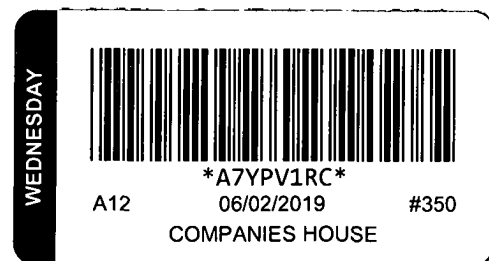


Company Registration Number: 07387540 (England & Wales)

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**



**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**CONTENTS**

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	Page
Reference and administrative details of the academy trust, its trustees and advisers	1 - 2
Trustees' report	3 - 13
Governance statement	14 - 17
Statement on regularity, propriety and compliance	18
Statement of Trustees' responsibilities	19
Independent auditors' report on the financial statements	20 - 22
Independent reporting accountant's assurance report on regularity	23 - 24
Statement of Financial Activities incorporating income and expenditure account	25
Balance Sheet	26
Statement of Cash Flows	27
Notes to the financial statements	28 - 59

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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<b>Members</b>	C H Hender S E Hodge P Roberts K Dormer (resigned 22 March 2018) Askel Veur
<b>Trustees</b>	A R Fielder, Accounting Officer <sup>1</sup> G Renwick (resigned 31 December 2017) M G Colton-Dyer J F Swain, Chair M J Larsen <sup>1</sup> A Corbett B Couch P J Shilston  <sup>1</sup> Finance and Audit Committee
<b>Company registered number</b>	07387540
<b>Company name</b>	Aspire Academy Trust
<b>Principal and registered office</b>	Aspire Academy Trust Unit 11 St Austell Business Park St Austell Cornwall PL25 4FD
<b>Company secretary</b>	V Edwards
<b>Chief executive officer</b>	A R Fielder
<b>Senior management team</b>	A R Fielder, Chief Executive Officer V Bragg, Deputy Chief Executive Officer R Warwick, Director of Academy Improvement A Earnshaw, Director of Training, Leadership and CPD S Costello, Director of Inclusion S Olford, Director of Safeguarding T Hooper, Director of Business, Finance and Policy P Bradburn, Director of IT and Communications
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
<b>Bankers</b>	Lloyds Bank PLC White River Place Shopping Centre St Austell Cornwall PL25 5AZ

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND  
ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Advisers (continued)**

<b>Solicitors</b>	Michelmores LLP Woodwater House Pynes Hill Exeter Devon EX2 5WR
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**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2018**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 27 primary academies, all of which are located within Cornwall. The Trust's academies have a combined pupil capacity of 4,496 (4,762 including nurseries) and a roll of 5,335 (5,652 including nurseries), as per the school census on 31 January 2018. A new free school at Nansledan in Newquay is to open in September 2019, bringing the total number of academies within the Trust to 28.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Aspire Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

**Members' liability**

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

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

**Percentage of time spent on facility time**

Percentage of time	Number of employees
--------------------	---------------------

0%	1
1%-50%	1
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time** £

Total cost of facility time	148
Total pay bill	17,778,746
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	100 %
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**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £5,000,000.

**TRUSTEES**

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

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to four Trustees who are appointed by members.
- no fewer than two Trustees who are appointed by Askel Veur, provided that the total number of Trustees appointed would not thereby exceed 25% of the total number of Trustees.
- up to two Hub Council Chairs.
- the Chief Executive Officer.
- Parent Trustees, if in the event that no provision is made for parent representatives on the Hub Councils.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board and members will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy Trust's development.

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

The training and induction provided for new Trustees will depend upon their existing experience but a tour of the academies and a chance to meet staff and pupils is always actively encouraged. All Trustees are provided with both on and off the job training (as seen appropriate) together with an induction pack that include key documents and information that they will need to undertake their role as Trustees. Over the next year, the Academy Trust plans to extend and strengthen the level of induction and training provided to new Trustees.

The Academy Trust shall always promote and ensure that specific courses and sharing of ideas with other academy Trustees, from both within and outside of the Academy Trust, is actively encouraged as part of the Aspire culture and ethos.

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Organisational Structure**

Aspire Academy Trust follows the organisational structure laid down in the Articles of Association that were registered with Companies House on 1 November 2010 and revised on 8 July 2016.

The Academy Trust's organisational structure consists of three levels: Members, Trustees and the Executive Directors/ Senior Leaders.

The Members have ultimate control over the Academy Trust, with the ability to appoint some of the Trustees and the right to amend the Academy Trust's articles of association. The Members meet annually to hold an Annual General Meeting (AGM)

The Trustees establish an overall framework for the Academy Trust and are responsible for setting the direction, holding trust leaders to account and ensuring financial probity. As Trustees of a charitable company, they also ensure that the Academy Trust complies with charity and company law requirements. The Trustees meet at least termly.

The Academy Trust's Executive Directors oversee the strategic direction of the Academy Trust. They monitor the Academy Trust's effectiveness and standards and drive its development in all areas. They consist of the following personnel:

- Chief Executive Officer
- Deputy Chief Executive Officer
- Director of Academy Improvement
- Director of Training, Leadership and CPD
- Director of Inclusion
- Director of Safeguarding
- Director of Operations
- Director of IT and Communications.

The Chief Executive Officer is the Accounting Officer.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Trustees consider the Board of Trustees and the Executive Directors to comprise of the key management personnel of the Academy Trust, in charge of directing and controlling, running and operating the Academy Trust on a day to day basis.

All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and is benchmarked against pay levels in other multi academy trusts of a similar size, both locally and nationally.

**Connected Organisations, including Related Party Relationships**

Aspire Academy Trust has no connected organisations.

There are no related parties which either control or significantly influence the decisions and operations of Aspire Academy Trust.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**OBJECTIVES AND ACTIVITIES**

**Objectives and Aims**

The principal object and activity of the Academy Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum.

The objectives of the Aspire Academy Trust during the past year are summarised below:

- Continue to drive to develop a mastery approach to all our teaching and to specifically raise standards in mathematics for higher attaining girls.
- Supporting pupils' mental health and well being.
- Promoting and encouraging the high-quality teaching of SRE and PSHE. Creating a highly motivated and skilled network of SRE/PSHE practitioners to work across the Academy Trust.
- Drive leadership at all levels through professional networks.
- Further develop the Aspire Charter of Excellence. The Charter providing clear rationale and a tool for leaders to use.
- Undertake a full Governance review.
- Build further capacity for improvement through Aspire Teaching Trust development and increased impact on strengthening school to school support.
- Further extend and embed the Workplace Health Award, Health assessments, and comprehensive staff incentive scheme.
- A full review of Terms and Conditions, and job descriptions, will be completed.
- Further develop the centralised staff recruitment and retention process.
- Further develop the 'virtual academy' to ensure that excellent teachers and excellent support staff are always available.
- Improve social mobility – develop teaching pedagogy which leads to closing the word gap in Early Years, closing the disadvantaged attainment gap across the schools.

**Objectives, Strategies and Activities**

The aim of Aspire Academy Trust is to maintain, manage and develop a Multi Academy Trust offering a broad and balanced curriculum to its pupils in a safe learning environment.

Our core purpose is to ensure our children achieve extraordinary outcomes and to provide them with a truly outstanding world class education recognized at a local, national and international level. We expect all our academies to be, or become, outstanding and remain so always.

Key priorities for the year are contained in our Aspire Development Plan which is available from the Academy Office.

Key activities and targets were identified in the Aspire Improvement Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the ever growing and evolving sector of Multi Academy Trusts.



**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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In 2018 our key objectives were to 'add value' to every aspect of the work of the Academy Trust. We aimed to add value through:

- Prioritising strong and effective leadership at all levels of the organisation to add value, every day, to every child
- Building on previous success, extending our influence and contributing to a wider local and national educational landscape as drivers of innovative change.
- Always striving to deliver the very best world class education.
- Ensuring every individual can and does influence and lead improvement.
- Using the finite resources of the Academy Trust wisely to ensure the greatest possible economies and equality of opportunity for all children regardless of which Academy they attend.

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**STRATEGIC REPORT**

**Achievements and Performance**

**a) Aspire's Growth and Development**

Over the past year, Aspire Academy Trust has grown from 21 to 27 primary academies. With the addition of the new free school at Nansleden in Newquay, this will grow our family to 28 primary academies. The Academy Trust also works with many other academies and MATs across Cornwall and the country and has established many professional networks and relationships to benchmark our Academy Trust and to share best practice and innovative ideas for improving primary MATs and academies.

**b) Aspire Free Schools**

Following our successful application in July 2016 to run the primary free school at Nansleden in Newquay, (Skol Nansleden), Aspire have over the past year, worked alongside the DFE, ESFA, the Duchy and Cornwall Council, with the planning for the exciting project. Although the project opening has been delayed until September 2019, Aspire remain committed to the project and are looking forward to delivering an exciting and innovative curriculum in this new school.

**c) Aspire Teaching Trust**

In July 2017, the Aspire Academy Trust was awarded Teaching Trust status by the Department for Education and will be known as The Aspire Teaching Trust (ATT). ATT has achieved success with bids to grow the capacity of the Academy Trust (MDIF), to recruit children's counsellors (Children In Need), and drawing in more NLE funding plus significant SSIF bid that has been granted to support Maths. ATT has brokered and developed links with other organisations such as The White Horse Trust, Teaching School Council, teaching school alliances and research schools. This has increased our capacity to support teaching and learning and brought in fresh, up to date thinking.

**d) Aspire Audits and Reviews**

ESFA Audit

In June 2017, Aspire Academy Trust was randomly selected for a Financial and Governance Audit from the ESFA. The report was extremely pleasing and reflected very positively on Aspire's governance and financial procedures and control. The report can be viewed on the Aspire website.

Aspire Impact Review

In June 2017, Aspire initiated its own review of performance in every area of the Academy Trust to include:

- Academy Improvement, Standards and Performance
- Safeguarding
- Core Services to include Finance, Premises, H&S, HR, ICT
- Governance

The review was performed by external professionals and a report was produced with actions and recommendations.

**e) Ofsted Inspections**

Over the past year, the following Aspire academies have received an Ofsted inspection:

Academy	Previous Grade	New Grade
Padstow	Good	Inadequate
Penryn	No grade	Requires Improvement
Shortlanesend	Good	Good
Connor Downs	Good	Good

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**f) Educational Performance**

For schools who have been in the Academy Trust up to and including the whole academic year 2017-18:

	<b>Trust Average</b>	<b>National Average</b>
Early years Foundation Stage	71%	72%
Phonics Y1	83%	83%
KS1 Reading EXS	77%	75%
KS1 Writing EXS	72%	70%
KS1 Mathematics	77%	76%

- Early Years results have continued to be in line with or above National Averages
- Key Stage 1 results are above National Average in every subject at both Expected and GDS Standard
- Phonics remains strong in the vast majority of our schools with no real weaknesses
- Reading is a strength at KS1
- Maths attainment, (whilst at or above NA) is not yet as strong as that of Reading and Writing.

	<b>Trust Average</b>	<b>National Average</b>
KS2 Reading/Writing/Maths combined score	64%	64%
KS2 Reading EXS	75%	75%
KS2 Writing EXS	81%	78%
KS2 Mathematics EXS	74%	76%
KS2 Grammar, Punctuation, Spelling EXS	76%	78%

Progress KS2 2018	
Reading	+ 0.1
Writing	+1.2
Mathematics	-0.1

- KS2 results are in line with National Averages
- Writing is a strength at GDS standard and 4% above the National Average
- RWM combined at GDS standard is 11% (NA 10%)
- GDS attainment for KS2 continues to be a priority for both Mathematics and GPS

**Key Performance Indicators**

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, no GAG was carried forward.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2018 were 5,318, an increase of 1,175 over the previous period. It is anticipated that this number will continue to rise.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2018 this was 102.5%, compared to 103.2% in 2017.

**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 Going Concern policy.

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy Trust's accounting policies.

During the year ended 31 August 2018, the Academy Trust received total income of £37,496,652 and incurred total expenditure of £26,563,563. The excess of income over expenditure for the year was £10,933,089.

At 31 August 2018, the net book value of fixed assets was £44,357,645 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

The land, buildings and other assets were transferred to the Academy Trust upon conversion. Land and buildings were valued by the Trustees on conversion at £10,360,292. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The balance of the former school's budget share, £622,298, was transferred across on conversion and is shown as unrestricted funds.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

Key financial policies adopted or reviewed during the year includes the full update of the Aspire Finance Policy/ Manual, which lays out the framework for financial management, including financial responsibilities of the Board, CEO, Executive Leaders, Managers, Budget Holders and other staff, as well as delegated authority for spending. The new manual includes a wide range of updates to the financial procedures operated across the Academy Trust and was fully approved and adopted in June 2017 by the finance and audit committees.

**Reserves Policy**

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the recommended appropriate level of free reserves should be set with a maximum of 10% against total income. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies. Total income for the year, excluding restricted fixed assets, reserve balances and pension on conversion, was £23,577,971 and therefore 10% is £2,357,797. The current level of free reserves is £2,244,277.

Use of reserves shall be controlled and restricted to capital projects and short/fixed term commitments that can be linked to specified educational plans, rather than funding long term commitments and general running costs.

Variances to these rules shall be reviewed by the finance committee on a case by case basis and with consideration to the Academy Trust as a whole or per each Academy's circumstances, per the criteria detailed within the Academy Trust's finance manual.

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

**Investment Policy**

Due to the nature and timing of receipt of funding, the Academy Trust may at times hold cash balances surplus to its short term requirements.

The Academy Trust will operate a cautious and risk averse approach to investing pupil funding, income and reserves. The Academy Trust therefore make no investments, other than cash balances being held in UK banks and their short term investments accounts, to take advantage of higher interest rates, which are all authorised by the Trustees.

No other form of investment is authorised.

**Principal Risks And Uncertainties**

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy Trust are as follows:

Financial - the Academy Trust has considerable reliance on continued Government funding through the ESFA. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Staffing - the success of the Academy Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy Trust has a rigorous internal audit function to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**FUNDRAISING**

The Academy Trust's schools participate in fundraising activities for specific charities where the income received is paid in full to the charity, for example Sport Relief and Children in Need. The recipient of the donations is made clear to parents in advance and all contributions are voluntary. Where a school has a friends or parent teacher association which actively raises funds on its behalf, the association's fundraising standards are defined in its constitution and it works closely with the head of school to ensure its approach is consistent with the school's values. Associations with an annual income of more than £5,000 are required to register as a charity with the Charity Commission. The Academy Trust does not work with, or have any oversight of, any commercial participators or professional fundraisers. No complaints have been received in the year regarding fundraising activities.

Each academy has an associated 'Friends Of The School' group whose remit is to raise funds for the benefit of the school and its pupils.

Any fundraising is done so on a voluntary basis.

**PLANS FOR FUTURE PERIODS**

- The Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels.
- Enhance the wellbeing programme and recruitment strategy of the Academy Trust to attract and retain high quality staff in all areas.
- To develop the Extended Staffing Service to provide outstanding backfill of teaching and support to cover planned and unplanned absences at all times.
- To continue the growth of the Academy Trust so to have impact on a larger scale, giving greater educational opportunities in the wider communities.
- Integrate new academies into the Academy Trust and their Hubs.
- To create outstanding and innovative communication systems that remove geographic and other barriers that might hold back collegiate working across Aspire Academy Trust.
- Educational Aims 2018:
  - o EYFS- increase the number of disadvantaged pupils reaching GLD.
  - o Girls achievement in Greater Depth Standard in mathematics in KS2.
  - o Disadvantaged pupils reaching Greater Depth Standard in mathematics in KS2.
  - o GPS Greater Depth Standard in KS2- all pupils.
  - o Boys reaching Greater Depth Standard in reading KS2.
  - o KS1 expected standard in reading.

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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

The Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

**ADDITIONAL COMPANIES ACT REQUIREMENTS**

**Equality Information & Objectives Policy**

The Academy Trust has adopted an Equality Information and Objectives Policy which sets out the Academy Trust's policies in respect of the following:

- for disabled employees – in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons; and
- for employee consultation – a description of the action taken during the year to introduce, maintain or develop arrangements to provide information and consult employees on matters affecting them.

The policy can be made available upon request.

**AUDITORS**

In so far as the Trustees are aware:

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

The auditor, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a Strategic Report, approved by order of the Board of Trustees, as company directors, on 12 December 2018 and signed on the board's behalf by:



**J F Swain  
Chair of Trustees**

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

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

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
A R Fielder	3	3
A Corbett	2	3
J F Swain, Chair	3	3
M G Colton-Dyer	3	3
M J Larsen	3	3
B Couch	3	3
P J Shilston	3	3

Key changes during the period, included one resignation. A review of the Board is taking place for 2018/19 along with a skills audit which will be assessed, and any gaps remedied accordingly.

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to allow more detailed consideration to be given to the best means of fulfilling the Board's responsibility to ensure sound management of the Academy Trusts finances and resources, including proper planning, monitoring and probity.

Attendance at meetings in the year was as follows:

Attendee	Meetings attended	Out of a possible
A R Fielder, Accounting Officer	3	3
S Eddy	2	3
M J Larsen	3	3
L Hill	3	3



**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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**REVIEW OF VALUE FOR MONEY**

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

A large proportion of purchases made by the Academy Trust is paid for with public funds and therefore the Board of Trustees maintains the integrity of such, by following these principles of 'best value':

- Probity - it must be demonstrable that there is no corruption or private gain involved in the contractual relationships of the Academy Trust;
- Accountability - the Academy Trust is accountable for its expenditure and the conduct of its affairs;
- Fairness - that all those dealt with by the Academy Trust are made on a fair and equitable basis.

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

- By **challenging** how and why services are provided to all of our academies within the Aspire Academy Trust. We regularly review all of the academies' core functions through requesting of regular feedback, target setting, performance indicators and evaluating the impact on pupil outcomes and learning at all times, to ensure continual improvement in all areas of the trust.
- By **comparing** the performance of the Academy Trust as a whole and also individual academies with other schools and academies from both within and outside of the Academy Trust. This is performed through the use of the Academy Trust's internal software and reporting plus the use of financial benchmarking statistics, effective financial management procedures, external audits and self-evaluation assessments.
- By **consulting** with appropriate stakeholders before major decisions are made, for example through parental questionnaires on the effectiveness of our academies, pupil councils, staff, hub councils and directors.
- By promoting fair **competition** through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way possible. Contracts shall always be reviewed and/or re-negotiated at regular intervals where appropriate, recommended with 3 years as the maximum. The lowest tender or price shall generally be accepted but where a different decision is taken, the Board shall always ensure the reasons for which are documented. The Academy Trust ensures only contractors registered with their professional trade or trade association are employed to carry out major work across the Academy Trust.
- By **collaborating** with academies across the Aspire Academy Trust to obtain high quality and good value products, services and professional development opportunities, as well as developing and growing our own staff and services.

The Academy Trust will also achieve Best Value through the following practical methods:

- Bulk and routine purchasing of common consumables,
- Negotiating discounts,
- Being aware of, and taking advantage of, seasonal pricing variations,
- Ensuring alternative quotes are obtained whenever possible, and
- Using approved suppliers and contractors from the Academy Trust's safe contractor list.

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Aspire Academy Trust for the year 1 September 2017 to 31 August 2018 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 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 Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and have delegated responsibility to the Academy Trust's Business and Finance Team, alongside a strong peer review system, to carry out a comprehensive programme of internal checks.

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

- Testing of payroll systems,
- Testing of purchase systems and authorisation,
- Testing of income systems, and
- Testing of control account/bank account reconciliations.

On a termly basis, the reviewer reports to the Board of Trustees through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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**REVIEW OF EFFECTIVENESS**

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

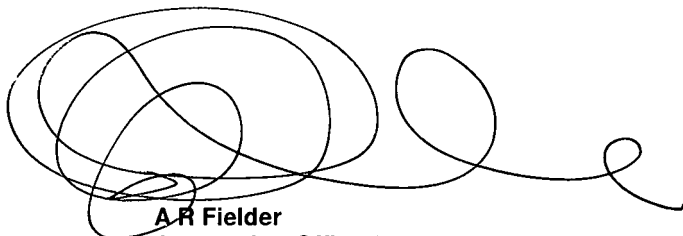
- the work of the internal reviewer and external auditor;
- the Academy Trust's own initiated review, which included finance, governance and compliance;
- the financial management and governance self-assessment process and ESFA audit of finance and governance; and
- the work of the SLT within the Academy 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 Finance and 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 12 December 2018 and signed on their behalf, by:



**J F Swain  
Chair of Trustees**



**A R Fielder  
Accounting Officer**

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

As Accounting Officer of Aspire Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a cursive 'R' and a long, sweeping horizontal line that ends in a small loop.

**A R Fielder  
Accounting Officer**

Date: 12 December 2018

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



**J F Swain  
Chair  
Date: 12 December 2018**

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**OPINION**

We have audited the financial statements of Aspire Academy Trust (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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

**RESPONSIBILITIES OF TRUSTEES**

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

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

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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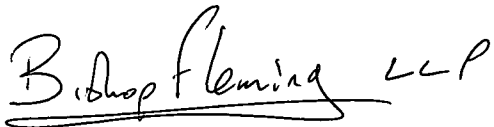
**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**USE OF OUR REPORT**

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

Handwritten signature of Pamela Tuckett in black ink, followed by the letters 'LLP'.

Pamela Tuckett FCA DChA (Senior Statutory Auditor)  
for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 20 December 2018



**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

In accordance with the terms of our engagement letter dated 14 March 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Aspire Academy Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF ASPIRE ACADEMY TRUST'S ACCOUNTING OFFICER AND THE  
REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Aspire Academy Trust's funding agreement with the Secretary of State for Education dated 1 February 2013, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**ASPIRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Pamela Tuckett FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**

Chartered Accountants  
Statutory Auditors  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth  
PL4 0BN

Date: 20 December 2018

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>						
Donations & capital grants:						
Transferred on conversion	2	622,298	(1,223,000)	10,360,292	9,759,590	6,105,859
Other donations and capital grants	2	125,875	52,214	4,159,091	4,337,180	3,198,670
Charitable activities	3	1,817,654	21,250,869	-	23,068,523	20,135,183
Other trading activities	4	328,777	-	-	328,777	387,247
Investments	5	2,582	-	-	2,582	8,685
<b>TOTAL INCOME</b>		<b>2,897,186</b>	<b>20,080,083</b>	<b>14,519,383</b>	<b>37,496,652</b>	<b>29,835,644</b>
<b>EXPENDITURE ON:</b>						
Raising funds		338,930	-	-	338,930	268,557
Charitable activities		2,574,506	22,336,863	1,313,264	26,224,633	23,131,854
<b>TOTAL EXPENDITURE</b>	6	<b>2,913,436</b>	<b>22,336,863</b>	<b>1,313,264</b>	<b>26,563,563</b>	<b>23,400,411</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>(16,250)</b>	<b>(2,256,780)</b>	<b>13,206,119</b>	<b>10,933,089</b>	<b>6,435,233</b>
Transfers between Funds	18	-	(82,833)	82,833	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>(16,250)</b>	<b>(2,339,613)</b>	<b>13,288,952</b>	<b>10,933,089</b>	<b>6,435,233</b>
Actuarial gains on defined benefit pension schemes	23	-	2,480,000	-	2,480,000	2,768,000
<b>NET MOVEMENT IN FUNDS</b>		<b>(16,250)</b>	<b>140,387</b>	<b>13,288,952</b>	<b>13,413,089</b>	<b>9,203,233</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		2,260,527	(5,821,363)	32,195,855	28,635,019	19,431,786
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,244,277</b>	<b>(5,680,976)</b>	<b>45,484,807</b>	<b>42,048,108</b>	<b>28,635,019</b>

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 07387540**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	14		44,357,645		31,038,590
<b>CURRENT ASSETS</b>					
Debtors	15	1,351,794		1,012,506	
Cash at bank and in hand		3,922,265		3,198,122	
		<u>5,274,059</u>		<u>4,210,628</u>	
<b>CREDITORS:</b> amounts falling due within one year	16	(1,740,596)		(704,199)	
<b>NET CURRENT ASSETS</b>			<u>3,533,463</u>		<u>3,506,429</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>47,891,108</u>		<u>34,545,019</u>
Defined benefit pension scheme liability	23		(5,843,000)		(5,910,000)
<b>NET ASSETS</b>			<u><u>42,048,108</u></u>		<u><u>28,635,019</u></u>
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
General funds	18	162,024		88,637	
Fixed asset funds	18	45,484,807		32,195,855	
Restricted funds excluding pension liability		<u>45,646,831</u>		<u>32,284,492</u>	
Pension reserve		<u>(5,843,000)</u>		<u>(5,910,000)</u>	
Total restricted funds			<u>39,803,831</u>		<u>26,374,492</u>
Unrestricted funds	18		<u>2,244,277</u>		<u>2,260,527</u>
<b>TOTAL FUNDS</b>			<u><u>42,048,108</u></u>		<u><u>28,635,019</u></u>

The financial statements on pages 25 to 59 were approved by the Trustees, and authorised for issue, on 12 December 2018 and are signed on their behalf, by:



**J F Swain**  
**Chair of Trustees**

The notes on pages 28 to 59 form part of these financial statements.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	20	212,199	(961,459)
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		2,582	8,685
Purchase of tangible fixed assets		(4,272,027)	(2,524,479)
Capital grants from DfE Group		4,159,091	3,044,808
Cash transferred on conversion		622,298	1,324,656
<b>Net cash provided by investing activities</b>		511,944	1,853,670
<b>Change in cash and cash equivalents in the year</b>		724,143	892,211
Cash and cash equivalents brought forward		3,198,122	2,305,911
<b>Cash and cash equivalents carried forward</b>	21	3,922,265	3,198,122

The notes on pages 28 to 59 form part of these financial statements.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 FUND ACCOUNTING**

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**1.3 INCOME**

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

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

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

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

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

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

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

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

Where assets are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

**1.4 EXPENDITURE**

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

Expenditure on raising funds includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

**1.5 GOING CONCERN**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Where the Academy Trust has been granted use of school buildings from the Diocese of Truro under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% per annum on cost
Leasehold property	-	2% per annum on cost
Furniture and fixtures	-	20-25% per annum on cost
Motor vehicles	-	20% per annum on cost
Computer equipment	-	33% per annum on cost

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

**1.7 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

**1.8 OPERATING LEASES**

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



**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.9 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**1.10 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**1.11 LIABILITIES AND PROVISIONS**

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

**1.12 FINANCIAL INSTRUMENTS**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

**1.13 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.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.14 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**1.15 CONVERSION TO AN ACADEMY TRUST**

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

The assets and liabilities transferred on conversion from all joining schools to an Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion 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 22.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**1. ACCOUNTING POLICIES (continued)**

**1.16 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 August 2018 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lease. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

**2. DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transferred on conversion	622,298	(1,223,000)	10,360,292	9,759,590	6,105,859
Donations	125,875	52,214	-	178,089	153,862
Capital Grants	-	-	4,159,091	4,159,091	3,044,808
	125,875	52,214	4,159,091	4,337,180	3,198,670
	748,173	(1,170,786)	14,519,383	14,096,770	9,304,529
Total 2017	1,426,304	(1,302,786)	9,181,011	9,304,529	

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Education	828,203	21,250,869	22,079,072	19,313,695
Nursery	989,451	-	989,451	821,488
	<u>1,817,654</u>	<u>21,250,869</u>	<u>23,068,523</u>	<u>20,135,183</u>
Total 2017	<u>1,547,921</u>	<u>18,587,262</u>	<u>20,135,183</u>	

**FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	17,839,086	17,839,086	16,002,917
Start up Grants	-	25,000	25,000	25,000
Other DfE/ESFA grants	-	2,626,779	2,626,779	2,093,108
	<u>-</u>	<u>20,490,865</u>	<u>20,490,865</u>	<u>18,121,025</u>
<b>Other Government grants</b>				
High Needs	-	307,366	307,366	314,911
Other government grants	-	444,677	444,677	137,071
	<u>-</u>	<u>752,043</u>	<u>752,043</u>	<u>451,982</u>
<b>Other funding</b>				
Internal catering income	202,000	-	202,000	162,960
Income for hosting trainee teachers	-	7,961	7,961	14,255
Sales to students	26,518	-	26,518	30,868
Other	599,685	-	599,685	532,605
	<u>828,203</u>	<u>7,961</u>	<u>836,164</u>	<u>740,688</u>
	<u>828,203</u>	<u>21,250,869</u>	<u>22,079,072</u>	<u>19,313,695</u>
Total 2017	<u>726,433</u>	<u>18,587,262</u>	<u>19,313,695</u>	

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	32,393	-	32,393	42,222
External Catering	1,352	-	1,352	1,339
Consultancy	53,358	-	53,358	80,758
Extended services	241,674	-	241,674	261,639
Other	-	-	-	1,289
	<u>328,777</u>	<u>-</u>	<u>328,777</u>	<u>387,247</u>
Total 2017	<u>387,247</u>	<u>-</u>	<u>387,247</u>	

**5. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	2,582	-	2,582	8,685
	<u>2,582</u>	<u>-</u>	<u>2,582</u>	
Total 2017	<u>8,685</u>	<u>-</u>	<u>8,685</u>	

**6. EXPENDITURE**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading					
Direct costs	203,203	-	135,727	338,930	268,437
Support costs	-	-	-	-	-
Education:					
Direct costs	15,668,715	-	2,919,709	18,588,424	16,542,916
Support costs	2,637,941	2,151,314	1,747,163	6,536,418	5,768,941
Nursery:					
Direct costs	754,671	-	67,276	821,947	591,242
Support costs	-	113,227	111,652	224,879	228,875
Teaching school:					
Direct costs	25,799	-	5,445	31,244	-
Support costs	16,042	-	5,679	21,721	-
	<u>19,306,371</u>	<u>2,264,541</u>	<u>4,992,651</u>	<u>26,563,563</u>	<u>23,400,411</u>
Total 2017	<u>17,234,140</u>	<u>1,470,271</u>	<u>4,696,000</u>	<u>23,400,411</u>	

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**7. DIRECT COSTS**

	Education £	Nursery £	Teaching school £	Total 2018 £	Total 2017 £
Pension finance costs	90,270	10,030	-	100,300	97,000
Educational supplies	565,754	-	-	565,754	575,560
Staff development	116,558	-	-	116,558	154,221
Other costs	414,542	-	5,445	419,987	420,970
Supply teachers	661,782	-	-	661,782	427,727
Technology costs	353,872	-	-	353,872	200,468
Educational consultancy	221,331	-	-	221,331	211,840
Wages and salaries	11,397,892	650,780	25,322	12,073,994	10,988,497
National insurance	954,289	25,064	477	979,830	875,692
Pension cost	2,724,469	78,827	-	2,803,296	2,385,056
Depreciation	1,087,665	57,246	-	1,144,911	793,229
	<b>18,588,424</b>	<b>821,947</b>	<b>31,244</b>	<b>19,441,615</b>	<b>17,130,260</b>
Total 2017	16,539,378	591,242	-	17,130,620	

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**8. SUPPORT COSTS**

	Education £	Nursery £	Teaching school £	Total 2018 £	Total 2017 £
Pension finance costs	62,730	6,970	-	69,700	72,000
Other costs	84,354	-	2,360	86,714	125,323
Recruitment and support	25,898	-	-	25,898	15,344
Maintenance of premises and equipment	459,348	24,176	-	483,524	389,128
Cleaning	528,499	27,816	-	556,315	285,666
Rent and rates	263,271	11,108	-	274,379	258,009
Energy costs	243,293	12,805	-	256,098	229,508
Insurance	293,647	15,455	-	309,102	287,113
Security and transport	255,535	13,449	-	268,984	213,827
Catering	689,848	76,650	-	766,498	652,196
Technology costs	63,185	-	3,319	66,504	133,591
Office overheads	252,289	28,032	-	280,321	239,255
Legal and professional	217,185	-	-	217,185	284,515
Bank interest and charges	14,347	-	-	14,347	24,944
PFI charges	326,741	-	-	326,741	307,566
Governance	28,072	-	-	28,072	26,083
Wages and salaries	1,759,366	-	16,042	1,775,408	1,665,140
National insurance	120,025	-	-	120,025	102,665
Pension cost	688,850	-	-	688,850	562,029
Depreciation	159,935	8,418	-	168,353	127,692
	<b>6,536,418</b>	<b>224,879</b>	<b>21,721</b>	<b>6,783,018</b>	<b>6,001,594</b>
Total 2017	5,772,719	228,875	-	6,001,594	

**9. NET INCOME/(EXPENDITURE) FOR THE PERIOD**

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	1,313,264	920,921
Auditors' remuneration - audit	9,250	8,000
Auditors' remuneration - other services	12,550	12,650
Operating lease rentals	251,164	342,096

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**10. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	13,899,569	12,749,800
Social security costs	1,106,503	983,300
Pension costs	3,514,064	2,996,563
	<u>18,520,136</u>	<u>16,729,663</u>
Agency staff costs	661,782	427,727
Staff restructuring costs	124,453	76,750
	<u>19,306,371</u>	<u>17,234,140</u>

**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs were non-statutory/non-contractual severance payments totalling £124,453 (2017: £76,750). This relates to severance payments to nine members of staff. Individually, the payments were: £45,000, £19,400, £9,600, £6,000, £16,600, £16,194, £4,650, £5,009, and £2,000.

**c. Staff numbers**

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

	2018 No.	2017 No.
Teachers	252	238
Administration and teaching support	566	524
Management	35	32
	<u>853</u>	<u>794</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	193	179
Administration and teaching support	243	223
Management	34	31
	<u>470</u>	<u>433</u>



**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**10. STAFF COSTS (continued)**

**d. Higher paid staff**

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>3</b>	<b>3</b>
In the band £70,001 - £80,000	<b>4</b>	<b>5</b>
In the band £80,001 - £90,000	<b>1</b>	<b>1</b>
In the band £100,001 - £110,000	<b>0</b>	<b>1</b>
In the band £110,000 - £120,000	<b>1</b>	<b>0</b>

**e. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration in their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £741,704 (2017: £798,448).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**11. CENTRAL SERVICES**

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

- Academy improvement
- Finance and business management
- Human resources, including payroll
- Legal support
- IT licenses
- Accountancy and audit
- Marketing, communications and PR support
- Actuarial valuation
- Company secretarial support
- Safeguarding support and advice

The Academy Trust charges for these services on the following basis:

The academies contribute 10% of their GAG towards these costs.

The actual amounts charged during the year were as follows:

	2018 £	2017 £
Sandy Hill Academy	92,798	52,092
Padstow School	66,056	35,333
Treverbyn Academy	83,255	46,032
Whitemoor Academy	43,052	24,405
Mount Hawke Academy	94,254	48,805
Summercourt Academy	45,210	22,883
Truro Learning Academy	53,129	26,927
Mawgan-in-Pydar CP School	53,207	2,497
St Minver School	72,935	38,799
Penryn Primary Academy	169,974	110,715
Biscovey Academy	122,765	66,037
Connor Downs Academy	70,667	37,589
St Breock Primary School	78,525	42,490
Shortlanesend CP School	54,059	30,526
St Stephen Churchtown Academy	104,927	60,465
St Uny Church of England Primary School	97,190	53,325
Biscovey Nursery & Infants Academy	86,836	48,021
Probus Primary School	74,291	40,500
Bugle Primary School	87,016	47,287
St Mawes Primary School	24,882	8,890
Warbstow Primary School	37,970	9,052
Cusgarne Primary School	32,593	-
Delabole Primary School	36,737	-
Tintagel Primary School	31,187	-
Bude Infants Primary School	12,339	-
Bude Juniors Primary School	17,003	-
Indian Queens Primary School	21,359	-
	<u>1,764,216</u>	<u>852,670</u>
Total		

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**12. TRUSTEES' REMUNERATION AND EXPENSES**

The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the role of Chief Executive Officer under their contract of employment, and not in respect of services as a Trustee. Other Trustees did not receive any payments, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows; A R Fielder: Remuneration £110,000 - £115,000 (2017: £100,000 - £105,000), Employer's pension contributions £15,000 - £20,000 (2016: £15,000 - £20,000).

During the year ended 31 August 2018, expenses totalling £3,020 (2017: £1,587) were reimbursed to 2 Trustees (2017: 1).

**13. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £6,000 (2017: £6,086).

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Leasehold property £	Furniture and fixtures £	Motor vehicles £	Computer equipment £	Total £
<b>COST</b>						
At 1 September 2017	5,237,718	26,926,449	1,146,122	7,900	887,339	34,205,528
Additions	204,160	3,755,638	265,805	-	46,424	4,272,027
Transfers	5,738,107	4,386,255	143,334	-	258,524	10,526,220
At 31 August 2018	11,179,985	35,068,342	1,555,261	7,900	1,192,287	49,003,775
<b>DEPRECIATION</b>						
At 1 September 2017	133,669	1,728,059	640,363	5,973	658,874	3,166,938
Charge for the year	175,071	619,013	278,719	680	239,781	1,313,264
Transfers	74,105	-	37,327	-	54,496	165,928
At 31 August 2018	382,845	2,347,072	956,409	6,653	953,151	4,646,130
<b>NET BOOK VALUE</b>						
At 31 August 2018	10,797,140	32,721,270	598,852	1,247	239,136	44,357,645
At 31 August 2017	5,104,049	25,198,390	505,759	1,927	228,465	31,038,590

Penryn Primary Academy and Shortlanesend CP School are under PFI agreements which means that access to the Land and Buildings is restricted. Aspire Academy Trust own the freehold situated at the schools however due to the restricted access they are not considered to have the full risks and rewards of ownership and so the value of land and buildings is not recognised in the accounts.

**15. DEBTORS**

	2018 £	2017 £
Trade debtors	221,401	297,962
VAT recoverable	224,416	217,849
Prepayments and accrued income	905,977	496,695
	<u>1,351,794</u>	<u>1,012,506</u>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade creditors	744,702	6,414
Other creditors	316,427	238,425
Accruals and deferred income	679,467	459,360
	<u>1,740,596</u>	<u>704,199</u>

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)**

	2018 £	2017 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2017	373,971	287,264
Resources deferred during the year	456,812	373,971
Amounts released from previous years	(373,971)	(287,264)
	<u>456,812</u>	<u>373,971</u>
Deferred income at 31 August 2018	<u>456,812</u>	<u>373,971</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance of £456,812 (2017: £360,971) for autumn term 2018 Universal Infant Free School Meals expenditure. The deferred income in 2017 also included £7,000 of British & Foreign School Society funding for the 2017/18 academic year and £6,000 for a teaching school improvement grant.

**17. FINANCIAL INSTRUMENTS**

	2018 £	2017 £
Financial assets measured at amortised cost	<u>901,407</u>	<u>673,893</u>
Financial liabilities measured at amortised cost	<u>577,132</u>	<u>330,228</u>

Financial assets measured at amortised cost comprise trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**18. STATEMENT OF FUNDS**

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
<b>UNRESTRICTED FUNDS</b>						
General funds	2,260,527	2,897,186	(2,913,436)	-	-	2,244,277
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	-	17,839,086	(17,756,253)	(82,833)	-	-
Universal infant free school meals	-	636,641	(636,641)	-	-	-
High needs funding	-	307,366	(307,366)	-	-	-
Free school grant	29,293	-	(29,293)	-	-	-
Pupil premium	-	1,359,320	(1,359,320)	-	-	-
Start up grant	-	165,000	(77,096)	-	-	87,904
Rates relief	-	89,838	(89,838)	-	-	-
PE and sports grant	-	400,980	(400,980)	-	-	-
Student teacher income	-	7,961	(7,961)	-	-	-
Sponsor capacity grant	59,344	74,300	(66,559)	-	-	67,085
Other LA funding	-	310,377	(310,377)	-	-	-
Diocesan property rent	-	52,214	(52,214)	-	-	-
Teaching School	-	60,000	(52,965)	-	-	7,035
Pension reserve	(5,910,000)	(1,223,000)	(1,190,000)	-	2,480,000	(5,843,000)
	(5,821,363)	20,080,083	(22,336,863)	(82,833)	2,480,000	(5,680,976)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	26,408,075	10,360,292	(881,008)	-	-	35,887,359
Fixed assets purchased from GAG and other restricted funds	173,974	-	(156,794)	82,833	-	100,013
DfE/ESFA/LA Capital grants	5,586,386	4,159,091	(270,129)	-	-	9,475,348
Private sector capital sponsorship	27,420	-	(5,333)	-	-	22,087
	32,195,855	14,519,383	(1,313,264)	82,833	-	45,484,807
Total restricted funds	26,374,492	34,599,466	(23,650,127)	-	2,480,000	39,803,831
Total of funds	28,635,019	37,496,652	(26,563,563)	-	2,480,000	42,048,108

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

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

Universal infant free school meals - Income from the ESFA which is to be used for delivering free school meals for pupils in year groups reception, year one and year two.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**18. STATEMENT OF FUNDS (continued)**

High needs - Funding received by the Local Authority to fund further support for students with additional needs.

Free school grant - Income from the ESFA to fund the costs of opening a new free school.

Pupil premium - Pupil premium represents the funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

Start up grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an academy.

Rates relief - This represents funding received from the ESFA to cover the costs of non-domestic rates.

PE and sports grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and Sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Pension reserve - This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes, this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy Trust. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the Academy Trust from the Local Authority on conversion.

DfE/ESFA Capital grants - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Transfers out of GAG to purchase fixed assets (£164,364) have been made. A transfer out of capital grants (£81,531) to the GAG fund has also been made where these funds were spent on redecoration costs.

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 2018.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**18. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Sandy Hill Academy	83,392	50,384
Padstow School	-	5,672
Treverbyn Academy	90,142	124,070
Whitemoor Academy	52,095	61,627
Mount Hawke Academy	112,472	130,463
Summercourt Academy	17,242	12,138
Truro Learning Academy	33,888	42,086
Mawgan-in-Pydar CP School	44,125	84,596
St Minver School	7,583	9,876
Penryn Primary Academy	189,599	487,206
Biscovey Academy	64,652	44,649
Connor Downs Academy	45,017	43,186
St Breock Primary School	73,658	60,795
Shortlanesend CP School	23,934	23,078
St Stephen Churchtown Academy	1,012	37,504
St Uny Church of England Primary School	85,391	63,022
Biscovey Nursery & Infants Academy	83,222	206,750
Bugle Primary School	527,726	536,555
Probus Primary School	51,995	73,541
St Mawes Primary School	4,377	24,588
Warbstow Primary School	82,517	110,065
Cusgarne Primary School	18,844	-
Delabole Primary School	30,124	-
Tintagel Primary School	104,948	-
Bude Infants Primary School	37,904	-
Bude Juniors Primary School	9	-
Indian Queens Primary School	104,660	-
Central services	435,773	117,313
Total before fixed asset fund and pension reserve	2,406,301	2,349,164
Restricted fixed asset fund	45,484,807	32,195,855
Pension reserve	(5,843,000)	(5,910,000)
Total	42,048,108	28,635,019



**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**18. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY COST**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2018 £	Total 2017 £
Sandy Hill Academy	737,595	143,435	91,675	199,670	1,172,375	1,200,367
Padstow School	545,534	78,753	46,954	124,990	796,231	786,959
Treverbyn Academy	655,608	223,809	96,871	194,248	1,170,536	1,218,413
Whitemoor Academy	309,864	40,718	32,704	83,601	466,887	482,301
Mount Hawke Academy	766,571	82,644	70,053	179,210	1,098,478	1,070,546
Summercourt Academy	324,206	44,499	53,650	89,147	511,502	513,823
Truro Learning Academy	520,463	35,259	52,139	129,476	737,337	618,263
Mawgan-in-Pydar CP School	424,679	39,206	62,575	96,546	623,006	601,930
St Minver School	576,282	65,544	57,770	116,062	815,658	892,553
Penryn Primary Academy	1,415,056	128,790	103,965	515,071	2,162,882	2,446,297
Biscovey Academy	926,275	82,188	97,323	163,613	1,269,399	1,345,960
Connor Downs Academy	546,533	43,809	65,868	154,995	811,205	784,045
St Breock Primary School	616,517	151,044	56,427	157,234	981,222	1,045,015
Shortlanesend CP School	429,137	30,601	68,229	122,901	650,868	691,582
St Stephen Churchtown Academy	920,420	128,897	86,854	208,570	1,344,741	1,481,634
St Uny Church of England Primary School	729,384	101,685	81,343	212,243	1,124,655	1,193,282
Biscovey Nursery & Infants Academy	751,789	215,485	66,812	205,789	1,239,875	1,359,251
Bugle Primary School	671,316	168,243	44,271	168,854	1,052,684	1,025,472
Probus Primary School	582,642	122,003	57,634	163,391	925,670	1,092,252
St Mawes Primary School	190,439	23,234	36,860	56,983	307,516	218,746
Warbstow Primary School	322,631	69,344	46,567	95,015	533,557	210,644
Cusgarne Primary School	262,234	28,050	37,490	55,450	383,224	-
Delabole Primary School	308,458	24,262	27,790	79,226	439,736	-

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**18. STATEMENT OF FUNDS (continued)**

Tintagel Primary School	271,337	30,299	26,809	101,153	429,598	-
Bude Infants Primary School	99,748	17,517	8,285	13,812	139,362	-
Bude Juniors Primary School	137,177	21,576	9,696	18,998	187,447	-
Indian Queens Primary School	186,759	29,680	12,134	16,979	245,552	-
Central services	1,083,478	803,665	178,754	394,868	2,460,765	1,279,234
	<u>15,312,132</u>	<u>2,974,239</u>	<u>1,677,502</u>	<u>4,118,095</u>	<u>24,081,968</u>	<u>21,558,569</u>

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**18. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds	2,012,854	3,370,157	(695,876)	(2,426,608)	-	2,260,527
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	-	16,002,917	(18,318,594)	2,315,677	-	-
Universal infant free school meals	-	529,643	(529,643)	-	-	-
High needs funding	-	314,911	(314,911)	-	-	-
Free school grant	-	30,000	(707)	-	-	29,293
Pupil premium	-	1,257,197	(1,257,197)	-	-	-
Start up grant	9,731	25,000	(34,731)	-	-	-
Rates relief	-	90,362	(90,362)	-	-	-
PE and sports grant	-	175,906	(175,906)	-	-	-
Student teacher income	-	14,255	(14,255)	-	-	-
School improvement grant	-	10,000	(10,000)	-	-	-
Sponsor capacity grant	-	65,000	(5,656)	-	-	59,344
Other ESFA grants	-	13,198	(13,198)	-	-	-
Other LA funding	-	58,873	(58,873)	-	-	-
Other restricted funds	15,367	-	(15,367)	-	-	-
Diocesan property rent	-	52,214	(52,214)	-	-	-
Pension reserve	(6,431,000)	(1,355,000)	(892,000)	-	2,768,000	(5,910,000)
	(6,405,902)	17,284,476	(21,783,614)	2,315,677	2,768,000	(5,821,363)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	20,889,481	6,136,203	(617,609)	-	-	26,408,075
Fixed assets purchased from GAG and other restricted funds	158,386	-	(98,243)	113,831	-	173,974
DfE/ESFA/LA Capital grants	2,760,969	3,028,053	(199,736)	(2,900)	-	5,586,386
Private sector capital sponsorship	15,998	16,755	(5,333)	-	-	27,420
	23,824,834	9,181,011	(920,921)	110,931	-	32,195,855
Total restricted funds	17,418,932	26,465,487	(22,704,535)	2,426,608	2,768,000	26,374,492
Total of funds	19,431,786	29,835,644	(23,400,411)	-	2,768,000	28,635,019

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	44,357,645	44,357,645
Current assets	3,984,873	162,024	1,127,162	5,274,059
Creditors due within one year	(1,740,596)	-	-	(1,740,596)
Pension scheme liability	-	(5,843,000)	-	(5,843,000)
	<u>2,244,277</u>	<u>(5,680,976)</u>	<u>45,484,807</u>	<u>42,048,108</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	31,038,590	31,038,590
Current assets	2,964,726	88,637	1,157,265	4,210,628
Creditors due within one year	(704,199)	-	-	(704,199)
Pension scheme liability	-	(5,910,000)	-	(5,910,000)
	<u>2,260,527</u>	<u>(5,821,363)</u>	<u>32,195,855</u>	<u>28,635,019</u>

**20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	10,933,089	6,435,233
<b>Adjustment for:</b>		
Depreciation charges	1,313,264	920,921
Dividends, interest and rents from investments	(2,582)	(8,685)
Loss on the sale of fixed assets	-	1
Increase in debtors	(339,288)	(250,779)
Increase in creditors	1,036,397	200,517
Capital grants from DfE and other capital income	(4,159,091)	(3,044,808)
Defined benefit pension scheme cost less contributions payable	1,020,000	723,000
Defined benefit pension scheme finance cost	170,000	169,000
Net gain on assets and liabilities from local authority on conversion	(9,759,590)	(6,105,859)
<b>Net cash provided by/(used in) operating activities</b>	<u>212,199</u>	<u>(961,459)</u>

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018 £	2017 £
Cash at bank and in hand	3,922,265	3,198,122
	<u>3,922,265</u>	<u>3,198,122</u>

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**22. CONVERSION TO AN ACADEMY TRUST**

On 1 November 2017, 1 July 2018 and 1 July 2018 Cusgarne Primary School, Indian Queens Primary School, Bude Infants Primary School and Bude Juniors Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Aspire Academy Trust from Cornwall Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	8,520,737	8,520,737
- Other tangible fixed assets	-	-	211,578	211,578
Budget surplus on LA funds	315,527	-	-	315,527
LGPS pension deficit	-	(917,250)	-	(917,250)
Net assets/(liabilities)	<u>315,527</u>	<u>(917,250)</u>	<u>8,732,315</u>	<u>8,130,592</u>

The above net assets include £315,527 that were transferred as cash.

The above can be analysed between the individual schools as follows:

**CUSGARNE PRIMARY SCHOOL - Joined 1 November 2017**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	754,504	754,504
- Other tangible fixed assets	-	-	26,000	26,000
Budget surplus on LA funds	69,017	-	-	69,017
LGPS pension deficit	-	(67,116)	-	(67,116)
Net assets/(liabilities)	<u>69,017</u>	<u>(67,116)</u>	<u>780,504</u>	<u>782,405</u>

The above net assets include £69,017 that were transferred as cash.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**INDIAN QUEENS PRIMARY SCHOOL - Joined 1 July 2018**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	3,631,751	3,631,751
- Other tangible fixed assets	-	-	101,574	101,574
Budget surplus on LA funds	147,823	-	-	147,823
LGPS pension deficit	-	(380,104)	-	(380,104)
Net assets/(liabilities)	<u>147,823</u>	<u>(380,104)</u>	<u>3,733,325</u>	<u>3,501,044</u>

The above net assets include £147,823 that were transferred as cash.

**BUDE INFANTS PRIMARY SCHOOL - Joined 1 July 2018**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	1,399,388	1,399,388
- Other tangible fixed assets	-	-	28,139	28,139
Budget surplus on LA funds	74,779	-	-	74,779
LGPS pension deficit	-	(221,741)	-	(221,741)
Net assets/(liabilities)	<u>74,779</u>	<u>(221,741)</u>	<u>1,427,527</u>	<u>1,280,565</u>

The above net assets include £74,779 that were transferred as cash.

**BUDE JUNIORS PRIMARY SCHOOL - Joined 1 July 2018**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	2,735,094	2,735,094
- Other tangible fixed assets	-	-	55,865	55,865
Budget surplus on LA funds	23,908	-	-	23,908
LGPS pension deficit	-	(248,289)	-	(248,289)
Net assets/(liabilities)	<u>23,908</u>	<u>(248,289)</u>	<u>2,790,959</u>	<u>2,566,578</u>

The above net assets include £23,908 that were transferred as cash.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**23. PENSION COMMITMENTS**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 August 2018.

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

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 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.
- 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 TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £1,319,278 (2017: £1,202,067).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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



**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**23. PENSION COMMITMENTS (continued)**

trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £1,465,475 (2017: £1,327,000), of which employer's contributions totalled £1,165,592 (2017: £1,061,000) and employees' contributions totalled £299,883 (2017: £266,000). The agreed contribution rates for future years are 16.8% for employers and 5.5 - 12.5% for employees.

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

Principal actuarial assumptions:

	<b>2018</b>	<b>2017</b>
Discount rate for scheme liabilities	<b>2.80 %</b>	2.50 %
Rate of increase in salaries	<b>2.40 %</b>	2.50 %
Rate of increase for pensions	<b>2.30 %</b>	2.40 %
Inflation assumption (CPI)	<b>2.30 %</b>	2.40 %

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

	<b>2018</b>	<b>2017</b>
Retiring today		
Males	<b>22.1</b>	22.1
Females	<b>24.5</b>	24.5
Retiring in 20 years		
Males	<b>24.0</b>	24.0
Females	<b>26.4</b>	26.4

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**23. PENSION COMMITMENTS (continued)**

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	6,291,000	4,373,000
Bonds	5,521,000	4,002,000
Property	899,000	651,000
Cash	128,000	279,000
Total market value of assets	<u>12,839,000</u>	<u>9,305,000</u>

The actual return on scheme assets was £325,000 (2017: £2,599,000).

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

	2018 £	2017 £
Current service cost	(2,186,000)	(1,784,000)
Past service cost	(21,918)	(24,901)
Interest income	262,000	170,000
Interest cost	(432,000)	(339,000)
Total	<u>(2,377,918)</u>	<u>(1,977,901)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	15,215,000	12,840,000
Current service cost	2,186,000	1,784,000
Interest cost	432,000	339,000
Employee contributions	300,000	266,000
Actuarial gains	(2,155,000)	(2,406,000)
Benefits paid	(44,000)	(58,000)
Liabilities assumed in a business combination	2,748,000	2,450,000
Closing defined benefit obligation	<u>18,682,000</u>	<u>15,215,000</u>

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**23. PENSION COMMITMENTS (continued)**

Movements in the fair value of the Academy Trust's share of scheme assets:

	2018 £	2017 £
Opening fair value of scheme assets	9,305,000	6,409,000
Interest income	262,000	170,000
Actuarial losses	325,000	362,000
Employer contributions	1,166,000	1,061,000
Employee contributions	300,000	266,000
Benefits paid	(44,000)	(58,000)
Assets acquired in a business combination	1,525,000	1,095,000
	<u>12,839,000</u>	<u>9,305,000</u>
Closing fair value of scheme assets	<u>12,839,000</u>	<u>9,305,000</u>

**24. OPERATING LEASE COMMITMENTS**

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	258,328	225,332
Between 1 and 5 years	702,639	755,172
After more than 5 years	1,308,960	1,454,100
Total	<u>2,269,927</u>	<u>2,434,604</u>

Penryn Primary Academy and Shortlanesend CP School are under PFI agreements dated May 2004 and March 2004 respectively. The costs shown above include the annual PFI charge under the agreement.

**25. MEMBERS' LIABILITY**

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

**26. GENERAL INFORMATION**

Aspire Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Unit 11, St Austell Business Park, Carclaze, St Austell, PL25 4FD.

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**27. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the year:

During the year, the Academy Trust paid £405 (2017: £84) to Wheal Martyn Enterprises Limited for school trips, a Company in which Mrs J F Swain, the Chair of Trustees, is a Director with 20% of the voting power. No balance was payable at the year end.

**28. CONTROLLING PARTY**

The Academy Trust is controlled by the Members. There is no individual controlling party.

**29. TEACHING SCHOOL TRADING ACCOUNT**

	2018 £	2018 £	2017 £	2017 £
<b>INCOME</b>				
<b>DIRECT INCOME</b>				
Teaching School Grant	60,000		-	
<b>TOTAL INCOME</b>		60,000		-
<b>EXPENDITURE</b>				
<b>DIRECT EXPENDITURE</b>				
Direct staff costs	25,799		-	
Staff subsistence and travel	5,445		-	
<b>TOTAL DIRECT EXPENDITURE</b>	31,244		-	
<b>OTHER EXPENDITURE</b>				
Other staff costs	16,042		-	
Other support costs	5,679		-	
<b>TOTAL OTHER EXPENDITURE</b>	21,721		-	
<b>TOTAL EXPENDITURE</b>		52,965		-
<b>SURPLUS FROM ALL SOURCES</b>		7,035		-
<b>TEACHING SCHOOL BALANCES AT         1 SEPTEMBER 2017</b>		-		-
<b>TEACHING SCHOOL BALANCES AT         31 AUGUST 2018</b>		7,035		-

**ASPIRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**30. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST**

**Delabole Primary School**

	Value reporting by transferring trust £	Fair value adjustments £	Transfer in recognised £
<b>Tangible fixed assets</b>			
Long-term leasehold property	1,103,988	-	1,103,988
Fixtures and fittings	58,980	-	58,980
Computer equipment	12,896	-	12,896
Cash in bank and in hand	76,198	-	76,198
<b>Pensions</b>			
Pensions - pension scheme liabilities	(160,974)	-	(160,974)
<b>Net assets</b>	<b>1,091,088</b>	<b>-</b>	<b>1,091,088</b>

**Tintagel Primary School**

	Value reporting by transferring trust £	Fair value adjustments £	Transfer in recognised £
<b>Tangible fixed assets</b>			
Long-term leasehold property	425,532	-	425,532
Fixtures and fittings	17,027	-	17,027
Computer equipment	9,554	-	9,554
Cash in bank and in hand	230,573	-	230,573
<b>Pensions</b>			
Pensions - pension scheme liabilities	(144,776)	-	(144,776)
<b>Net assets</b>	<b>537,910</b>	<b>-</b>	<b>537,910</b>