

Inspiring Schools Partnership

(A company limited by guarantee)

Annual Report and Financial Statements

period from 1 September 2020 to 31 December 2020

Company Registration number: 07557634 (England and Wales)

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Inspiring Schools Partnership

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 12
Governance Statement	13 to 16
Statement of Regularity, Propriety and Compliance	17
Statement of Trustees' Responsibilities	18
Independent Auditor's Report on the Financial Statements	19 to 22
Independent Reporting Accountant's Assurance Report on Regularity	23 to 24
Statement of Financial Activities incorporating Income and Expenditure Account	25 to 26
Balance Sheet	27
Statement of Cash Flows	28
Notes to the Financial Statements	29 to 56

Inspiring Schools Partnership

Reference and Administrative Details

Members	T Livesy G Cryer J Baldie C Cary
Governors and Trustees (Directors)	C Searls, Chair A Frier, Executive Principal, Chief Executive Officer and Accounting Officer M Utton D Slater (resigned 16 December 2020) W Tout, Vice Chair R Clarke J Forte (resigned 16 December 2020)
Principal	A Frier
Company Secretary	A Martin
Senior Management Team	A Frier, Executive Principal S Hunter, Headteacher - Montpelier Primary School M Cox, Headteacher - Scott Medical College A Martin, Chief Financial Officer A McLaughlin, HR Manager
Principal and Registered Office	Somerset Place Stoke Plymouth Devon PL3 4BD
Company Registration Number	07557634
Auditors	PKF Francis Clark Senior Statutory Auditor North Quay House Sutton Harbour Plymouth
Bankers	Lloyds TSB Bank PLC Royal Parade Plymouth
Solicitors	Wolferstans Solicitors 60-66 North Hill Plymouth Devon PL4 8EP

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period ended 31 December 2020. The annual report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Multi-Academy Trust operates Academies for pupils aged 4 to 19 serving a catchment area in Plymouth. It has a pupil capacity of 2,709 including a sixth form of 630 and had a roll of 2,379 in the October 2020 school census. Montpelier Primary became an Academy and joined Inspiring Schools Partnership on 1 October 2016 enabling education within the Trust for students from 4 years of age. Scott Medical and Healthcare College commenced teaching pupils from 13 to 19 years old from September 2017.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Inspiring Schools Partnership are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Inspiring Schools Partnership.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy Trust also purchased and maintained liability insurance for its Trustees.

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Method of recruitment and appointment or election of Governors

The Articles of Association require the members of the charitable company to appoint at least three Directors to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy Trust. The Executive Principal of the Academy Trust is treated for all purposes as being an ex-officio director.

The Members and Directors make up the Trust Board and are known as Trustees. The Trust Board makes all necessary arrangements for, and determines all other matters relating to, the election of the Parent Trustees.

The Parent Trustees must be elected by parents of registered pupils at the Academy Trust, and must be a parent at the Academy Trust at the time when he/she is elected. Every parent of a registered pupil at the Academy Trust must be given the opportunity to stand as a candidate and to vote at the election. Any election of a Parent Trustee which is contested must be held by secret ballot.

The term of office for any Trustee is four years, save that this shall not apply to the Executive Principal. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected.

At their first meeting every school year, the Trust Board will elect a chairman and vice-chairman. A director who is employed by the Academy Trust will not be eligible for election as chairman or vice-chairman.

Policies and procedures adopted for the induction and training of Trustees

All new trustees undertake an induction programme which provides training on charity and educational legal and financial matters. All new trustees are given a tour of the facilities and the chance to meet with staff and pupils. All trustees are provided with a Trust Board Handbook which contains copies of policies and procedures, minutes, accounts, budgets, school improvement plans and other documents that they will need to undertake their role as trustees.

The Trust provides appropriate training sessions to keep the trustees updated on all relevant developments impacting on their role and responsibilities.

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Organisational structure

The structure consists of five levels:

- The Members
- The Trustees
- The Local Governing Bodies
- The Senior Leadership Team
- The Management Teams

An aim of the management structure is to distribute leadership and responsibility and encourage involvement in decision-making at all levels as well as to ensure good practice in terms of professional development.

The Trust Board is responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy Trust by the use of budgets and making major decisions about the strategic direction of the Academy Trust, capital expenditure and senior staff appointments. The Trust Board meets twice each term to receive reports from the Local Governing Bodies and manage its strategic objectives. During the year there was a Finance and Resources sub-committee of the Trust Board which met once.

The Trustees are made up of the Accounting Officer and other members from the community, who are elected and appointed by members.

The Local Governing Bodies oversee the educational performance of the individual academies and are responsible for ensuring the policies adopted by the Trust Board are implemented at a local level.

The Executive Leadership Team comprises the Executive Principal and those other senior managers shown on page 1. These managers control the Academy Trust at an executive level, implementing the policies laid down by the Trustees and reporting back to them. Systems have been put in place at all levels to ensure that there are clear lines of accountability through which decisions are made. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff.

The management teams comprise of the following:

Stoke Damerel Community College -

- The Principal
- The Vice Principal
- Three Assistant Vice Principals
- Three Senior Management Team Associates

Montpelier Primary -

- The Headteacher
- The Deputy Headteacher
- The Assistant Headteacher

Scott Medical and Healthcare College -

- The Headteacher
- The Deputy Headteacher

The Management Teams are responsible for the day to day operation of the Academy Trust, in particular organising and quality assuring the teaching staff, pupils and facilities.

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Arrangements for setting pay and remuneration of key management personnel

The Remuneration committee meets annually to review the performance of key management personnel, set pay and remuneration, and to review the performance of teaching staff following the regulations set out in Teachers Pay and Conditions document.

Related parties and other connected charities and organisations

Stoke Damerel Community College is an active member of the Plymouth Teaching School Alliance (PTSA) and as such is involved in school to school support, CPD and ITT programme.

Engagement with suppliers, customers and others in a business relationship with the trust

The Trust has a dedicated finance team which works with suppliers to ensure that invoices are processed and paid on a timely basis and investigates any disputes if they arise. The Trust has tendered contracts for the provision of goods and services which look to build a reliable supply chain, whilst having regard to best value for money.

The Trust has a range of parent forums and community engagement groups in order to gather feedback, address issues as they arise and build collaborative working relationships and processes.

Engagement with employees (including disabled persons)

The Trust has weekly staff briefings to ensure employees are kept informed about matters concerning them – all staff have the opportunity to raise questions. The Trust consults with employees and their trade union representatives on a regular basis. Each school meets with direct employees each September to share information on performance for the previous academic year and set out the school improvement plan and priorities for the year ahead. Performance management targets for employees are linked to performance targets for the individual schools and the trust as a whole.

The Trust has a guaranteed interview scheme for disabled persons, operates in line with the Equality and Diversity statement published on the Trust's website, has ongoing engagement with occupational health regarding reasonable adjustments to support disabled people in the workplace and actively looks to promote employment of a diverse range of suitably qualified individuals.

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	0

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	31 December 2020 £
Total cost of facility time	1,125
Total pay bill	10,718,626
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	-

Paid trade union activities

	31 December 2020
Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	-

Objectives and activities

Public benefit

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Objects and aims

The principal object and activity of the charitable company is in the operation of Stoke Damerel Community College, Scott Medical and Healthcare College and Montpelier Primary to provide the highest quality education for pupils of different abilities between the ages of 4 and 19.

The trust operates within the principles of the Investors in People standard and subscribes to the value of investing in staff to ensure a high calibre workforce to facilitate the progress and achievement of all students.

The trust is also committed to the School Direct Training Scheme based at Stoke Damerel CC which allows us to train and develop our own teachers. This was extended in 2015 to the Troops to Teachers scheme operated by the University of Brighton and in 2019 to Teach First.

In accordance with the Articles of Association the Academy Trust's object is restricted to the following: to advance for the public benefit of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, management and developing schools offering a broad and balanced curriculum.

The main objectives of the Academy Trust during the period ended 31st December 2020 are summarised below:

- Provide educational facilities and services to pupils of all ages and the wider community for the public benefit.
- Strengthen governance of the Trust, providing training at all levels, including understanding roles in the Scheme of Delegation. Local Governing Bodies to play a more active role in monitoring each school performance termly and reporting to the Trust Board termly.
- Establish effective cross-phase policies, practices and systems.
- Central service team to be expanded to include site and facilities.
- School Improvement action plan focus on shared priorities: disadvantaged; middle leadership; coaching programme.
- Developing cross-phase school-to-school support mechanisms: cross moderation at secondary; quality assurance and monitoring procedures in place across schools.

Objectives, strategies and activities

The Multi Academy Trust's main strategic goal is to ensure that our pupils are excited by their learning in the classroom and are committed to achieving their very best and are confident about their futures. We aim to develop pupils who are aspirational, creative, reflective, confident and responsible young people. Activities provided include:

- Teaching and learning opportunities for all pupils to attain outstanding academic progress and qualifications.
- Extra-curriculum programmes to support wider learning.
- A structured programme of continuous professional development for teaching staff and trainees.
- A programme of out of the classroom activities including overseas visits.
- Targeted individual pupil support including specialist support unit and early intervention.
- A programme of health and well-being advice and support.

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Strategic Report

Achievements and performance

Montpelier Primary School had its first Ofsted inspection in September 2019 since joining the Trust and was judged as GOOD in all areas.

Scott Medical and Healthcare College had its first Ofsted inspection in February 2020 and was judged as GOOD in all areas.

Whilst KS4 and KS5 grades were allocated by centre-assessed grades this year, the results for all schools were expected to increase again, demonstrating the continued progress being made to raise academic standards. Secondary schools have continued to successfully embed the Greenshaw Learning Trust teaching principles and strategies to ensure disruption free learning now happens in every classroom with calm and respectful behaviour evident in corridor spaces.

Throughout the national school closures, all schools supported distance learning through the provision of high quality lessons, including live lessons for secondary students, and daily/weekly contact with pupils. Communication with parents was also prioritised and individual schools continue to receive very positive feedback from them. Schools also continued to deliver onsite provision for children of key workers and vulnerable pupils and ran extensive welfare support programmes for families including processing and delivering free school meals and supporting the local food bank.

Promoting the success of the academy

The Trust uses its website and social media platforms to celebrate the achievements of the individual schools and pupils. The Trust has a Public Relations Manager who carefully oversees all communications to ensure they are appropriate and support the organisation's reputation for high standards of business conduct.

The Trust has a community engagement group and regular meetings are held to gather feedback from the community regarding the schools' operations, deal with any issues and discuss ways in which the Trust and community can work together collaboratively.

The Trust makes its assets available to support community activities such as hire of sports facilities to local groups.

Pupils are taught about the importance of their role in the local community and take part in environmental and academy programmes such as the Duke of Edinburgh Award Scheme which requires pupils to actively participate in volunteering activities.

Further details on engagement with employees and other stakeholders is also provided on page 6.

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Strategic Report

COVID-19

Given that public sector funded organisations have continued to receive the majority of income during the COVID-19 pandemic, overall the Trust generated a net saving as a result of COVID-19 and the school closures during the year. Whilst there were pressures on trading accounts for loss of income and trip cancellations there were also savings resulting from reduced onsite operations.

The 2020/21 budget was updated to reflect additional cleaning costs and schools have purchased additional IT equipment as part of their contingency planning for a local lockdown but this has brought forward capital expenditure budgeted for the summer term 2021. The Trust will continue to closely monitor the situation particularly the impact of future national lockdown on trading income streams.

Going concern

The Board of Trustees approved a transfer of all schools within the Trust to the Greenshaw Learning Trust on 01 January 2021. The assets, liabilities and trading activities transferred to the Greenshaw Learning Trust on this date and the Inspiring Schools Partnership ceased operations. For this reason the accounts have been prepared on a basis other than going concern. No adjustments have arisen as a result of ceasing to apply the going concern basis.

Financial review

Most of the Trust's income is obtained from the DfE principally in the form of a recurrent annual grant, the use of which is restricted to cover the normal running costs of the Trust. The grants received from the DfE during the period ended 31 December 2020 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities.

No grants for fixed assets were received by the Academy Trust from the DfE via the Education and Skills Funding Agency during the period.

In the period ended 31 December 2020 total income of £4,985,098 was received which was lower than expenditure of £5,000,514 (excluding depreciation) by £15,416. Expenditure on staff costs of £4,141,003 accounted for 83% of total expenditure and included £9,140 restructuring costs. £289,154 restricted funds has been transferred to the restricted fixed asset fund during the period. As a result the Academy Trust has carried forward restricted general funds of £1,267,061 plus a further £599,639 of unrestricted reserves.

At 31 December 2020 the net book value of fixed assets was £21,566,486. The movement in tangible fixed assets are shown in note 13 to the financial statements and mainly relates to the extension of the primary school. The assets (which principally comprise of the freehold and leasehold land and buildings transferred to the Academy by Plymouth City Council) were used predominantly to provide education and the associated support services to the pupils at the Academy.

Net cash outflow for the period and was £463,380 leaving the Trust with cash funds of £2,200,105 on the 31 December 2020.

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Strategic Report

Reserves policy

The day after the year end the entire reserves of the Trust were transferred to the Greenshaw Learning Trust on 01 January 2021. At 31 December 2020 the Academy Trust held fund balances excluding fixed assets and pensions of £1,866,700 as set out in note 17 to the Financial Statements. The balance on restricted general funds was £1,267,061 (10% of general annual grant) and unrestricted reserves were £599,639.

Prior to the reserves transfer the Trustees reviewed the reserve levels of the Trust annually as part of its rolling 5 year budget setting process. The policy of the trustees was to maintain a level of reserves that was adequate to provide a stable basis for the continuing activity of the Trust having in mind such factors as fluctuations in anticipated pupil numbers, whilst ensuring that excessive funds are not accumulated. The Trustees considered a reserve on the restricted general fund of 5% as appropriate to safeguard against these risks.

Investment policy

The Multi Academy Trust's investment policy aims to manage the cash balance of the Trust providing for day-to-day working capital requirements of its operations, whilst protecting the real long term value of any surplus balances against inflation. In addition the Trustees aim to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is an absolute minimum risk to the loss of these cash funds.

The Trust held £755,132 in short term high interest accounts at 31 December 2020. As the Trust retains the ability to access these funds subject to notice terms they are classified as cash at bank in the accounts.

Principal risks and uncertainties

The Trustees, supported by the risk and control framework described on page 16, keep under constant review the strategic risks facing the Academy Trust and the programmes which help to manage or mitigate this risk. Amongst the most important strategic risks at present are:

- the COVID-19 pandemic impact on daily operations and short term revenue costs.
- the impact in changes in the economy generally and the resultant the decline in funding across the education sector from public sources, including reductions in post-16 funding and other Academy grant funding.
- changes to the new style GCSEs and the impact performance measures has on the reputation of the Trust and on pupil recruitment.
- Managing the transfer of pupils to other schools within the Trust at KS4 and KS5.
- Increased competition for secondary places within the area.

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Strategic Report

Fundraising

Streamlined Energy and Carbon Reporting

		31 August 2020
UK Greenhouse gas emissions and energy use data for the period 01 September 2019 to 31 August 2020		
Energy consumption break down (kWh)		
Gas		1,011,456
Electricity		674,727
Scope 1 emissions in metric tonnes CO2e		
Owned transport - mini-buses		3.69
Gas consumption		185.98
Total scope 1		189.67
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity		157.31
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles		0.36
Total gross emissions in metric tonnes CO2e		347.34
Intensity ratio		
Tonnes CO2e per pupil		0.15

Quantification and Reporting Methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters and PV Panels across all sites and have begun a programme of changing lighting to LED.

Plans for future periods

The Academy Trust transferred all schools to the Greenshaw Learning Trust on 1 January 2021.

Auditor

In so far as the Trustees are aware:

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

Inspiring Schools Partnership

Trustees' Report for the period from 1 September 2020 to 31 December 2020

Strategic Report

Approved by order of the Board of Trustees on 26/04/21. and signed on its behalf by:



C Searls
Director and Trustee

Inspiring Schools Partnership

Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to A Frier, 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 Inspiring Schools Partnership and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 2 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Governor	Meetings attended	Out of a possible
C Searls	2	2
A Frier	2	2
D Slater	1	2
W Tout	1	2
R Clarke	2	2
J Forte	1	2
M Utton	0	2

Governance reviews

The Board has continued to improve accountability within the trust by separating the Members, Trustees and Local Governing Bodies. During the year the trust commissioned a governance expert to assist the trustees.

Inspiring Schools Partnership

Governance Statement (continued)

Governance reviews (continued)

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide strategic leadership and planning for all financial and funding matters and to monitor the financial performance and systems. Attendance at meetings during the period was as follows:

Trustee	Meetings attended	Out of a possible
A Frier	1	1
W Tout	1	1
C Searls	1	1
R Clarke	1	1
D Slater	0	1

Review of value for money

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

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

- Embedded the principles of Integrated Curriculum and Financial Planning.
- Managing poor performance of staff to ensure the Academy Trust has the best quality teachers to support school improvement.
- Restructuring the finance, HR and site and facilities teams to provide central services for the Multi Academy Trust.
- Centralised procurement to achieve efficiency savings. During the year the Trust re-tendered contracts for the supply of classroom resources, printer leases and gas and electricity services.
- Restructured department and leadership team to ensure alignment of teaching and learning responsibilities.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Inspiring Schools Partnership for the period ended 31 December 2020 and up to the date of approval of the annual report and financial statements.

Inspiring Schools Partnership

Governance Statement (continued)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 December 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Resources Committee and Trust Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have previously appointed Francis Clark LLP, the external auditor, to perform additional checks. Due to the imminent transfer to the Greenshaw Learning Trust and the fact that external auditors are no longer permitted to complete this work, no program of work was completed during the short period of the accounts.

The control review has previously given advice on financial matters and performed a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the prior financial year included the checking of controls in relation to income, purchases and payments, management reporting, payroll, the nominal ledger and any other areas specified by the Board of Trustees.

The auditor has previously reported to the Trust Board on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Inspiring Schools Partnership

Governance Statement (continued)

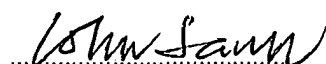
Review of effectiveness

As Accounting Officer, A Frier has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

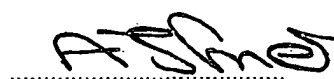
- the programme of internal control checking;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 26/04/21 and signed on its behalf by:



C Searls
Director and Trustee



A Frier
Accounting officer


Inspiring Schools Partnership

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Inspiring Schools Partnership I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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 2020.

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



A Frier
Accounting officer

Date: 26/04/21...

Inspiring Schools Partnership

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Inspiring Schools Partnership for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 the 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 26/04/21 and signed on its behalf by:



C Searls
Director and Trustee

Inspiring Schools Partnership

Independent Auditor's Report on the Financial Statements to the Members of Inspiring Schools Partnership

Opinion

We have audited the financial statements of Inspiring Schools Partnership (the 'Academy') for the period from 1 September 2020 to 31 December 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - non going concern basis

We draw attention to Note 1 to the financial statements and page 9 of the Trustees' Report which explains that the Trust transferred its activities and net assets to the Greenshaw Learning Trust on 1 January 2021, following which the Trust will be dissolved. The financial statements have therefore been drawn up on a basis other than going concern as explained in Note 1. Our opinion is not modified in this respect.

Other information the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement

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. 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.

Inspiring Schools Partnership

Independent Auditor's Report on the Financial Statements to the Members of Inspiring Schools Partnership (continued)

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 Strategic Report and Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 18], the Trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

Inspiring Schools Partnership

Independent Auditor's Report on the Financial Statements to the Members of Inspiring Schools Partnership (continued)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Academy, we identified that the principal risks of non-compliance with laws and regulations related to acts by the company which were contrary to applicable laws and regulations, including fraud.

We considered those laws and regulations that have a direct impact on the preparation of the financial statements, including, but not limited to the Companies Act 2006, regularity requirements of the ESFA and UK pensions. We evaluated incentives and opportunities for fraudulent manipulation of the financial statements, and determined that the principal risks were related to fraudulent financial reporting and non compliance with regularity.

Audit procedures performed by the engagement team include, but were not limited to, review of board minutes, detailed substantive testing regarding the regularity requirements mandated by the ESFA and inquiries of management. We also addressed the risk of management override of internal controls, including testing of journals and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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'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'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's Members, as a body, for our audit work, for this report, or for the opinions we have formed.

Inspiring Schools Partnership

Independent Auditor's Report on the Financial Statements to the Members of Inspiring Schools Partnership (continued)



.....
Duncan Leslie (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor
North Quay House
Sutton Harbour
Plymouth

Date: 29/04/21
.....

Inspiring Schools Partnership

Independent Reporting Accountant's Assurance Report on Regularity to Inspiring Schools Partnership and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 9 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspiring Schools Partnership during the period 1 September 2020 to 31 December 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Inspiring Schools Partnership's Accounting Officer and the reporting Accountant

The Accounting Officer is responsible, under the requirements of Inspiring Schools Partnership's funding agreement with the Secretary of State for Education dated 1 September 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the system of internal controls for authorisation and approval
- Performing substantive tests on relevant transactions

Inspiring Schools Partnership

Independent Reporting Accountant's Assurance Report on Regularity to Inspiring Schools Partnership and the Education and Skills Funding Agency (continued)

Conclusion

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



.....
Duncan Leslie
PKF Francis Clark, Chartered Accountants
North Quay House
Sutton Harbour
Plymouth

Date: 29/04/21
.....

Inspiring Schools Partnership

Statement of Financial Activities for the Period from 1 September 2020 to 31 December 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Period ending 31 December 2020 Total £
Income and endowments from:					
Donations and capital grants	2	-	1,946	-	1,946
<i>Charitable activities:</i>					
Funding for the Academy Trust's educational operations	3	37,595	4,908,840	-	4,946,435
Other trading activities	4	36,410	-	-	36,410
Investments	5	307	-	-	307
Total		74,312	4,910,786	-	4,985,098
Expenditure on:					
Raising funds	6	36,773	-	-	36,773
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	4,963,741	240,131	5,203,872
Total		36,773	4,963,741	240,131	5,240,645
Net income/(expenditure)		37,539	(52,955)	(240,131)	(255,547)
Transfers between funds		-	(289,154)	289,154	-
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes	25	-	(2,015,000)	-	(2,015,000)
Net movement in funds/(deficit)		37,539	(2,357,109)	49,023	(2,270,547)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		555,459	(7,727,189)	21,836,340	14,664,610
Total funds/(deficit) carried forward at 31 December 2020		592,998	(10,084,298)	21,885,363	12,394,063

Inspiring Schools Partnership

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Year ending 31 August 2020 £
Income and endowments from:					
Donations and capital grants	2	-	4,134	47,708	51,842
<i>Charitable activities:</i>					
Funding for the Academy Trust's educational operations	3	22,665	14,193,793	-	14,216,458
Other trading activities	4	150,249	-	-	150,249
Investments	5	5,829	-	-	5,829
Total		178,743	14,197,927	47,708	14,424,378
Expenditure on:					
Raising funds	6	91,832	-	-	91,832
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	14,058,654	701,179	14,759,833
Total		91,832	14,058,654	701,179	14,851,665
Net income/(expenditure)		86,911	139,273	(653,471)	(427,287)
Transfers between funds		(14,363)	(365,228)	379,591	-
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes	25	-	(250,000)	-	(250,000)
Net movement in funds/(deficit)		72,548	(475,955)	(273,880)	(677,287)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		482,911	(7,251,234)	22,110,220	15,341,897
Total funds/(deficit) carried forward at 31 August 2020		555,459	(7,727,189)	21,836,340	14,664,610

Inspiring Schools Partnership

(Registration number: 07557634)

Balance Sheet as at 31 December 2020

	Note	31 December 2020 £	31 August 2020 £
Fixed assets			
Tangible assets	13	21,566,486	21,497,502
Current assets			
Stocks	14	20,114	17,050
Debtors	15	662,203	580,380
Cash at bank and in hand		<u>2,200,105</u>	<u>2,663,485</u>
		2,882,422	3,260,915
Creditors: Amounts falling due within one year	16	<u>(696,845)</u>	<u>(1,069,807)</u>
Net current assets		<u>2,185,577</u>	<u>2,191,108</u>
Total assets less current liabilities		<u>23,752,063</u>	<u>23,688,610</u>
Net assets excluding pension liability		23,752,063	23,688,610
Defined benefit pension scheme liability	25	<u>(11,358,000)</u>	<u>(9,024,000)</u>
Total assets		<u><u>12,394,063</u></u>	<u><u>14,664,610</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		1,273,702	1,296,811
Restricted fixed asset fund		21,885,363	21,836,340
Restricted pension fund		<u>(11,358,000)</u>	<u>(9,024,000)</u>
		11,801,065	14,109,151
Unrestricted funds			
Unrestricted general fund		<u>592,998</u>	<u>555,459</u>
Total funds		<u><u>12,394,063</u></u>	<u><u>14,664,610</u></u>

The financial statements on pages 25 to 56 were approved by the Trustees, and authorised for issue on 26/04/21 and signed on their behalf by:


 C Searls
 Director and Trustee

Inspiring Schools Partnership

Statement of Cash Flows for the Period from 1 September 2020 to 31 December 2020

		31 December 2020 £	31 August 2020 £
	Note		
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(154,572)	958,304
Cash flows from investing activities	22	<u>(308,808)</u>	<u>(546,374)</u>
Change in cash and cash equivalents in the period		(463,380)	411,930
Cash and cash equivalents at 1 September		<u>2,663,485</u>	<u>2,251,555</u>
Cash and cash equivalents at 31 December		<u>2,200,105</u>	<u>2,663,485</u>

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020

1 Accounting policies

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

Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Inspiring Schools Partnership meets the definition of a public benefit entity under FRS 102.

Going concern

The Board of Trustees approved a transfer of all schools within the Trust to the Greenshaw Learning Trust which occurred on 01 January 2021. The assets, liabilities and trading activities transferred to the Greenshaw Learning Trust on the transfer date and the Inspiring Schools Partnership has now ceased operations. For this reason the accounts have been prepared on a basis other than going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

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 with sufficient reliability.

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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Donations

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

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

1 Accounting policies (continued)

Other income

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

Transfer on conversion

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income.

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Intangible fixed assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Asset class	Amortisation method and rate
Software	33% straight line

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than land and assets under construction at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Land	Not depreciated
Leasehold and freehold buildings	2% straight line
Fixtures and fittings	10% straight line
Motor vehicles	10% straight line
Computer equipment	33% straight line
Assets under the course of construction	Not depreciated

Liabilities

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

Provisions

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

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

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

1 Accounting policies (continued)

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stock

Unsold uniforms are valued at the lower of cost or net realisable value.

Taxation

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

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

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

1 Accounting policies (continued)

Pension benefits

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

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.

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 Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

Critical accounting estimates and areas of judgement

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

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 December 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In preparing these financial statements, management have made the following judgements:

- Determine whether leases entered into by The Academy Trust either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of The Academy Trust's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of estimation uncertainty

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

2 Donations and capital grants

	Restricted funds £	Period ended 31 December 2020 Total £	Year ended 31 August 2020 Total £
Capital grants	-	-	47,708
Other donations	1,946	1,946	4,134
	<u>1,946</u>	<u>1,946</u>	<u>51,842</u>

The income from donations and capital grants was £1,946 (2020: £51,842) of which £Nil was unrestricted (2020: £Nil), £1,946 restricted (2020: £4,134) and £Nil restricted fixed assets (2020: £47,708).

3 Funding for Trust's educational operations

	Unrestricted funds £	Restricted funds £	Period ended 31 December 2020 Total £	Year ended 31 August 2020 Total £
DfE/ESFA revenue grants				
Other DfE/ESFA grants	-	532,685	532,685	1,527,356
General Annual Grant (GAG)	-	4,203,816	4,203,816	11,716,018
Start Up Grants	-	5,000	5,000	78,500
	-	<u>4,741,501</u>	<u>4,741,501</u>	<u>13,321,874</u>
Other government grants				
Local Authority grants	-	124,826	124,826	704,239
Non-government grants and other income				
Other income from the academy trust's educational operations	<u>37,595</u>	<u>42,513</u>	<u>80,108</u>	<u>190,345</u>
Total grants	<u>37,595</u>	<u>4,908,840</u>	<u>4,946,435</u>	<u>14,216,458</u>

The funding for educational operations was £4,946,435 (2020: £14,216,458) of which £37,595 was unrestricted (2020: £22,665), £4,908,840 restricted (2020: £14,193,793) and £Nil restricted fixed assets (2020: £Nil).

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

4 Other trading activities

	Unrestricted funds £	Period ended 31 December 2020 Total £	Year ended 31 August 2020 Total £
Hire of facilities	4,938	4,938	39,493
Other Income	31,472	31,472	110,756
	<u>36,410</u>	<u>36,410</u>	<u>150,249</u>

The income from other trading activities was £36,410 (2020: £150,249) of which £36,410 was unrestricted (2020: £150,249), £Nil restricted (2020: £Nil) and £Nil restricted fixed assets (2020: £Nil).

5 Investment income

	Unrestricted funds £	Period ended 31 December 2020 Total £	Year ended 31 August 2020 Total £
Short term deposits	307	307	5,829

The income from investments was £307 (2020: £5,829) of which £307 was unrestricted (2020: £5,829), £Nil restricted (2020: £Nil) and £Nil restricted fixed assets (2020: £Nil).

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

6 Expenditure

	Non Pay Expenditure			Period ended 31 December 2020 Total £	Year ended 31 August 2020 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	11,941	-	24,832	36,773	91,832
Academy's educational operations					
Direct costs	3,347,322	-	312,238	3,659,560	10,675,637
Allocated support costs	781,740	443,558	319,014	1,544,312	4,084,196
	<u>4,141,003</u>	<u>443,558</u>	<u>656,084</u>	<u>5,240,645</u>	<u>14,851,665</u>

Net income/(expenditure) for the period includes:

	Period ended 31 December 2020 £	Year ended 31 August 2020 £
Operating leases - other leases	31,776	88,317
Fees payable to auditor - audit	11,444	18,306
- other audit services	5,125	6,260
Depreciation of tangible fixed assets	<u>240,131</u>	<u>701,177</u>

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

7 Charitable activities

		Period ended 31 December 2020 Total £	Year ended 31 August 2020 Total £
Direct costs - educational operations		3,659,560	10,675,637
Support costs - educational operations		<u>1,544,312</u>	<u>4,084,196</u>
		<u>5,203,872</u>	<u>14,759,833</u>
		Period ended 31 December 2020 Total £	Year ended 31 August 2020 Total £
	Educational operations £	Total £	Total £
Analysis of support costs			
Support staff costs	781,740	781,740	1,962,326
Depreciation	240,131	240,131	701,179
Technology costs	69,846	69,846	151,317
Premises costs	203,427	203,427	465,435
Other support costs	232,599	232,599	785,581
Governance costs	<u>16,569</u>	<u>16,569</u>	<u>18,358</u>
Total support costs	<u>1,544,312</u>	<u>1,544,312</u>	<u>4,084,196</u>

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

8 Staff

	Period ended 31 December 2020 £	Year ended 31 August 2020 £
Staff costs during the period were:		
Wages and salaries	2,949,010	8,501,030
Social security costs	287,493	787,313
Pension costs	895,360	2,354,332
Supply teacher costs	-	23,195
Staff restructuring costs	9,140	8,395
	<u>4,141,003</u>	<u>11,674,265</u>

	Period ended 31 December 2020 £	Year ended 31 August 2020 £
Staff restructuring costs comprise:		
Redundancy payments	5,853	-
Severance payments	3,287	8,395
	<u>9,140</u>	<u>8,395</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £585 (31 August 2020: £1,000). Individually there was one payment of £585.

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

8 Staff (continued)

Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the period expressed as headcount was as follows:

	Period ended 31 December 2020 No	Year ended 31 August 2020 No
Charitable Activities		
Teachers	159	160
Administration and support	181	178
Management	5	6
	<u>345</u>	<u>344</u>

Higher paid staff

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

	Period ended 31 December 2020 No	Year ended 31 August 2020 No
£60,001 - £70,000	3	1
£70,001 - £80,000	3	2
£80,001 - £90,000	2	2
£100,001 - £110,000	-	1
£120,001 - £130,000	<u>1</u>	<u>-</u>

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £178,599 (2020: £550,248).

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

9 Central services

The Academy Trust has provided the following Central Services to its academies during the period:

- Human resources
- Financial services
- Executive services
- Operational services
- Other central costs

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

Charged based on a GAG topslice of 3.4%. In additions all schools contributed a further 3.1% of GAG to fund site and facilities services.

The actual amounts charged during the period were as follows:

	Period ended 31 December 2020 £
Stoke Damerel Community College	173,394
Montpelier Primary School	52,244
Scott Medical and Healthcare College	45,047
	<u>270,685</u>

10 Related party transactions - Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

A Frier (Principal and trustee):

Remuneration: £40,000 - £45,000 (2020 - £105,000 - £110,000)
Employer's pension contributions: £5,000 - £10,000 (2020 - £25,000 - £30,000)

J Cole (Trustee):

Remuneration: £Nil (2020 - £0 - £5,000)
Employer's pension contributions: £Nil (2020 - £Nil)

During the period ended 31 December 2020, travel and subsistence expenses totalling £Nil (2020 - £52) were reimbursed or paid directly to 0 Trustees (2020 - 1) in role their role as a trustee.

Other related party transactions involving the Trustees are set out in note 26.

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5 million on any one claim.

12 Intangible fixed assets

	Software £	Total £
Cost		
At 1 September 2020	<u>26,033</u>	<u>26,033</u>
At 31 December 2020	<u>26,033</u>	<u>26,033</u>
Amortisation		
At 1 September 2020	<u>26,033</u>	<u>26,033</u>
At 31 December 2020	<u>26,033</u>	<u>26,033</u>
Net book value		
At 31 December 2020	<u>-</u>	<u>-</u>
At 31 August 2020	<u>-</u>	<u>-</u>

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

13 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost						
At 1 September 2020	17,304,164	5,217,042	1,738,484	6,118	1,078,825	25,344,633
Additions	<u>210,134</u>	<u>21,680</u>	<u>18,127</u>	<u>-</u>	<u>59,174</u>	<u>309,115</u>
At 31 December 2020	<u>17,514,298</u>	<u>5,238,722</u>	<u>1,756,611</u>	<u>6,118</u>	<u>1,137,999</u>	<u>25,653,748</u>
Depreciation						
At 1 September 2020	1,850,041	249,476	908,377	2,397	836,840	3,847,131
Charge for the year	<u>100,421</u>	<u>22,809</u>	<u>58,116</u>	<u>204</u>	<u>58,581</u>	<u>240,131</u>
At 31 December 2020	<u>1,950,462</u>	<u>272,285</u>	<u>966,493</u>	<u>2,601</u>	<u>895,421</u>	<u>4,087,262</u>
Net book value						
At 31 December 2020	<u>15,563,836</u>	<u>4,966,437</u>	<u>790,118</u>	<u>3,517</u>	<u>242,578</u>	<u>21,566,486</u>
At 31 August 2020	<u>15,454,123</u>	<u>4,967,566</u>	<u>830,107</u>	<u>3,721</u>	<u>241,985</u>	<u>21,497,502</u>

The canteen extension was the only asset under construction at the period end and was valued at £67,393. No depreciation has been charged.

14 Stock

	31 December 2020 £	31 August 2020 £
Clothing	<u>20,114</u>	<u>17,050</u>

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

15 Debtors

	31 December 2020 £	31 August 2020 £
Trade debtors	1,024	1,488
Prepayments	128,091	179,679
Accrued grant and other income	364,849	288,130
VAT recoverable	168,239	111,083
	<u>662,203</u>	<u>580,380</u>

16 Creditors: amounts falling due within one year

	31 December 2020 £	31 August 2020 £
Trade creditors	29,043	491,775
Other creditors	219,611	208,578
Accruals	181,396	225,597
Deferred income	266,795	143,857
	<u>696,845</u>	<u>1,069,807</u>

	31 December 2020 £	31 August 2020 £
Deferred income		
Deferred income at 1 September 2020	(143,857)	(203,481)
Resources deferred in the period	(190,580)	(143,857)
Amounts released from previous periods	67,642	203,481
Deferred income at 31 December 2020	<u>(266,795)</u>	<u>(143,857)</u>

Deferred income represents income received in advance in respect of: Universal Infant Free School Meals, Teachers pay and pension grants, LA one off funding, Plymouth Schools Partnership towards staff costs, PE and Sports Premium, Rates, unspent Teacher Subject Specialism Training Grant and payments made towards Chromebooks by parents.

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

17 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 December 2020 £
Restricted general funds					
General Annual Grant (GAG)	1,270,867	4,208,815	(3,930,051)	(292,957)	1,256,674
Other DfE/ESFA grants	17,900	281,746	(276,135)	(16,511)	7,000
Pupil premium	-	250,940	(250,940)	-	-
LA Grants	-	124,826	(151,909)	27,083	-
Other restricted funds	8,044	44,459	(35,706)	(6,769)	10,028
	<u>1,296,811</u>	<u>4,910,786</u>	<u>(4,644,741)</u>	<u>(289,154)</u>	<u>1,273,702</u>
Restricted fixed asset funds					
Assets transferred from the LA	12,668,741	-	(74,175)	-	12,594,566
DfE/ESFA capital grants	338,839	-	-	(19,960)	318,879
Assets purchased since conversion	8,828,760	-	(165,956)	309,114	8,971,918
	<u>21,836,340</u>	<u>-</u>	<u>(240,131)</u>	<u>289,154</u>	<u>21,885,363</u>
Restricted pension funds					
Pension reserve	(9,024,000)	-	(319,000)	(2,015,000)	(11,358,000)
Total restricted funds	14,109,151	4,910,786	(5,203,872)	(2,015,000)	11,801,065
Unrestricted funds					
Unrestricted general funds	555,459	74,312	(36,773)	-	592,998
Total funds	<u>14,664,610</u>	<u>4,985,098</u>	<u>(5,240,645)</u>	<u>(2,015,000)</u>	<u>12,394,063</u>

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

17 Funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	804,257	11,794,518	(10,982,379)	(345,529)	1,270,867
Other DfE/ESFA grants	-	776,526	(758,626)	-	17,900
Pupil premium	-	750,018	(730,319)	(19,699)	-
LA Grants	500	704,239	(704,739)	-	-
Other restricted funds	8,009	172,626	(172,591)	-	8,044
	<u>812,766</u>	<u>14,197,927</u>	<u>(13,348,654)</u>	<u>(365,228)</u>	<u>1,296,811</u>
Restricted fixed asset funds					
Assets transferred from the LA	12,889,997	-	(221,256)	-	12,668,741
DfE/ESFA capital grants	511,450	47,708	-	(220,319)	338,839
Assets purchased since conversion	<u>8,708,773</u>	<u>-</u>	<u>(479,923)</u>	<u>599,910</u>	<u>8,828,760</u>
	22,110,220	47,708	(701,179)	379,591	21,836,340
Restricted pension funds					
Pension reserve	<u>(8,064,000)</u>	<u>-</u>	<u>(710,000)</u>	<u>(250,000)</u>	<u>(9,024,000)</u>
Total restricted funds	14,858,986	14,245,635	(14,759,833)	(235,637)	14,109,151
Unrestricted funds					
Unrestricted general funds	<u>482,911</u>	<u>178,743</u>	<u>(91,832)</u>	<u>(14,363)</u>	<u>555,459</u>
Total funds	<u>15,341,897</u>	<u>14,424,378</u>	<u>(14,851,665)</u>	<u>(250,000)</u>	<u>14,664,610</u>

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

17 Funds (continued)

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

The General Annual Grant (GAG) is applied in strict accordance with the terms of the Funding Agreement, which prescribes that this funding is used to cover the normal running costs of the Academy. Under the Funding Agreement there are no limits on the amount of GAG which can be carried forward.

Pupil Premium is used by the Trust to raise attainment in pupils from low income families.

Other DfE and ESFA Grants includes Universal Infant Free School Meal funding of £31,000 (31 August 2020 - £93,000), £55,000 (31 August 2020 - £27,000) to support catch up intervention and £188,000 (31 August 2020 - £568,000) for a Teachers' Pay Grant.

LA and other grants income includes £123,000 (31 August 2020 - £704,000) funding to support specific provisions for pupils with special educational needs.

Other restricted funds includes £7,000 (31 August 2020 - £37,000) income relating to school trips and £28,000 (31 August 2020 - £99,000) relating to staff consultancy, all spent during the year.

The Pension Fund Reserve deficit represents the net shortfall in funds in the Local Government Pension Scheme in relation to employees past and present.

The DfE and ESFA capital grants represents funding specifically provided to support capital expenditures on fixed assets. The Fixed Asset Fund represents the current value of all fixed assets owned by the Trust and any unspent capital grants.

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

17 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 December 2020 were allocated as follows:

	31 December 2020 £	31 August 2020 £
Stoke Damerel Community College	1,565,781	1,561,105
Scott Medical and Healthcare College	32,454	22,074
Montpelier Primary School	187,263	159,766
Central services	81,202	109,325
Total before fixed assets and pension reserve	1,866,700	1,852,270
Fixed asset fund	21,885,363	21,836,340
Pension reserve	(11,358,000)	(9,024,000)
Total	12,394,063	14,664,610

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 31 December 2020 £	Total 31 August 2020 £
Stoke Damerel Community College	2,046,830	463,314	190,145	324,824	3,025,114	8,577,365
Scott Medical and Healthcare College	566,444	49,508	80,803	67,194	763,949	2,119,065
Montpelier Primary School	723,937	39,975	41,289	100,620	905,821	2,641,788
Central services	22,051	228,943	-	54,636	305,630	812,238
Academy Trust	3,359,262	781,740	312,237	547,274	5,000,514	14,150,456

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

18 Analysis of net assets between funds

Fund balances at 31 December 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	21,566,486	21,566,486
Current assets	599,639	1,963,906	318,877	2,882,422
Current liabilities	-	(696,845)	-	(696,845)
Pension scheme liability	-	(11,358,000)	-	(11,358,000)
Total net assets	<u>599,639</u>	<u>(10,090,939)</u>	<u>21,885,363</u>	<u>12,394,063</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	21,497,502	21,497,502
Current assets	555,459	2,366,618	338,838	3,260,915
Current liabilities	-	(1,069,807)	-	(1,069,807)
Pension scheme liability	-	(9,024,000)	-	(9,024,000)
Total net assets	<u>555,459</u>	<u>(7,727,189)</u>	<u>21,836,340</u>	<u>14,664,610</u>

19 Capital commitments

	31 December 2020 £	31 August 2020 £
Contracted for, but not provided in the financial statements	<u>-</u>	<u>256,545</u>

20 Financial commitments

Operating leases

At 31 December 2020 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

20 Financial commitments (continued)

	31 December 2020 £	31 August 2020 £
Amounts due within one year	-	67,899
Amounts due between one and five years	-	75,653
	<u>-</u>	<u>143,552</u>

21 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	31 December 2020 £	31 August 2020 £
Net expenditure	(255,547)	(427,287)
Depreciation	240,131	701,179
Capital grants from DfE and other capital income	-	(47,708)
Interest receivable	(307)	(5,829)
Defined benefit pension scheme cost less contributions payable	271,000	562,000
Defined benefit pension scheme finance cost	48,000	148,000
(Increase)/decrease in stocks	(3,064)	169
(Increase)/decrease in debtors	(81,823)	203,891
Decrease in creditors	<u>(372,962)</u>	<u>(176,111)</u>
Net cash (used in)/provided by Operating Activities	<u>(154,572)</u>	<u>958,304</u>

22 Cash flows from investing activities

	31 December 2020 £	31 August 2020 £
Dividends, interest and rents from investments	307	5,829
Purchase of tangible fixed assets	(309,115)	(599,911)
Capital grants from DfE Group	-	47,708
Net cash used in investing activities	<u>(308,808)</u>	<u>(546,374)</u>

23 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 December 2020 £
Cash	<u>2,663,485</u>	<u>(463,380)</u>	<u>2,200,105</u>
Total	<u>2,663,485</u>	<u>(463,380)</u>	<u>2,200,105</u>

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

24 Members' liability

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

25 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Barnett Waddingham. 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 period.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

25 Pension and similar obligations (continued)

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- 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
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. Assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £452,087 (2020: £1,313,815).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 December 2020 was £229,000 (2020 - £622,000), of which employer's contributions totalled £176,000 (2020 - £476,000) and employees' contributions totalled £53,000 (2020 - £146,000). The agreed contribution rates for future years are 17 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

On 27 June 2019 the Supreme Court upheld the Court of Appeal's ruling that government reform's made in 2015 to the pensions of judges and firefighters were unlawful on the grounds of age discrimination. This case has become known as the 'McCloud judgement' and the ruling will have wider implications for all public service schemes affected by the reforms. Accordingly, the valuation provided by the actuary at 31 December 2020 includes the expected impact of compensation payments arising from this judgement.

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

25 Pension and similar obligations (continued)

Principal actuarial assumptions

	31 December 2020 %	31 August 2020 %
Rate of increase in salaries	3.50	3.30
Rate of increase for pensions in payment/inflation	2.50	2.30
Discount rate for scheme liabilities	1.30	1.60
Inflation assumptions (CPI)	2.50	2.30
RPI increases	<u>2.80</u>	<u>3.10</u>

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

	31 December 2020	31 August 2020
Retiring today		
Males retiring today	23.00	22.90
Females retiring today	24.10	24.10
Retiring in 20 years		
Males retiring in 20 years	24.40	24.30
Females retiring in 20 years	<u>25.60</u>	<u>25.50</u>

Sensitivity analysis

	31 December 2020 £	31 August 2020 £
Discount rate +0.1%	18,184,000	15,255,000
Discount rate -0.1%	19,122,000	16,040,000
Mortality assumption – 1 year increase	19,367,000	16,204,000
Mortality assumption – 1 year decrease	17,954,000	15,100,000
Salary increases +0.1%	18,692,000	15,681,000
Salary increases -0.1%	18,602,000	15,604,000
Pension increases and deferred revaluation +0.1%	19,071,000	15,998,000
Pension increases and deferred revaluation -0.1%	<u>18,233,000</u>	<u>15,295,000</u>

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

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

25 Pension and similar obligations (continued)

	31 December 2020 £	31 August 2020 £
Equities	4,481,000	3,950,000
Gilts	268,000	234,000
Other bonds	339,000	312,000
Property	585,000	526,000
Cash and other liquid assets	74,000	76,000
Other	1,542,000	1,520,000
Total market value of assets	<u>7,289,000</u>	<u>6,618,000</u>

The actual return on scheme assets was £478,000 (2020 - £26,000).

Amounts recognised in the statement of financial activities

	Period ended 31 December 2020 £	Year ended 31 August 2020 £
Current service cost	(272,000)	(566,000)
Interest income	36,000	119,000
Interest cost	(83,000)	(263,000)
Admin expenses	(1,000)	(4,000)
Total amount recognised in the SOFA	<u>(320,000)</u>	<u>(714,000)</u>

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

	Period ended 31 December 2020 £	Year ended 31 August 2020 £
At start of period	15,642,000	14,223,000
Current service cost	447,000	1,038,000
Interest cost	83,000	263,000
Employee contributions	53,000	146,000
Actuarial (gain)/loss	2,457,000	78,000
Benefits paid	(35,000)	(106,000)
At 31 December	<u>18,647,000</u>	<u>15,642,000</u>

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

25 Pension and similar obligations (continued)

Changes in the fair value of academy's share of scheme assets

	Period ended 31 December 2020 £	Year ended 31 August 2020 £
At start of period	6,618,000	6,159,000
Interest income	36,000	119,000
Actuarial gain/(loss)	442,000	(172,000)
Employer contributions	175,000	472,000
Employee contributions	53,000	146,000
Benefits paid	(35,000)	(106,000)
At 31 December	<u>7,289,000</u>	<u>6,618,000</u>

26 Related party transactions

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Expenditure related party transactions

During the period the academy made the following related party transactions:

During the period ended 31 December 2020, M Frier the father of A Frier, the accounting officer and a trustee, continued to be employed by the academy trust as an exam invigilator. M Frier's appointment was made in open competition and A Frier was not involved in the decision-making process regarding appointment. M Frier was paid within the normal pay scale for his role and received no special treatment as a result of his relationship to a trustee. M Frier performed no exam invigilation for the Trust during the period ended 31 December 2020.

Inspiring Schools Partnership

Notes to the Financial Statements for the Period from 1 September 2020 to 31 December 2020 (continued)

26 Related party transactions (continued)

Income related party transactions

During the period the academy made the following related party transactions:

Beacon Park Baptist Church

(R Clarke, a Trustee, is a Trustee of Beacon Park Baptist Church)

Rental income totalling £nil (2020 - £1,022) was received from Beacon Park Baptist Church in the period. At the balance sheet date the amount due from Beacon Park Baptist Church was £Nil (2020 - £Nil).

27 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 December 2020 the academy trust received £32,508 and disbursed £31,857 from the fund. An amount of £31,857 is included in other creditors relating to payment due to Plymouth City Council who administer the scheme on the Trust's behalf.

Comparatives for the accounting period ending 31 August 2020 are £49,657 received, £48,663 disbursed and £Nil included in other creditors.

28 Post balance sheet events

On 01 January 2021 all the schools within the Trust transferred to the Greenshaw Learning Trust.