-	1,577
Creditors falling due within one year	-	(983)	-	(983)
Creditors falling due after one year	-	(52)	-	(52)
Defined benefit pension liability	-	(471)	-	(471)
	<u>291</u>	<u>(220)</u>	<u>4,260</u>	<u>4,331</u>

19 Pensions 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 Cheshire West and Chester Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £27,342 (2014: £11,701) were payable to the schemes at 31 August 2015 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions 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

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

Teachers' Pension Scheme changes

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £97,066 (2014: £35,486).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatting Teachers' Pension Scheme, and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatting scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy trust has taken advantage of the exemption in FRS 17 and 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 scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20.8 to 25.3% for employers and 5.5 to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £80,000.

As described above the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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 ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

	2015 £'000	2014 £'000
Employer's contributions	64	32
Employees' contributions	17	8
Total contributions	81	40

Principal actuarial assumptions

	2015 %	2014 %
Rate of increase in salaries	3.6	3.5
Rate of increase for pensions in payment	2.7	2.7
Discount rate for scheme liabilities	3.8	3.7
Expected return on assets	3.8	5.6

Sensitivity analysis

Changes in assumptions at 31 August

	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	9 - 14	109
1 year increase in member life expectancy	3	25
0.5% increase in the Salary Increase Rate	2 - 8	57
0.5% increase in the Pension Increase	6 - 7	49

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

	2015 Years	2014 Years
Retiring today		
- Males	22.3	22.3
- Females	24.4	24.4
Retiring in 20 years		
- Males	24.1	24.1
- Females	26.7	26.7

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	2015	2015	2014	2014
	Expected return	Fair value	Expected return	Fair value
	%	£'000	%	£'000
Equities	5.8 - 6.3	255	6.3	115
Bonds	2.4 - 2.9	66	2.9	22
Property	4.0 - 4.5	33	4.5	11
Cash	2.7 - 3.3	12	3.3	9
		<u> </u>		<u> </u>
Total market value of assets		366		157
Present value of scheme liabilities - funded		(837)		(401)
		<u> </u>		<u> </u>
Net pension asset / (liability)		(471)		(244)
		<u> </u>		<u> </u>

The rates of return have been determined using the Hymans Robertson Asset Model (HRAM). The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model. The expected returns shown in this report have been calculated using 5,000 simulations of HRAM, calibrated using market data as at a recent date.

The actual return on scheme assets was £8,000.

Operating costs and income recognised in the statement of financial activities

	2015	2014
	£'000	£'000
Financial expenditure/(income)		
Expected return on pension scheme assets	(13)	(6)
Interest on pension liabilities	22	10
	<u> </u>	<u> </u>
	9	4
	<u> </u>	<u> </u>
Other expenditure/(income)		
Current service cost	83	33
Past service cost	-	-
	<u> </u>	<u> </u>
	83	33
	<u> </u>	<u> </u>
Total operating charge/(income)	<u> </u>	<u> </u>
	92	37
	<u> </u>	<u> </u>

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

Actuarial gains and losses recognised in the statement of financial activities

	2015	2014
	£'000	£'000
Actuarial (gains)/losses on assets: actual return less expected	4	(5)
Experience (gains)/losses on liabilities	(20)	67
(Gains)/losses arising from changes in assumptions	-	-
	<u> </u>	<u> </u>
Total (gains)/losses	<u>(16)</u>	<u>62</u>
 Cumulative (gains)/losses to date	 <u>46</u>	 <u>62</u>

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

	2015	2014
	£'000	£'000
Opening defined benefit obligations	(401)	(283)
Obligations acquired on conversion	(334)	-
Current service cost	(83)	(33)
Interest cost	(22)	(10)
Contributions by employees	(17)	(8)
Actuarial gains/(losses)	20	(67)
	<u> </u>	<u> </u>
	<u>(837)</u>	<u>(401)</u>

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

	2015	2014
	£'000	£'000
Opening fair value of scheme assets	157	106
Assets acquired on conversion	119	-
Expected return on assets	13	6
Actuarial gains/(losses)	(4)	5
Contributions by employers	64	32
Contributions by employees	17	8
	<u> </u>	<u> </u>
	<u>366</u>	<u>157</u>

THE ASPIRE EDUCATIONAL TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

19 Pensions and similar obligations

History of experience gains and losses:

	2015	2014
	£'000	£'000
Present value of defined benefit obligations	(837)	(401)
Fair value of share of scheme assets	366	157
Surplus / (deficit)	<u>(471)</u>	<u>(244)</u>
Experience adjustment on scheme liabilities	-	-
Experience adjustment on scheme assets	<u>(4)</u>	<u>5</u>

20 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015	2014
	£'000	£'000
Net income	1,999	2,378
Capital grants and similar income	(3)	(2)
Net deficit/(surplus) transferred on conversion	(1,633)	(2,309)
Investment income	(2)	-
Defined benefit pension costs less contributions payable	19	1
Defined benefit pension finance costs/(income)	9	4
Depreciation of tangible fixed assets	6	2
(Increase)/decrease in debtors	-	(64)
Increase/(decrease) in creditors	876	104
Net cash inflow/(outflow) from operating activities	<u>1,271</u>	<u>114</u>

21 Reconciliation of net cash flow to movement in net funds

	2015	2014
	£'000	£'000
Increase/(decrease) in cash	1,333	180
Local authority loans	(55)	-
Net funds at 1 September 2014	180	-
Net funds at 31 August 2015	<u>1,458</u>	<u>180</u>

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

22 Analysis of net funds

	At 1 September 2014	Transferred on conversion	Cash flows	Non-cash changes	At 31 August 2015
	£'000	£'000	£'000	£'000	£'000
Cash at bank and in hand	180	28	1,305	-	1,513
Debt due within one year	-	-	(55)	52	(3)
Debt due after one year	-	-	-	(52)	(52)
	-	-	(55)	-	(55)
Net balances	180	28	1,250	-	1,458

23 Commitments under operating leases

At 31 August 2015 the academy trust had annual commitments under non-cancellable operating leases as follows:

	2015 £'000	2014 £'000
Expiry date:		
- Between two and five years	14	13

24 Related parties

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

25 Conversion to an academy

On 1 March 2015 the Peover Superior Endowed Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Aspire Educational Trust from the East Cheshire Local Authority for £nil consideration. The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Funds surplus/(deficit) transferred:	Unrestricted funds £'000	Restricted funds £'000	Fixed asset funds £'000	Total 2015 £'000
Fixed assets funds	-	-	1,041	1,041
LGPS pension funds	-	(80)	-	(80)
	<u>-</u>	<u>(80)</u>	<u>1,041</u>	<u>961</u>
Net assets transferred:				£'000
Leasehold land and buildings				1,032
Tangible fixed assets apart from land and buildings				9
Pension surplus/(deficit)				(80)
				<u>961</u>

On 1 March 2015 the Sandbach Primary Academy converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Sandbach Primary Academy from the East Cheshire Local Authority for £nil consideration. The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the statement of financial activities as voluntary income.

The following table sets out their fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Funds surplus/(deficit) transferred:	Unrestricted funds £'000	Restricted funds £'000	Fixed asset funds £'000	Total 2015 £'000
Fixed assets funds	-	-	779	779
LA budget funds	28	-	-	28
LGPS pension funds	-	(135)	-	(135)
	<u>28</u>	<u>(135)</u>	<u>779</u>	<u>672</u>
Net assets transferred:				£'000
Leasehold land and buildings				779
Cash				28
Pension surplus/(deficit)				(135)
				<u>672</u>

THE ASPIRE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

26 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.