

INSPIRE TRUST
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

INSPIRE TRUST

(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 17
Governance statement	18 - 22
Statement on regularity, propriety and compliance	23
Statement of Trustees' responsibilities	24
Independent auditor's report on the financial statements	25 - 28
Independent reporting accountant's report on regularity	29 - 30
Statement of financial activities incorporating income and expenditure account	31 - 32
Balance sheet	33 - 34
Statement of cash flows	35
Notes to the financial statements	36 - 61

INSPIRE TRUST**(A company limited by guarantee)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Robinson M Slater (appointed 17 September 2018) A Denniff (appointed 17 September 2018) P Jagger (resigned 15 November 2018) R Roebuck (appointed 1 September 2019)
Trustees	P Brockwell (appointed 18 September 2018) T H Gammons J Gorman P Jagger, Vice Chair until 14 November 2019, Chair from 14 November 2019 T Leeson T Mulroy D Naisbitt, Chief Executive Officer and Accounting Officer A Robinson, Chair until 14 November 2019, Vice Chair from 14 November 2019 D J Roche M Shabir P Sheldon

Company registered number 08775996

Company name Inspire Trust

Principal and registered office Thomas Rotherham College
Moorgate Road
Rotherham
S60 2BE

Accounting officer D Naisbitt

Senior leadership team:
D Naisbitt, Chief Executive Officer, Interim Principal - TRC & Accounting Officer
E Whitehouse, Director of Corporate Services
A Abel, Director of Finance & Principal Finance Officer
C Moulden, Head of School - OHS
J Dawson, Head of School - SJS
S Brookes-Mills, Principal - TRC (resigned 5 December 2018)

INSPIRE TRUST**(A company limited by guarantee)**

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Independent auditor	BHP LLP Chartered Accountants 2 Rutland Park Sheffield S10 2PD
Bankers	Royal Bank of Scotland plc 747 Attercliffe Road Sheffield South Yorkshire S9 3RF
Solicitors	Irwin Mitchell LLP Wellington Place Leeds LS1 4BZ

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

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

Inspire Trust is made up of Oakwood High School ('OHS'), a mixed comprehensive of over 1,000 pupils aged 11-16 years, Sitwell Junior School ('SJS') with over 300 pupils aged 7-11 years and Thomas Rotherham College ('TRC') a 6th form college with over 1,400 students aged 16-19 years. Oakwood and Sitwell are larger than average and serve an extremely diverse community. Thomas Rotherham College is located in Rotherham, equally serves an extremely diverse community and attracts many students from Rotherham with a number from the wider South Yorkshire area.

Structure, governance and management***a. Constitution***

The Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

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

The charitable company is known as Inspire Trust.

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

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

c. Trustees' indemnities

Insurance cover is provided by Travellers Insurance Company Ltd under policy number UK CMK 3979583 for liability arising from negligent acts, errors or omissions committed in good faith.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Trust may appoint up to 15 Trustees but not less than three. Trustees of Inspire Trust will be appointed by the Trust Members following assessment of skills need and skills match using the competency framework for governance from the DfE. Each Trustee is interviewed by the Members of the Trust at a Governor Search Panel prior to being appointed.

There should be a minimum of 2 Parent Trustees. Parent Trustees must be a parent of a registered pupil at one of more of the Academies at the time when elected or appointed. At Inspire Trust all potential Parent Governor/Trustees will be asked to complete a Skills Assessment and to provide a statement for publication prior to election by the parent body. Parent Governor Elections will be conducted via notification on an academy's website and text message to parents directing them to the information. The subsequent vote will, wherever possible be conducted via electronic media.

Inspire Trust may also appoint up to 5 Co opted Trustees who will be recruited against the Skills Assessment according to the needs of the Trust.

e. Policies adopted for the induction and training of Trustees

A comprehensive range of services are offered to Trustees and Governors which provide support and training. These are:

- Induction training
- Governor training programme
- Clerks' Briefing
- Briefing papers and publications

f. Organisational structure

The Trust has defined the responsibilities of each person involved in the administration of finance to avoid the duplication or omission of functions and to provide a framework of accountability. A recent restructure within the Trust has redefined the roles within finance to provide a centralised finance function. The financial reporting structure is illustrated below:

Trust Executive (TE): (Members Level)

The Trust Executive has overall responsibility for the administration of the trust's finances. The main responsibilities are prescribed in the Funding Agreement between the Trust and the DfE and in the Trusts' Governance Handbook.

The main responsibilities include:

- Ensuring that grants from the DfE are used only for the purposes intended
- Approval of the annual budget
- Appointment of the Accounting Officer
- Appointment of the Chief Financial Officer
- Appoint the Trust Auditors.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)***g. Pay policy for key management personnel***

The rules for determining the pay of key management personnel (for the purposes of this definition this includes the Chief Executive Officer, Heads of School, Deputy Headteachers and Assistant Headteachers who sit on the Senior Leadership Team (SLT)) are set out in the School Teacher's Pay and Conditions Document (STPCD) and reflect the individual's role and responsibility. Academies and Free Schools can set their own pay and conditions, but often choose to follow the STPCD. The Principal's salary was determined using benchmarking of other College principal salaries and the guidance from the ESFA regarding the setting of executive pay.

The Board of Inspire Trust has established a pay range for the Chief Executive Officer, Heads of School, Deputy Headteachers and Assistant Headteachers in accordance with the STPCD. In determining the appropriate pay range, the Board considers the permanent responsibilities of the role, any challenges that are specific to the role and all other relevant considerations. As directed by the STPCD, the pay range for the Headteacher has not exceeded the maximum of the Headteacher group. As a result of TUPE staff contracts transferring into the Trust from TRC were based on models provided by the Sixth Form Colleges' Association. New contracts to date have been based on these but with elements of Trust contracts included.

In addition, and as directed by the STPCD, the maximum of the Deputy or Assistant Headteacher's pay range has not exceeded the maximum of the Headteacher group.

The Headteacher group is established by a total unit score. The total unit score is determined in accordance with the number of pupils on the school register, calculated by each key stage, with a number of units assigned to each pupil, thus giving a total unit score.

INSPIRE TRUST**(A company limited by guarantee)**

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)***h. Trade union facility time******Relevant union officials***

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	-

Percentage of time spent on facility time

<i>Percentage of time</i>	Number of employees
0%	1
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£	
Total cost of facility time	-	
Total pay bill	-	
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	-	%
---	---	---

i. Connected organisations, including related party relationships

The Trust is not part of as a wider network such as a soft federation.

j. Employees and disabled persons

We welcome applications for anyone who meets the requirements of the post and reasonable adjustments will always be considered. For employees who become disabled, we use Occupational Health for assessment and guidance and apply reasonable adjustments where necessary.

Consultation and the provision of information is conducted via staff briefings, INSET, line management. Formal consultations on restructuring has taken place via circulation to all affected staff (and as a courtesy to professional associations) with feedback accepted in person, via email and in writing - consultation logs have been maintained. The Trust is introducing a software (Every) to enable circulation for information and feedback from staff.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities

a. Trust Objectives

- to ensure that all pupils / students learn to their full potential in a caring and supportive environment;
- to improve life chances by helping to grow into well rounded, work and adult life ready children and young people;
- to provide challenging learning experiences that develops pupils / students as successful confident young adults;
- to provide a truly outstanding and inspirational 0-19 educational experience;
- to build on the excellent governance, leadership and management evident in the trust's schools and colleges: 'Looking Inward and Facing Outward';
- to present a governance and leadership structure that offers greater opportunities for collaboration, co-operation and challenge;
- to challenge the adults and pupils / students to work and think differently; including, aiming high, trying new things, working together;
- to build a culture of professional accountability and self-evaluation as a vehicle for improving performance at all levels; be that the child, the adult, the school, the college, the learning community and/or the multi-academy trust.

b. Trust Priorities

The Trust priorities will be reviewed and adjusted annually but broadly there is an agreement as to the vision.

The vision for the Trust is clear and predicated by a desire to **pursue excellence; in all that we do and all that we seek to do: 'Excellence as Standard'**. The following are the broad Trust priorities for 2018-19 that will continue to move the Trust forward and make the necessary improvements to enable us to ensure outstanding performance:

- Ensure all learners make at least the level of progress expected against their starting point
- Effective management of underperforming areas to bring about swift improvement
- Further improve the quality of TLA
- Support pupils / students to be more effective learners both inside and outside the classroom
- Identify and develop a growth strategy for the Trust
- Establish Trust services

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

c. Public benefit

The Trust places a significant emphasis on its quality pastoral care. Early transition allows pupils to join Oakwood in July rather than September, allowing pupils to settle into secondary education much more effectively and efficiently. Thomas Rotherham College run a variety of induction and taster days. All students have a personal progress tutor. At Sitwell Junior School, the children take part in a three day transition process in July and parents are invited into school to meet members of staff, including their child's new teacher to allow the children to settle well into the next school year. To encourage a smooth transition from KS1 to KS2, parents are also encouraged to attend a number of transition events including a tour of the school, a meeting to discuss the Y2 curriculum and daily routines and a parent drop-in session.

Inspire Trust has a desire to ensure that a wide variety of activities, clubs and trips take place for the pupils; whatever their disposition or the family economics.

With a strong emphasis on respect for all, we forge effective and supportive relationships with both pupils and adults in our learning community. Together we maximise every opportunity to achieve success for all, inspiring pupils to achieve excellent academic progress.

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

OHS

- This school is the most inner urban and most central Rotherham secondary school.
- The school is larger than average and serves a diverse community (4 diverse principal feeder schools and small numbers from a range of other primary schools).
- A higher than average number of pupils are eligible for free school meals.
- A significantly higher number than average come from minority ethnic groups and significantly higher number than average have English as an additional language.
- The social deprivation indicators are above average, and in some areas are significantly above average, consequently the range of attitudes to education, behaviour, attendance and expectations are also very wide.
- At its last inspection the schools Ofsted judgement was Good with Leadership and Management Outstanding (this has been ratified by an Ofsted Section 8 inspection in September 2016).

SJS

- Sitwell School is a larger than average junior school, that serves an extremely diverse community.
- The school is currently over subscribed, with 321 pupils on roll, whilst the net capacity stands at 300.
- The proportion of pupils known to be eligible for free school meals is 12.5% - just below national average. 34% of pupils have English as an additional language, which is above the national average of 21.2% and a significantly higher number than average come from minority ethnic groups. In terms of SEN, the percentage of pupils who receive SEN support is 14.3%.
- At its last inspection in May 2017, the school's overall effectiveness was judged to be Good.
- The school has received a number of awards including the Rotherham Excellence Award for Improving the Quality of PE, the Modeshift Stars Bronze Award, the Bronze Award for Healthy Schools, the Parent Charter Gold Award and the School Games Gold Award for the fourth year running.
- Currently, the school has submitted the paperwork for the Artsmark Award and is currently awaiting feedback.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)**TRC**

- Thomas Rotherham College is a sixth form college on a single site located approximately one mile outside the town centre. It converted to academy status and joined Inspire Trust in November 2017.
- The vast majority of the college's learners are aged 16 to 19 and taking level 3 courses.
- The college offers a wide range of A level and vocational courses, with a smaller number of level 2 courses.
- At the end of the academic year 2018-19 the college had around 1430 learners on roll, with year 12 being higher than year 13, student numbers are predicted to continue to grow.
- There is one college of further education in Rotherham (RNN) that offers mainly vocational programmes.
- The last inspection was RI in January 2018 but summer 2019 results had improved again and the three year trend is very strong. Current pass rates are above National with high grades and are closer to national than recent years – the College is closing the gap on national at this measure.

Strategic report***Achievements and performance******a. Key performance indicators***

The Trust recognises the importance of performance indicators, to ensure that it delivers educational and financial excellence.

The Trust's financial performance is monitored by the Trustees and the senior leadership team through periodic internal financial reports.

It is also monitored through the completion and submission to the Education and Skills Funding Agency (ESFA) of:

- The Trust's Annual Report and Financial Statements
- The Academy Accounts Return
- Whole Government Accounts data, including budget forecasts for the forthcoming year

b. Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)**Achievements and performance (continued)*****c. OHS***

Since 2016, schools are judged against a new set of headline measures as follows:

- progress across 8 subjects (Progress 8)
- attainment across 8 subjects (Attainment 8)
- percentage of pupils achieving grade 5 or above in English and Mathematics
- percentage of pupils achieving the English Baccalaureate (EBacc)
- percentage of pupils entering the EBacc.

Progress 8 aims to capture the progress each and every pupil makes from the end of primary school to the end of secondary school. Each pupils' results are compared to the actual achievements of all other pupils nationally with the same prior attainment (Y6 SAT results).

Progress 8 measures the performance across 8 subjects. Qualifications included in this measure are English and Mathematics, any 3 subjects from sciences, computer science, geography, history, languages (EBacc) and any other 3 GCSEs, arts, or approved vocational qualifications (Open).

Attainment 8 measures the achievement of each and every pupil across the same 8 subjects.

EBacc measures the percentage of pupils who achieve A* C or Grade 5+ in all of English, Mathematics, the sciences, history or geography and a language.

Oakwood High School Headline Measures - 2019

Attainment 8 is above national averages and well above Rotherham averages (the school is ranked 2nd in the borough).

4+ and 5+ including English and maths are improving and are above the borough averages.

Progress 8 continues to be broadly average.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Cohort Summary	OHS 15/16	Classification 15/16	OHS 16/17	Classification 16/17	OHS 17/18	Classification 17/18	OHS 18/19	Classification 18/19
Progress 8	-0.14	Average	-0.03	Average	-0.1	Average	Validated Progress 8 data has not yet been released	
Progress 8 English	0.22	Above average	0.14	Average	-0.1	Average		
Progress 8 Maths	-0.37	Below average	-0.62	Sig. below average	-0.3	Below average		
Progress 8 EBacc	-0.33	Below average	-0.18	Average	-0.1	Average		
Progress 8 Open	-0.04	Average	0.41	Above average	0.1	Average		
Attainment 8	48	Average	48	Above average	47	Above average	49	Sig. above average
% Pupils achieving EBacc	8	Below average	15	Below average	7.8	Below average	21.2 (14.3% at 5 and above)	Below average
% Pupils 4+ in Eng and maths	58	Below average	54	Below average	63.1	Above average	70.4	Sig. above Average
% Pupils 5+ in Eng and maths	N/A	N/A	37	Below average	35	Below average	42	Average

INSPIRE TRUST**(A company limited by guarantee)**

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)**Achievements and performance (continued)****d. SJS**

The school is judged against two measures – attainment and progress. The progress measure aims to capture the progress each and every pupil makes from the end of KS1 to the end of KS2. Each pupils' results are compared to the actual achievements of all other pupils nationally with the same prior attainment. In terms of attainment, pupils are given a scaled score out of 120 for Maths, Reading and Grammar, Spelling and Punctuation, where 100 is the expected standard for that stage and 110 a greater depth standard. In Writing, the children are allocated one of the following judgements based on Teacher Assessment; WTS (working towards), EXS (working at the expected standard), GDS (working at a greater depth) or B (below). The school is judged on the percentage of children achieving the expected standard in all four subjects. The results below for Sitwell School are based on Y6 Teacher Assessment.

	Sitwell	Higher	National	Higher	Rotherham	Higher
Reading	89%	31%	73.2%	26.9%	65.9%	19.5%
Writing	90%	31%	78.5%	20.2%	77.6%	17%
GPS	88%	39%	78%	35.7%	72.5%	28.6%
Maths	90%	26%	78.7%	26.6%	74.6%	22.1%
Reading+Writing+Maths	88%	20%	64.8%	10.5%	59%	7.5%

	School	National	Rotherham
Reading	Unavailable	0	-1.31
Writing	+0.67	0	-0.26
Maths	Unavailable	0	-0.34

INSPIRE TRUST**(A company limited by guarantee)**

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)**Achievements and performance (continued)****e. TRC**

A-Levels	2017 Results	2018 Results	2019 Results	Difference	National
Pass Rate	96.3%	97.4%	97.5%	0.2%	97.5%
Higher Grades (A*-B)	34.9%	40.6%	40.1%	-0.5%	51.1%

BTEC Extended Diploma	2017 Results	2018 Results	2019 Results	Difference
Pass Rate	100.0%	100.0%	72.7%	-27.3%
Higher Grades	50.0%	100.0%	72.7%	-27.3%

BTEC Diploma	2017 Results	2018 Results	2019 Results	Difference
Pass Rate	98.2%	98.6%	98.9%	0.3%
Higher Grades	85.7%	89.0%	88.2%	-0.9%

GCSE Re-Sit	2017 Results	2018 Results	2019 Results	Difference
Maths Pass Rate (9-4)	51.6%	65.6%	65.0%	-0.6%
English Pass Rate (9-4)	30.6%	64.3%	71.4%	7.1%
All GCSE Pass Rate (9-4)	51.9%	63.9%	67.6%	3.7%

Notes

National is down from 97.6% last year

National is down from previous year of 52.7% A*-B. nb. High grades in previous years for South Yorkshire have been below the national average.

<https://analytics.ofqual.gov.uk/apps/Alevel/Outcome/><https://analytics.ofqual.gov.uk/apps/Alevel/County/>

There is only a Sport Extended Diploma with 11 students so a high variance. Next year's data will have additional courses.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Financial review

a. Financial review

The statement of financial activities for the year ended 31 August 2019 shows a surplus on unrestricted funds and restricted funds (excluding pension reserve) of £432,655. These surpluses are decreased by actuarial adjustments regarding the South Yorkshire Pension Scheme of £3,108,000 (2018: Gain £1,014,000).

Most of the Trust's income is in the form of recurring grants from the Department for Education (DfE) which are provided under the funding agreement with the Trust. The use of this income is restricted to particular purposes. The DfE grants received by the Trust for the period ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The trust held funds as at 31 August 2019 of £32,729,770 (2018: £36,524,724) consisting of £30,083,600 (2018: £34,026,278) restricted funds and £2,646,170 (2018: £2,498,446) unrestricted funds.

b. Reserves policy

Over the last three years Inspire Trust have undergone a period of establishment, review and development. These reviews have been at least cost neutral for the Trust. They are as follows:

- TRC have undergone a T&L review which resulted in a new restructured middle leadership model; allowing for increased accountability and responsibility across faculties.
- All academies have undergone a review of their Senior Leadership structures which has led to clearer accountability, more focused and clearer roles and responsibilities and is planned to allow for increased capacity.
- The Trust has recently restructured PSS (IT, Finance, HR & Payroll, and Facilities) to provide efficient and economical services for each academy. These services are provided by and for the Trust and are financed through a central budget.

Inspire Trust will now continue developments and focus on site improvements and projects and IT investments. These will be supported by development plans.

The reserves policy also -

- assist in strategic planning by considering how future projects, emergencies or activities will be funded/covered
- informs the budget process by considering whether reserves need to be used during the financial year or built up for future projects
- informs the budget and risk management process by identifying any uncertainty in future income streams

The level of reserves held for contingency will be no more than 5% of GAG funding over and above the short term balance of one month's payroll and monthly committed expenditure which equates to £624,000. There is also a level of reserves held for committed projects which equate to £860,000. The actual level of free reserves at 31 August 2019 was £3,753,559. The level of reserves continues to be reviewed by the Board of Trustees alongside the Trust Policy. Future years show that there are likely to be pressures on budgets where reserves may be required due to uncertainties around funding.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

c. Investment policy

Investments are only made in accordance with written procedures and approved by the Trust Executive. All investments will be recorded with full details and compliance with the Academies Financial Handbook. Cash flow and current account balances will be regularly monitored to ensure immediate financial commitments can be met (e.g. payroll and supplier payments), and that the current account has adequate balances to meet forthcoming commitments.

The Trust will ensure it avoids its current account going overdrawn.

d. Principal risks and uncertainties

We understand that there is a risk that an event or action will adversely affect the Trust's ability to achieve its objectives and to successfully execute its strategies. As such, risk management is an integral part of good governance and is a process whereby there is shared awareness and understanding within the Trust of:

- the nature and extent of the risks it faces
- the extent and categories of risks regarded as acceptable
- the likelihood and potential impacts of the risks materialising
- the ability to reduce the incidence and impact on the organisation of risks that do materialise
- regular and on going monitoring and reporting of risk including early warning mechanisms
- an appropriate assessment is made of the cost of operating particular controls relative to the benefit obtained in managing the related risk
- the trust conducts, at least annually, a review of the effectiveness of the system of internal control in place
- the trust reports publicly on the results of the review, and explains the action it is taking to address any significant concerns that it has identified

The Trust's system of internal control is part of its risk management process and has a key role to play in the management of significant risks to the fulfilment of its business objectives. It also contributes to the safeguarding of public funds and a Trust's assets, and the promotion of best value. Internal control facilitates the effectiveness and efficiency of operations, helps to ensure the reliability of internal and external reporting, and assists compliance with laws and regulations.

Risk Registers have been produced to support the four key risk areas identified in a School:

- Compliance Risks
- Financial Risks
- Operational Risks
- Strategic & Reputational Risks

The Trust is not generally exposed to significant uncertainty in relation to financial instruments. The key issue is the pension scheme liability which is included in the accounts on the basis of actuarial advice and inevitably will be subject to fluctuations in the future.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Fundraising

The Trust doesn't actively fundraise, but appreciates the donations from the public. The Trust does not use any professional fundraiser or commercial participator to carry out activities on the Trust's behalf.

Due to the low level of fundraising the Trust undertakes, the Trust is not a participant of a voluntary scheme for regulating fundraising, or any voluntary standard of fundraising for the activities carried out on behalf of the Trust. Should the Trust at some point in the future undertake a specific fundraising campaign or start to generate more income through fundraising, the Trustees will look to sign up to a voluntary fundraising code.

Plans for future periods**OHS plans are:**

Oakwood priorities for 2019-20

- Ensure all learners make at least the level of progress expected against their starting point with early identification of underperforming pupils and implementation of strategies to accelerate progress. 2019-20 priorities: MAPs, HAPs, Disadvantaged pupils, Boys, WBRI, SEN (K)
- Effective management of underperforming areas to bring about swift improvement 2019-20 priorities: Subject Leadership (Maths 5+/7+, Single Sciences, Geography 5+, History, Textiles, Art and Spanish)
- Further improve the Quality of Education 2019-20 priorities: Research and Impact Groups (Curriculum Intent and Implementation to ensure breath and depth of study. Assessment and Feedback to inform next steps in learning. Behaviour and Attitudes to secure engagement in learning).
- Support pupils to be more effective, engaged and active learners both inside and outside the classroom through structured revision/ RELOAD and retrieval.

SJS plans are:

- To improve the progress and attainment for all groups of learners across all subjects so that progress is positive by the end of the year.
- To improve outcomes in writing for all groups of learners.
- To ensure coverage and progression in foundation subjects across KS2.
- To improve links with the wider community at SJS.

TRC plans are:

- To improve outcomes for the most able students, especially in science subjects.
- To raise levels of attendance and punctuality.
- To improve the quality of T&L at all levels.

INSPIRE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The academy trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

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

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the academy trust's equal opportunities policy, the academy trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy trust's offices.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 27 November 2019 and signed on its behalf by:

.....
P Jagger
(Chair of Trustees)

INSPIRE TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Board of Trustees, we acknowledge we have overall responsibility for ensuring that Inspire 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 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 Inspire Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Board of Trustees any material weaknesses or breakdowns in internal control.

INSPIRE TRUST**(A company limited by guarantee)**

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Board of Trustees has formally met 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
P Brockwell	2	4
T H Gammons	4	4
J Gorman	4	4
P Jagger, Vice Chair until 14 November 2019, Chair from 14 November 2019	3	4
T Leeson	3	4
T Mulroy	0	4
D Naisbitt, Chief Executive Officer and Accounting Officer	4	4
A Robinson, Chair until 14 November 2019, Vice Chair from 14 November 2019	3	4
D J Roche	3	4
M Shabir	4	4
P Sheldon	3	4

Work continues to grow the Trust. The CEO has been working with other schools in the area as strategic partners to look at how to shape the Trust going forward. A governance review was undertaken which included remits, membership, Trustees, recruitment and the framework of reporting (Strategic Monitoring report).

The Board met 4 times in the year. To ensure that it continues to maintain oversight, a number of Trustees also attend the Finance Committee. The Finance Committee is a sub-committee of the main Board of Trustees. Its main financial responsibilities include allocation of resources within in the Trust, reviewing the budgets of the Trust, ensuring proper financial records are kept and ensuring returns to the ESFA, auditors and other bodies are presented accurately and in a timely manner. Financial records are also reported on a monthly basis to all Trustees and not just the Chair of the Trust.

Business can be conducted via a formal meeting or in an e-way to discuss various matters relating to the oversight of the Trust.

The Finance Committee work directly with the Board of Trustees on specific financial items, for example tenders and best value. This group communicates on each issue and then take recommendations to the Board of Trustees for ratification.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
T H Gammons	2	2
P Sheldon	2	2
P Jagger	0	2
A Robinson	1	2
D Naisbitt	2	2

INSPIRE TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Review of Trust Services (Facilities, Finance, IT, and HR & Payroll) to ensure the service provided to the Trust allows for growth, provides efficient and can respond to the needs of the Trust and each academy. The services were each reviewed to ensure they support the operation needs of each academy across the Trust, work isn't duplicated, progress can be made and future economies of scale made to ensure resources can benefit the pupils and students
- Tender for work on Chancellors Court building roof at TRC with support from the local authority. This allowed the project management to be led directly by the local authority but still for the school to be involved in the process.
- Continuation of legal contract for the Trust which resulted in cost savings for all schools but continued positive relationship with the solicitors.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Inspire Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Board of Trustees has reviewed the key risks to which the trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Board of Trustees.

INSPIRE TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The 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 Board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of Board of Trustees has considered the need for a specific internal audit function and has decided to appoint BHP LLP as internal auditor.

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

- compliance with the AFH "musts"
- VAT analysis
- fixed asset reporting

On a periodic basis, the internal auditor reports to the Board of Board of Trustees through the finance committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Review of effectiveness

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

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

INSPIRE TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the board of Trustees on 27 November 2019 and signed on their behalf by:

.....
P Jagger
Chair of Trustees

.....
D Naisbitt
Accounting Officer

INSPIRE TRUST

(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the academy trust board of Trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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

D Naisbitt
Accounting Officer
Date: 27 November 2019

INSPIRE TRUST

(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make 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 on 27 November 2019 and signed on its behalf by:

P Jagger
Chair of Trustees

INSPIRE TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF INSPIRE TRUST

Opinion

We have audited the financial statements of Inspire Trust (the 'academy trust') for the year ended 31 August 2019 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 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2019 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 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's 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 directors' 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.

INSPIRE TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF INSPIRE TRUST
(CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Other information includes the reference and administrative details, the Trustees' report (incorporating the strategic report and the directors' report), the governance statement and the accounting officer's statement.. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INSPIRE TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF INSPIRE TRUST
(CONTINUED)**

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

Auditor's 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 auditor's 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. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

INSPIRE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF INSPIRE TRUST
(CONTINUED)

Philip Allsop (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants
Statutory Auditor

2 Rutland Park

Sheffield

S10 2PD

27 November 2019

INSPIRE TRUST

(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 11 May 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspire Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Inspire Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Inspire Trust's funding agreement with the Secretary of State for Education dated 30 June 2014 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

- Detailed testing on a sample basis to assess the nature of expenditure and whether funds have been used appropriately;
- Review of the academy's internal financial procedures to ensure that controls are in place to prevent or identify regularity issues;
- Ensure that ESFA approval has been obtained for relevant transactions;
- Discussions with Trustees, Senior Leadership Team and the Accounting Officer throughout the audit process to ensure that all regularity threats have been addressed

INSPIRE TRUST

(A company limited by guarantee)

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

Conclusion

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

Philip Allsop

BHP LLP

Date: 27 November 2019

INSPIRE TRUST

(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	754	287,921	447,007	735,682	19,395,003
Charitable activities	4	-	13,427,161	-	13,427,161	12,736,722
Other trading activities	5	631,443	31,337	-	662,780	547,444
Investments	6	24,160	-	-	24,160	10,759
Total income		656,357	13,746,419	447,007	14,849,783	32,689,928
Expenditure on:						
Raising funds		508,633	251,482	-	760,115	625,218
Charitable activities		-	13,914,332	862,290	14,776,622	13,570,657
Total expenditure		508,633	14,165,814	862,290	15,536,737	14,195,875
Net income/(expenditure)		147,724	(419,395)	(415,283)	(686,954)	18,494,053
Transfers between funds	19	-	(16,674)	16,674	-	-
Net movement in funds		147,724	(436,069)	(398,609)	(686,954)	18,494,053
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(3,108,000)	-	(3,108,000)	1,014,000
Net movement in funds		147,724	(3,544,069)	(398,609)	(3,794,954)	19,508,053
Reconciliation of funds:						
Total funds brought forward		2,498,446	(3,524,280)	37,550,558	36,524,724	17,016,671
Net movement in funds		147,724	(3,544,069)	(398,609)	(3,794,954)	19,508,053
Total funds carried forward		2,646,170	(7,068,349)	37,151,949	32,729,770	36,524,724

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

INSPIRE TRUST

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The notes on pages 36 to 61 form part of these financial statements.

INSPIRE TRUST**(A company limited by guarantee)**REGISTERED NUMBER: 08775996

BALANCE SHEET*AS AT 31 AUGUST 2019*

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	15	36,931,123	37,550,558
		<hr/>	<hr/>
		36,931,123	37,550,558
Current assets			
Debtors	16	259,571	229,587
Cash at bank and in hand		4,413,129	4,064,349
		<hr/>	<hr/>
		4,672,700	4,293,936
Creditors: amounts falling due within one year	17	(588,053)	(862,770)
		<hr/>	<hr/>
Net current assets		4,084,647	3,431,166
		<hr/>	<hr/>
Total assets less current liabilities		41,015,770	40,981,724
		<hr/>	<hr/>
Net assets excluding pension liability		41,015,770	40,981,724
Defined benefit pension scheme liability	24	(8,286,000)	(4,457,000)
		<hr/>	<hr/>
Total net assets		32,729,770	36,524,724
		<hr/> <hr/>	<hr/> <hr/>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	37,151,949	37,550,558
Restricted income funds	19	1,217,651	932,720
		<hr/>	<hr/>
Restricted funds excluding pension	19	38,369,600	38,483,278
Pension reserve	19	(8,286,000)	(4,457,000)
		<hr/>	<hr/>
Total restricted funds	19	30,083,600	34,026,278
Unrestricted income funds	19	2,646,170	2,498,446
		<hr/>	<hr/>
Total funds		32,729,770	36,524,724
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 31 to 61 were approved by the Trustees, and authorised for issue on 27 November 2019 and are signed on their behalf, by:

INSPIRE TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 08775996

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2019

.....
P Jagger

Date: 27 November 2019

The notes on pages 36 to 61 form part of these financial statements.

INSPIRE TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	21	120,468	545,269
Cash flows from investing activities	22	228,312	2,232,599
Change in cash and cash equivalents in the year		348,780	2,777,868
Cash and cash equivalents at the beginning of the year		4,064,349	1,286,481
Cash and cash equivalents at the end of the year	23	4,413,129	4,064,349

The notes on pages 36 to 61 from part of these financial statements

INSPIRE TRUST

(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Inspire Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

INSPIRE TRUST

(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

1.4 Expenditure

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

• **Expenditure on raising funds**

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

• **Charitable activities**

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

INSPIRE TRUST**(A company limited by guarantee)**

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

1. Accounting policies (continued)**1.4 Expenditure (continued)**

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

Assets costing £750 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Freehold property	- 45 years
Long-term leasehold property	- Over 18/40 years
Furniture and equipment	- 10% straight line
Computer equipment	- 33% straight line

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.

INSPIRE TRUST

(A company limited by guarantee)

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

1. Accounting policies (continued)

1.8 Operating leases

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

1.9 Pensions

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

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

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

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

1.10 Agency arrangements

The trust acts as an agent in distributing 16-19 bursary funds from the EFSA to the local authority. These receipts and subsequent disbursements are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 28.

INSPIRE TRUST

(A company limited by guarantee)

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

1. Accounting policies (continued)

1.11 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

INSPIRE TRUST**(A company limited by guarantee)**

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

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	754	287,921	288,675	19,329,636
Grants	-	447,007	447,007	65,367
	<u>754</u>	<u>734,928</u>	<u>735,682</u>	<u>19,395,003</u>
Total 2018	<u>525,672</u>	<u>18,869,331</u>	<u>19,395,003</u>	

4. Funding for the academy trust's educational operations

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 (restated) £
<i>DfE/ESFA grants</i>			
General Annual Grant	12,430,992	12,430,992	11,865,009
Other DfE/ESFA grants	686,999	686,999	576,975
	<u>13,117,991</u>	<u>13,117,991</u>	<u>12,441,984</u>
<i>Other Government grants</i>			
Other local authority funding	309,170	309,170	294,738
	<u>309,170</u>	<u>309,170</u>	<u>294,738</u>
Total 2019	<u>13,427,161</u>	<u>13,427,161</u>	<u>12,736,722</u>

INSPIRE TRUST**(A company limited by guarantee)**

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

5. Income from other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Lettings	22,995	-	22,995	20,870
Catering income	201,123	-	201,123	125,420
Sports centre income	153,427	-	153,427	112,758
Other income	253,898	31,337	285,235	288,396
	<u>631,443</u>	<u>31,337</u>	<u>662,780</u>	<u>547,444</u>
Total 2018	<u>486,737</u>	<u>60,707</u>	<u>547,444</u>	

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	24,160	24,160	10,759

INSPIRE TRUST
(A company limited by guarantee)

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

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising funds:					
Direct costs	211,695	-	548,420	760,115	625,218
Academy's educational operations:					
Direct costs	9,715,670	503,444	1,592,845	11,811,959	10,755,933
Allocated support costs	1,803,335	881,987	279,341	2,964,663	2,814,724
	<u>11,730,700</u>	<u>1,385,431</u>	<u>2,420,606</u>	<u>15,536,737</u>	<u>14,195,875</u>
Total 2018	<u>10,638,740</u>	<u>1,233,258</u>	<u>2,323,877</u>	<u>14,195,875</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Educational operations	<u>11,811,959</u>	<u>2,964,663</u>	<u>14,776,622</u>	<u>13,570,657</u>
Total 2018	<u>10,755,933</u>	<u>2,814,724</u>	<u>13,570,657</u>	

INSPIRE TRUST**(A company limited by guarantee)**

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

8. Analysis of expenditure by activities (continued)**Analysis of support costs**

	Educational operations 2019 £	Total funds 2019 £	Total funds 2018 £
Pension finance costs	117,000	117,000	122,000
Staff costs	1,144,232	1,144,232	1,086,295
Depreciation	172,458	172,458	175,345
Other costs	241,015	241,015	283,014
Maintainance of premises	271,240	271,240	232,775
Cleaning	164,160	164,160	160,928
Water and rates	107,296	107,296	114,381
Heat and light	193,389	193,389	176,426
Insurance	106,006	106,006	97,867
Travel and security	159,566	159,566	104,978
Catering	68,270	68,270	56,656
Technology costs	44,586	44,586	43,784
Office overheads	55,077	55,077	46,717
Pension administrative costs	9,000	9,000	9,000
Governance costs	111,368	111,368	104,558
	<hr/>	<hr/>	<hr/>
	2,964,663	2,964,663	2,814,724
	<hr/>	<hr/>	<hr/>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	-	13,892
Depreciation of tangible fixed assets	862,290	876,726
Fees paid to auditor for:		
- audit	13,000	8,960
- other services	5,965	3,160
	<hr/>	<hr/>

INSPIRE TRUST
(A company limited by guarantee)

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

10. Auditor's remuneration

	2019	2018
	£	£
Fees payable to the academy trust's auditor for the audit of the academy trust's annual accounts	13,000	8,960
Fees payable to the academy trust's auditor in respect of:		
Taxation advisory services	500	-
Internal audit services	2,600	1,350
Other non-audit services	2,865	1,810
	=====	=====

11. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019	2018
	£	£
Wages and salaries	8,651,557	8,108,346
Social security costs	837,230	774,601
Pension costs	2,049,789	1,616,673
	=====	=====
	11,538,576	10,499,620
Agency staff costs	96,053	128,515
Staff restructuring costs	96,071	10,605
	=====	=====
	11,730,700	10,638,740
	=====	=====

Staff restructuring costs comprise:

	2019	2018
	£	£
Redundancy payments	76,920	-
Severance payments	19,151	10,605
	=====	=====
	96,071	10,605
	=====	=====

INSPIRE TRUST**(A company limited by guarantee)**

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

11. Staff costs (continued)**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs is a non-contractual payment of £2,976 (2018: £nil) to one individual.

c. Staff numbers

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

	2019	2018
	No.	No.
Teachers	165	151
Administration & support	186	176
Management	15	15
	<hr/> 366 <hr/>	<hr/> 342 <hr/>

The average headcount expressed as full-time equivalents was:

	2019	2018
	No.	No.
Teachers	139	131
Administration & support	117	113
Management	15	14
	<hr/> 271 <hr/>	<hr/> 258 <hr/>

d. Higher paid staff

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

	2019	2018
	No.	No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	1	1
	<hr/> 3 <hr/>	<hr/> 3 <hr/>

e. Key management personnel

The key management personnel of the academy trust comprise the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance

INSPIRE TRUST**(A company limited by guarantee)**

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

11. Staff costs (continued)***e. Key management personnel (continued)***

contributions) received by key management personnel for their services to the academy trust was £493,035 (2018: £505,016).

12. Central services

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

- Financial services
- Human resources
- Legal and audit services
- Payroll services
- Other services as arising

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

4% of GAG

The actual amounts charged during the year were as follows:

	2019	2018
	£	£
Oakwood High School	233,289	185,567
Sitwell Junior School	50,443	40,434
Thomas Rotherham College	222,867	164,343
Total	506,599	390,344

13. Trustees' remuneration and expenses

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

	2019	2018
	£	£
D Naisbitt, Chief Executive Officer and Accounting Officer	90,000 -	90,000 -
	95,000	95,000
	15,000 -	15,000 -
	20,000	20,000
A Wyatt (staff trustee)	Remuneration	10,000 -
		15,000
	Pension contributions paid	0 - 5,000

INSPIRE TRUST**(A company limited by guarantee)**

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

13. Trustees' remuneration and expenses (continued)

During the year ended 31 August 2019, expenses totalling £327 were reimbursed or paid directly to 3 Trustees (2018 - £420 to 1 Trustee). The nature of the expenses reimbursed were travel claims.

14. 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 business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2019 was £3,533 (2018 - £3,102). The cost of this insurance is included in the total insurance cost.

15. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<i>Cost or valuation</i>					
At 1 September 2018	18,450,000	19,230,000	756,216	988,267	39,424,483
Additions	-	-	167,487	75,368	242,855
At 31 August 2019	18,450,000	19,230,000	923,703	1,063,635	39,667,338
<i>Depreciation</i>					
At 1 September 2018	241,667	738,749	156,111	737,398	1,873,925
Charge for the year	322,222	307,083	73,220	159,765	862,290
At 31 August 2019	563,889	1,045,832	229,331	897,163	2,736,215
<i>Net book value</i>					
At 31 August 2019	17,886,111	18,184,168	694,372	166,472	36,931,123
At 31 August 2018	18,208,333	18,491,251	600,105	250,869	37,550,558

INSPIRE TRUST**(A company limited by guarantee)**

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

16. Debtors

	2019	2018
	£	£
<i>Due within one year</i>		
Trade debtors	3,892	16,135
Other debtors	69,064	53,355
Prepayments and accrued income	186,615	160,097
	259,571	229,587

17. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	55,790	37,168
Other taxation and social security	-	193,985
Accruals and deferred income	532,263	631,617
	588,053	862,770

18. Accruals and deferred income

	2019	2018
	£	£
Deferred income at 1 September 2018	187,466	12,224
Resources deferred during the year	205,809	187,466
Amounts released from previous periods	(187,466)	(12,224)
<i>Deferred income at 31 August 2019</i>	205,809	187,466

At the balance sheet date the academy trust was holding funds received in advance for rates and bursary agency income not yet spent, which relate to 2019/20.

INSPIRE TRUST

(A company limited by guarantee)

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

19. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	2,498,446	656,357	(508,633)	-	-	2,646,170
Restricted general funds						
General Annual Grant (GAG)	881,186	12,430,992	(12,188,115)	(16,674)	-	1,107,389
Pupil premium	-	407,491	(407,491)	-	-	-
SEN	-	274,251	(274,251)	-	-	-
School Fund	14,202	287,921	(239,193)	-	-	62,930
Other restricted funds	37,332	345,764	(335,764)	-	-	47,332
Pension reserve	(4,457,000)	-	(721,000)	-	(3,108,000)	(8,286,000)
	(3,524,280)	13,746,419	(14,165,814)	(16,674)	(3,108,000)	(7,068,349)
Restricted fixed asset funds						
Fixed assets transferred on conversion and purchased from GAG and other restricted funds	37,550,558	-	(862,290)	242,856	-	36,931,124
CIF funding	-	218,669	-	(144,974)	-	73,695
Devolved Capital Fund	-	228,338	-	(81,208)	-	147,130
	37,550,558	447,007	(862,290)	16,674	-	37,151,949
Total Restricted funds	34,026,278	14,193,426	(15,028,104)	-	(3,108,000)	30,083,600
Total funds	36,524,724	14,849,783	(15,536,737)	-	(3,108,000)	32,729,770

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

INSPIRE TRUST**(A company limited by guarantee)**

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

19. Statement of funds (continued)**Unrestricted funds**

Unrestricted funds - funds available to management to apply for the general purposes of the Academy.

Restricted general funds

General Annual Grant (GAG) - The Multi Academy trust's principal funding stream received from the Education and Skills Funding Agency. This must be used to fund the normal running costs of the Trust for the benefit of existing students.

Other Dfe/ESFA - funds received restricted for specific use by the Trust for educational purposes.

Pupil Premium - DfE funding to address the current underlying inequalities between children eligible for free school meals (FSM) and their wealthier peers by ensuring that funding to tackle the disadvantaged reaches the pupils who need it most.

Looked after children - funding given to help children attend trips and buy educational materials who otherwise would not be able to afford them.

School fund - Monies collected from students/parents and occasionally other private sources for school trips and educational resources.

Other - Funds received by the Trust to be spent on specific projects.

Pension Reserve - LGPS obligation relating to employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who are eligible to, and did, join the scheme.

Restricted fixed asset funds

Fixed assets transferred on conversion - assets donated to the Trust from the local authority on conversion.

Dfe/ESFA capital grants - funding for capital assets.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019	2018
	£	£
Oakwood High School	1,412,511	1,005,207
Sitwell Junior School	372,968	275,240
Thomas Rotherham College	1,897,082	2,039,368
Central services	181,260	111,351

INSPIRE TRUST**(A company limited by guarantee)**

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

19. Statement of funds (continued)

	2019 £	2018 £
Total before fixed asset funds and pension reserve	3,863,821	3,431,166
Restricted fixed asset fund	37,151,949	37,550,558
Pension reserve	(8,286,000)	(4,457,000)
Total	32,729,770	36,524,724

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Oakwood High School	4,368,036	443,418	158,976	958,751	5,929,181	6,102,771
Sitwell Junior School	1,001,925	107,244	52,821	245,549	1,407,539	1,267,481
Thomas Rotherham College	4,792,886	715,027	176,882	1,204,841	6,889,636	5,665,672
Central services	148,214	153,952	69	145,856	448,091	283,225
Academy trust	10,311,061	1,419,641	388,748	2,554,997	14,674,447	13,319,149

INSPIRE TRUST**(A company limited by guarantee)**

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

19. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<i>Unrestricted funds</i>						
General Funds	434,232	2,508,360	(444,146)	-	-	2,498,446
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Restricted general funds</i>						
General Annual Grant (GAG)	681,085	12,215,758	(11,720,640)	(295,017)	-	881,186
Pupil premium	-	409,514	(409,514)	-	-	-
Other Dfe/ESFA	-	57,719	(57,719)	-	-	-
Looked after children	-	53,731	(53,731)	-	-	-
School Fund	21,666	202,560	(210,024)	-	-	14,202
Other restricted funds	-	60,707	(23,375)	-	-	37,332
Pension reserve	(3,585,000)	(1,486,000)	(400,000)	-	1,014,000	(4,457,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(2,882,249)	11,513,989	(12,875,003)	(295,017)	1,014,000	(3,524,280)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Restricted fixed asset funds</i>						
Fixed assets transferred on conversion and purchased from GAG and other restricted funds	19,464,688	18,667,579	(876,726)	295,017	-	37,550,558
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total Restricted funds</i>	16,582,439	30,181,568	(13,751,729)	-	1,014,000	34,026,278
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total funds</i>	17,016,671	32,689,928	(14,195,875)	-	1,014,000	36,524,724
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

INSPIRE TRUST**(A company limited by guarantee)**

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

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

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	36,931,123	36,931,123
Current assets	2,646,170	1,805,704	220,826	4,672,700
Creditors due within one year	-	(588,053)	-	(588,053)
Provisions for liabilities and charges	-	(8,286,000)	-	(8,286,000)
Total	2,646,170	(7,068,349)	37,151,949	32,729,770

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	37,550,558	37,550,558
Current assets	2,498,446	1,795,490	-	4,293,936
Creditors due within one year	-	(862,770)	-	(862,770)
Provisions for liabilities and charges	-	(4,457,000)	-	(4,457,000)
Total	2,498,446	(3,524,280)	37,550,558	36,524,724

INSPIRE TRUST**(A company limited by guarantee)**

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

21. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2019 £	2018 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(686,954)	18,494,053
Adjustments for:		
Depreciation	862,290	876,726
Interest receivable	(24,160)	(10,759)
Donated assets and liabilities	-	(19,127,076)
Decrease in stocks	-	19,000
(Increase)/decrease in debtors	(29,984)	9,858
Decrease in creditors	(274,717)	(51,166)
Defined benefit pension scheme adjustment	721,000	400,000
Capital grants from DfE	(447,007)	(65,367)
Net cash provided by operating activities	120,468	545,269

22. Cash flows from investing activities

	2019 £	2018 £
Interest received	24,160	10,759
Purchase of tangible fixed assets	(242,855)	(360,384)
Capital grants from DfE Group	447,007	65,367
Cash inherited on conversion	-	2,516,857
Net cash provided by investing activities	228,312	2,232,599

23. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	4,413,129	4,064,349
Total cash and cash equivalents	4,413,129	4,064,349

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

24. Pension commitments

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

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

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies 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 (amended) 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 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (amended). The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

INSPIRE TRUST**(A company limited by guarantee)**

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

24. Pension commitments (continued)

The TPS valuation for 2012 determined an employer rate of 16.48%, which was payable from September 2015. As a result of the latest valuation based on membership data as at 31 March 2016, TPS employees will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.08%).

The employer's pension costs paid to TPS in the year amounted to £946,947 (2018 - £886,838).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £654,303 (2018 - £564,000), of which employer's contributions totalled £507,295 (2018 - £434,000) and employees' contributions totalled £ 147,008 (2018 - £130,000). The agreed contribution rates for future years are 16.4 per cent for employers and 5.5-12 per cent for employees.

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

The valuation allows for the estimated impact of the recent McCloud judgement as a past service cost. The estimated impact on the total liabilities as at 31 August 2019 is £386,000.

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.25	3.35
Rate of increase for pensions in payment/inflation	2.10	2.20
Discount rate for scheme liabilities	1.8	2.80
Inflation assumption (CPI)	2.0	2.10

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

INSPIRE TRUST**(A company limited by guarantee)**

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

24. Pension commitments (continued)

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	23.1	23.0
Females	25.9	25.8
<i>Retiring in 20 years</i>		
Males	25.3	25.2
Females	28.3	28.1

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate +0.1%	422	314
Inflation +0.1%	(430)	(320)
Mortality assumption - 1 year increase	(352)	(262)
Pay growth +0.1%	(78)	(62)

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

	At 31 August	At 31 August
	2019	2018
	£	£
Equities	5,882,000	5,387,000
Government bonds	1,609,000	1,447,000
Other bonds	821,000	739,000
Property	980,000	982,000
Cash and other liquid assets	361,000	466,000
Other	1,598,000	1,104,000
Total market value of assets	11,251,000	10,125,000

The actual return on scheme assets was £776,000 (2018 - £452,000).

INSPIRE TRUST
(A company limited by guarantee)

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

24. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2019 £	2018 £
Current service cost	(716,000)	(703,000)
Past service cost	(386,000)	-
Interest income	290,000	211,000
Interest cost	(407,000)	(333,000)
Administrative expenses	(9,000)	(9,000)
Total amount recognised in the Statement of financial activities	(1,228,000)	(834,000)

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

	2019 £	2018 £
At 1 September	14,582,000	6,307,000
Conversion of academy trusts	-	8,069,000
Current service cost	716,000	703,000
Interest cost	407,000	333,000
Employee contributions	148,000	130,000
Actuarial losses/(gains)	3,593,000	(773,000)
Benefits paid	(295,000)	(187,000)
Past service costs	386,000	-
At 31 August	19,537,000	14,582,000

INSPIRE TRUST**(A company limited by guarantee)**

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

24. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	10,125,000	2,722,000
Conversion of academy trusts	-	6,583,000
Return on plan assets (excluding net interest on the net defined pension liability)	290,000	211,000
Actuarial gains	485,000	241,000
Employer contributions	507,000	434,000
Employee contributions	148,000	130,000
Benefits paid	(295,000)	(187,000)
Admin expenses	(9,000)	(9,000)
At 31 August	11,251,000	10,125,000

25. Operating lease commitments

At 31 August 2019 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	academy trust 2019 £	academy trust 2018 £
Not later than 1 year	49,372	24,689
Later than 1 year and not later than 5 years	18,982	15,389
	68,354	40,078

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

INSPIRE TRUST

(A company limited by guarantee)

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

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 the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure Related Party Transaction

Learners First Schools Partnership Limited - a company in which D Naisbitt (Chief Executive and Trustee) is a director.

- The academy trust purchased professional training services from Learners First Schools Partnership Limited totalling £8,000 (2018: £nil) during the period. There were no amounts outstanding at 31 August 2019 (2018: £nil)
- The academy trust made the purchase at arms' length.
- In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2018
- The element above £2,500 has been provided 'at no more than cost' and Learners First Schools Partnership Limited has provided a statement of assurance confirming this.

28. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2019 the trust received £171,876 (2018: £230,409) and disbursed £153,456 (2018: £93,421) from the fund. An amount of £155,408 (2018: £136,988) is included in other creditors relating to undistributed funds that is repayable to the ESFA.