

Registered number: 08187216

ASPIRE ACADEMIES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015



ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015

Members and Trustees

Dean McKenna	Chair
Vicky Parsey	Executive Principal and Accounting Officer
Janet Aylward	
Carrie Bennett	
Ross Haywood	appointed 3 June 2015
Caroline Tristram-Walmsley	resigned 11 February 2015
Helen Varley	resigned 31 August 2015
Alison Woodhams	resigned 31 August 2015

Senior Management Team:

Vicky Parsey	Executive Principal
Karen Land	Chief Finance Officer

Company Name Aspire Academies Trust

Principal and registered office

High Street, Bovington, Hertfordshire, HP3 0HL

Company registered number

08187216

Independent auditors

MHA MacIntyre Hudson, Abbey Place, 24 - 28 Easton Street, High Wycombe, Buckinghamshire, HP11 1NT

Bankers

National Westminster Bank PLC, 72-74 High Street, Watford, Hertfordshire, WD17 2GZ

Solicitors

Stone King LLP, 16 St John's Lane, London, EC1M 4BS

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the financial statements and auditors' reports of the charitable company for the year ended 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Aspire Academies Trust as at 31 August 2015 consists of three primary academies and the West Hertfordshire Teaching School Partnership all operating in south west Hertfordshire. The Trust sponsors The Grove Academy and in September 2014 Bovington Primary Academy and Hammond Academy joined the Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Aspire Academies Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Aspire Academies Trust.

Details of the Trustees, who served during the year except as noted are included in the Reference and Administrative details on page 1.

Members Liability

Each member of the charitable company undertakes to contribute to the assets of the 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

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to Aspire Academies Trust. The cost of this insurance can be found in note 13 on page 34.

Method of Recruitment and Appointment or Election of Trustees

Aspire Academies Trust shall have the following members as set out in its articles of association and funding agreement:

- Executive Principal
- Up to two members appointed by Bovington Primary Academy
- Up to two members appointed by Hammond Academy
- Up to one member appointed by The Grove Academy
- One person appointed by the Directors
- Such additional members agreed unanimously by the members

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for each new Trustee will depend on their existing experience and where necessary induction will provide training on charity, educational, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. The Trust will periodically perform a skills audit of Trustees and, should any gaps be identified; external training courses will be offered to address these issues.

ASPIRE ACADEMIES TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

Organisational Structure

Aspire Academies Trust has a management structure which consists of the Board of Trustees, the Executive Principal, Chief Finance Officer, the Governing Body of each academy, the Head of School of each academy, and the Senior Leadership Team within each academy. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees are responsible for setting general policy, adopting an annual strategic plan and budget, approving the statutory accounts, monitoring each academy's performance by the use of budgets and other data, and making major decisions about the direction of each academy, capital expenditure and senior staff appointments.

The Executive Principal is supported by the Chief Finance Officer and the Head of School and Senior Leadership Team of each academy. These managers control the academies at an executive level implementing the strategy and policies laid down by the Trustees and reporting back to them.

Each Local Governing Body receives delegated authority from the Trustees to support the Trustees in fulfilling its obligations.

Related Parties and other Connected Charities and Organisations

The West Hertfordshire Teaching Schools Partnership (company no. 08240993) is a wholly owned subsidiary company of Aspire Academies Trust. The business of the Company is the provision of educational support to schools in accordance with the programmes defined by the National College for Teaching and Leadership. The remit of the Trust is as follows:

- to act as a channel for communication so that information and ideas can be disseminated to the Alliance Partners, Teaching Schools and other schools;
- to ensure that new models of teaching practice are shared amongst Alliance Partners, Teaching Schools and other schools;
- to work with Alliance Partners by:
 - playing a role in training new entrants to the profession (initial teacher training)
 - leading peer-to-peer professional and leadership development (continuing professional development);
 - identifying and developing leadership potential (succession planning and talent management);
 - providing educational and other support to Alliance Partners, Teaching Schools and other schools; and
 - engaging in research and development activity.

Any surpluses generated by West Hertfordshire Teaching Schools Partnership are gift aided to Aspire Academies Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The main objects / aims of the trust are summarised below

- to offer excellent education as standard to enable every pupil to reach their full potential
- to work collaboratively and in partnership across all our academies, sharing ideas and strengths
- to put people first, treating every person within the Trust and its academies as individuals
- to provide value for money for the funds expended.

ASPIRE ACADEMIES TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Objectives, Strategies and Activities

At Aspire Academies Trust we care deeply about the development of everyone in our academies.

We believe in achievement in its broadest sense and that enjoyment of learning is crucial to success. The strength of our leadership team will ensure that we provide the very best education for our pupils.

Our pupils are empowered to have high aspirations for their future. We nurture and challenge them to take responsibility, make decisions and work together so they grow into confident young people.

We value excellent teaching in our academies, underpinned by the high quality professional development support given by the West Hertfordshire Teaching Schools Partnership. By sharing ideas and promoting best practice we will provide our pupils with a stimulating curriculum in a safe learning environment.

Public Benefit

The Trustees have complied with their duty to have due regard to the guidance on Public ~Benefit published by the Charity Commission in exercising their powers and duties. Aspire Academies Trust fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role. Community based projects are undertaken throughout the year by staff and pupils which further enhances the public benefit.

The Grove Academy was lead agency for Berrygrove Children's Centre until 31 March 2015.

STRATEGIC REPORT

Achievements and performance

Achievement is supported by the following strengths:

- strong leadership by the Executive Principal and Heads of School, combined with the effective support from the Trustees, the Local Governing Body and senior leaders;
- all academy data show pupils are making accelerated progress;
- standards are good;
- the proportion of good or better teaching is high;
- pupil's behaviour and attitude to work are exemplary;
- pupil attendance is good;
- pupils get on well together and feel safe.

Key Performance Indicators

Aspire Academies Trust uses a number of financial key performance indicators to monitor financial success of the Trust and progress / improvement against the targets set.

The Trust Finance Committee monitors monthly expenditure and ensures appropriate checks and balances are in place to maintain high standards and the effective running of each of the academies.

The Trust also uses a number of non-financial key performance indicators to monitor its academies performance. These include:

- pupil attendance data;
- staff recruitment, retention and promotion;
- Key Stage 1 and Key Stage 2 assessment data and Raiseonline data

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The Trust maintains high results compared to the national average, this is expected to continue and demonstrates the Trust's education objectives.

	Trust's Performance	National (2015)
Reading Level 4+	97%	89%
Reading Level 5+	65%	48%
Writing Level 4+	93%	87%
Writing Level 5+	47%	36%
SPaG Level 4+	92%	80%
SPaG Level 5+	78%	56%
Maths Level 4+	96%	87%
Maths Level 5+	49%	41%

Going Concern

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

FINANCIAL REVIEW

During the period ended 31 August 2015, total expenditure excluding depreciation and Local Government Pension Scheme movements of £6,618,360 was covered by recurrent grant funding from the DfE (via the Education Funding Agency together with other incoming resources).

At 31 August 2015 the net book value of fixed assets was £14,115,733 and movements in tangible fixed assets are shown in note 15 to the financial statements. Capital expenditure in the period was £529,898. All the assets were used exclusively for providing education and the associated support services to the pupils of Aspire Academies Trust.

Reserves Policy

The Board of Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Trust is committed towards maintaining its buildings and is developing a capital maintenance programme aimed at ensuring a long useful life of the Trust's assets.

Future financial cost pressures for each of the academies will reduce the level of financial reserves in the long term. The Board of Trustees have agreed that the minimum level of reserves held for revenue purposes in each academy should be no less than 2% of the academies general account grant of which 50% is to be earmarked for maintenance of premises.

At 31 August 2015 the total funds comprised:

Unrestricted		184,514
Restricted:	Fixed asset funds	14,323,007
	GAG	544,101
	Pension reserve	(1,771,000)
	Other	184,704
		<hr/>
		13,465,326

ASPIRE ACADEMIES TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Investment Policy

There are no material investments held by Aspire Academies Trust.

Surplus funds are invested with the Trust's banker, National Westminster Bank, in a liquidity select account. An account is set up for each academy. Funds are automatically transferred between the academy's current account and liquidity account to maximise the interest received. Interest is received monthly and calculated at bank base rate, currently 0.5%.

Principal Risks and Uncertainties

The Trust's most significant financial risk is around future funding from Government which remains uncertain. In addition the Trust has a significant plan for capital expenditure over the next few years to improve its buildings and facilities some of which may have to be delayed if unanticipated emergency expenditure is needed.

A risk register is being reviewed and will be in place from September 2015 detailing all areas of risk to the Trust which will be reviewed annually.

PLANS FOR FUTURE PERIODS

Aspire Academies Trust will continue to deliver the following in all of its academies:

- outstanding teaching and learning to ensure high levels of progress and attainment;
- provision of learning environments which allow pupils of all abilities to thrive;
- mutual respect between the children, staff and community;
- high standards of behaviour and conduct;
- a wide range of enrichment opportunities for all pupils to get involved in
- adherence to an Equal Opportunities Policy for all stakeholders.

The Trust plans for modest growth in the number of academies it runs.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

None.

Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 02 December 2015 and signed on the board's behalf by:


Carrie Bennett
Vice Chair of Trustees

ASPIRE ACADEMIES TRUST
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Board of Trustees has formally met 11 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
D McKenna (Chairman)	11	11
V Parsey (Executive Principal & Accounting Officer)	11	11
J Aylward	7	11
C Bennett	10	11
R Haywood (appointed 3 June 2015)	3	3
C Tristram-Walmsley (resigned 11 February 2015)	2	3
H Varley	4	11
A Woodhams	7	11

Due to an increasing workload, one Trustee resigned during the year and a replacement was not found until September 2015. A representative from The Grove Academy was proposed and accepted by the Board of Trustees. All Aspire Academies Trust Schools now have representation at Board level.

The Trust intends to explore the option of undertaking an external review of governance at each Local Governing Body level as well as Board level in 2016.

The Finance Committee is a sub-committee of the Board of Trustees. Its purpose is to review the risks to internal financial control at the Trust.

During the year the Committee has reviewed all financial policies and challenged the working practices in the academies to ensure the end of year accounts are accurate and can be consolidated. They have also addressed and dealt with specific financial issues relating to individual academies which have come to light post September 2014.

The Committee is aware of growing financial issues presented to all schools through Government legislation and are being proactive and strategic in preparing to ensure financial sustainability.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
C Bennett (Chairman)	9	9
V Parsey (Executive Principal & Accounting Officer)	9	9
A Woodhams	9	9
K Land (Chief Finance Officer)	9	9

ASPIRE ACADEMIES TRUST
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

REVIEW OF VALUE FOR MONEY

As accounting officer the Executive Principal 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 outcome achieved in return for the taxpayer resources received.

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

- securing the best possible education for all pupils, in the most efficient and effective way, at a reasonable cost;
- ensuring effective use of all resources in the Trust's charge;
- sharing expertise, experience, data and cost effective practices throughout all our academies;
- having procedures in place for obtaining goods and services which provide 'best value' in terms of suitability, efficiency, time and cost. The Schedule of Financial Delegation ensures competitive tendering and consideration is given to the suitability and quality of workmanship when comparing quotations;
- being able to access economies of scale when making shared purchases and negotiate lower costs with suppliers for the benefit of all our academies.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Aspire Academies Trust for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

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 committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has appointed MHA Macintyre Hudson to perform the responsible officer role.

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

- testing for common financial procedures across all academies
- testing of purchase systems
- testing of bank reconciliations

The report noted that the change to multi academy trust status had been a significant change for the three academies and the CFO was working towards a goal of consistent financial procedures.

The responsible officer reports to the Board of Trustees, through the Trust's Finance Committee on the operation of the systems of control and on the discharge of financial responsibilities.

REVIEW OF EFFECTIVENESS

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

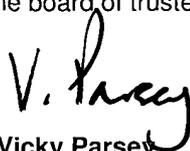
- the work of the responsible officer;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 2 December 2015 and signed on its behalf by:



Carrie Bennett
Vice Chair of Trustees



Vicky Parsey
Accounting Officer

ASPIRE ACADEMIES TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of Aspire Academies Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



Vicky Parsey
Accounting officer

02 December 2015

ASPIRE ACADEMIES TRUST
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

Company law requires the Trustees to prepare 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 the group and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2005;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group 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 and the group applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group'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 2 December 2015 and signed on its behalf by:



Carrie Bennett
Vice Chair of Trustees

ASPIRE ACADEMIES TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASPIRE ACADEMIES TRUST

We have audited the financial statements of Aspire Academies Trust for the year ended 31 August 2015 which comprise the group Statement of Financial Activities, the group and trust Balance Sheets, the group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report, incorporating the Group Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASPIRE ACADEMIES TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the parent charitable trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable trust 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.

MHA MacIntyre Hudson

Bianca Silva ACA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

Date: *21 December 2015*

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASPIRE ACADEMIES TRUST (FORMERLY KNOWN AS WEST HERTFORDSHIRE ACADEMY TRUST) AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 10 July 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Aspire Academies Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Aspire Academies Trust's funding agreement with the Secretary of State for Education dated 31 August 2012, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASPIRE ACADEMIES TRUST (FORMERLY KNOWN AS WEST HERTFORDSHIRE ACADEMY TRUST) AND THE EDUCATION FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams;
- Making enquiries of the Accounting Officer; and
- evaluating the internal control procedures and reporting lines.

CONCLUSION

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

MHA MacIntyre Hudson

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

Date: *21 December 2015*

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Generated funds:						
Transfer of existing academies into trust	2	252,066	(720,587)	8,498,748	8,030,227	-
Other voluntary income	2	417	-	-	417	6,145
Activities for generating funds	3	500,079	-	-	500,079	118,925
Investment income	4	6,011	-	-	6,011	4,112
Charitable activities	5	121,821	6,332,857	465,943	6,920,621	2,875,983
TOTAL INCOMING RESOURCES		880,394	5,612,270	8,964,691	15,457,355	3,005,165
Continuing operations		783,369	5,445,273	8,921,881	15,150,523	2,807,551
Acquired operations		97,025	-	42,810	139,835	-
Discontinued operations		-	166,997	-	166,997	197,614
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs		31,033	2,780	-	33,813	8,539
Charitable activities	7	703,461	5,926,476	502,664	7,132,601	3,173,416
Governance costs	8	-	20,610	-	20,610	16,895
TOTAL RESOURCES EXPENDED	6	734,494	5,949,866	502,664	7,187,024	3,198,850
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		145,900	(337,596)	8,462,027	8,270,331	(193,685)

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	19	-	(93,709)	93,709	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		145,900	(431,305)	8,555,736	8,270,331	(193,685)
Continuing operations		63,960	(431,305)	8,555,736	8,188,391	(193,685)
Acquired operations		81,940	-	-	81,940	-
Actuarial gains and losses on defined benefit pension schemes		-	27,000	-	27,000	(155,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		145,900	(404,305)	8,555,736	8,297,331	(348,685)
Total funds 1 September 2014		38,614	(637,890)	5,767,271	5,167,995	5,516,680
TOTAL FUNDS 31 AUGUST 2015		184,514	(1,042,195)	14,323,007	13,465,326	5,167,995

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

The notes on pages 21 to 47 form part of these financial statements.

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08187216

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	15		14,115,733		5,767,272
CURRENT ASSETS					
Debtors	16	239,414		120,783	
Cash at bank and in hand		1,610,296		644,653	
		<u>1,849,710</u>		<u>765,436</u>	
CREDITORS: amounts falling due within one year	17	<u>(729,117)</u>		<u>(355,010)</u>	
NET CURRENT ASSETS			<u>1,120,593</u>		<u>410,426</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>15,236,326</u>		<u>6,177,698</u>
CREDITORS: amounts falling due after more than one year	18		<u>-</u>		<u>(7,703)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>15,236,326</u>		<u>6,169,995</u>
Defined benefit pension scheme liability	25	(1,771,000)		(1,002,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>13,465,326</u>		<u>5,167,995</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	19	728,805		364,110	
Restricted fixed asset funds	19	14,323,007		5,767,271	
		<u>15,051,812</u>		<u>6,131,381</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(1,771,000)</u>		<u>(1,002,000)</u>	
Total restricted funds			<u>13,280,812</u>		<u>5,129,381</u>
Unrestricted funds	19		<u>184,514</u>		<u>38,614</u>
TOTAL FUNDS			<u>13,465,326</u>		<u>5,167,995</u>

The financial statements were approved by the Trustees, and authorised for issue, on 2 December 2015 and are signed on their behalf by:

Vicky Parsey
Accounting Officer

Carrie Bennett
Vice Chair of Trustees

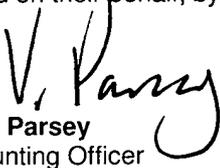
The notes on pages 21 to 47 form part of these financial statements.

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08187216

TRUST BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	15		14,115,733		5,767,272
CURRENT ASSETS					
Debtors	16	254,138		120,783	
Cash at bank and in hand		1,586,088		644,653	
		<u>1,840,226</u>		<u>765,436</u>	
CREDITORS: amounts falling due within one year	17	<u>(719,326)</u>		<u>(355,010)</u>	
NET CURRENT ASSETS			<u>1,120,900</u>		<u>410,426</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>15,236,633</u>		<u>6,177,698</u>
CREDITORS: amounts falling due after more than one year	18		<u>-</u>		<u>(7,703)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>15,236,633</u>		<u>6,169,995</u>
Defined benefit pension scheme liability	25		<u>(1,771,000)</u>		<u>(1,002,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>13,465,633</u></u>		<u><u>5,167,995</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	19	729,112		364,110	
Restricted fixed asset funds	19	14,323,007		5,767,271	
		<u>15,052,119</u>		<u>6,131,381</u>	
Restricted funds excluding pension asset					
Pension reserve		<u>(1,771,000)</u>		<u>(1,002,000)</u>	
Total restricted funds			<u>13,281,119</u>		<u>5,129,381</u>
Unrestricted funds	19		<u>184,514</u>		<u>38,614</u>
TOTAL FUNDS			<u><u>13,465,633</u></u>		<u><u>5,167,995</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 2 December 2015 and are signed on their behalf, by:


Vicky Parsey
 Accounting Officer


Carrie Bennett
 Vice Chair of Trustees

The notes on pages 21 to 47 form part of these financial statements.

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	22	451,059	(27,349)
Returns on investments and servicing of finance		6,011	4,112
Capital expenditure and financial investment		(63,955)	(37,426)
Cash transferred on academy combination	24	572,528	-
INCREASE/(DECREASE) IN CASH IN THE YEAR		965,643	(60,663)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase/(Decrease) in cash in the year	965,643	(60,663)
MOVEMENT IN NET FUNDS IN THE YEAR	965,643	(60,663)
Net funds at 1 September 2014	644,653	705,316
NET FUNDS AT 31 AUGUST 2015	1,610,296	644,653

The notes on pages 21 to 47 form part of these financial statements.

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

The Consolidated Statement of financial activities (SOFA) and Consolidated balance sheet combine the financial statements of the trust and its subsidiary undertaking, West Hertfordshire Teaching Schools Partnership. The results from the acquisition of West Hertfordshire Teaching Schools Partnership on 1 September 2014 are consolidated on a line by line basis.

The identifiable assets, liabilities and operations of Bovington Primary Academy and Hammond Academy were transferred to the Trust for £NIL consideration and have been accounted for under the acquisition accounting method (note 24).

The contract for the provision of Children's Centre services at the Grove Academy was transferred to a new provider from 31 March 2015 and is shown as a discontinued operation.

No separate SOFA has been presented for the trust alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

1.2 Fund accounting

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

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

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

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

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

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

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

Sponsorship income provided to the trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

Charitable activities are costs incurred in the trust's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Basis of consolidation

The financial statements consolidate the accounts of Aspire Academies Trust and all of its subsidiary undertakings ('subsidiaries').

The trust has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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 Consolidated Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Consolidated 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 trust's depreciation policy.

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.

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

Long leasehold buildings	-	2% per annum
Motor vehicles	-	20% per annum
Fixtures and fittings	-	20% per annum
Computer equipment	-	33% per annum

1.8 Operating leases

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

1.9 Taxation

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

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.11 Acquisition of academies

During the year Bovingdon Primary Academy and Hammond Academy transferred their identifiable assets, liabilities and operations to Aspire Academies Trust for £NIL consideration and this has been accounted for under the acquisition accounting method.

The assets and liabilities transferred have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Aspire Academies Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 24.

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Academy transfer (note 25)	252,066	7,778,161	8,030,227	-
Donations	417	-	417	6,145
Voluntary income	<u>252,483</u>	<u>7,778,161</u>	<u>8,030,644</u>	<u>6,145</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	22,026	-	22,026	3,896
Catering income	113,766	-	113,766	66,388
School clubs	128,222	-	128,222	22,960
Teaching school	97,025	-	97,025	-
Other income	101,495	-	101,495	22,590
Consultancy & training income	15,704	-	15,704	-
School fund	21,841	-	21,841	3,091
	<u>500,079</u>	<u>-</u>	<u>500,079</u>	<u>118,925</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest receivable	6,011	-	6,011	4,112

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

5. FUNDING FOR TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
General Annual Grant (GAG)	-	4,814,362	4,814,362	2,187,182
Start up grant	-	-	-	1,719
Pupil premium	-	418,981	418,981	238,340
Devolved formula capital	-	27,705	27,705	10,739
Other income	-	263,847	263,847	10,460
Capital improvement fund	-	438,238	438,238	-
	-	5,963,133	5,963,133	2,448,440
Other government grants				
SEN income	-	165,067	165,067	46,482
Schools early years funding	-	450,596	450,596	125,590
Other children's centre income	-	166,997	166,997	197,614
NCSL teaching school grant	-	42,810	42,810	-
Other LA income	-	10,197	10,197	34,847
	-	835,667	835,667	404,533
Other funding				
Trips and activities	92,577	-	92,577	20,193
Music income	29,244	-	29,244	2,817
	121,821	-	121,821	23,010
	121,821	6,798,800	6,920,621	2,875,983

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

6. RESOURCES EXPENDED

	Staff costs	Non Pay	Expenditure	Total	Total
	2015	Premises	Other costs	2015	2014
	£	2015	2015	£	£
		£	£		
Fundraising expenses	-	-	33,813	33,813	8,539
Costs of generating funds	-	-	33,813	33,813	8,539
Educational operations	3,918,468	-	590,521	4,508,989	2,097,779
Teaching school direct costs	-	-	48,105	48,105	-
Support costs - educational operations	1,146,838	695,145	723,734	2,565,717	1,075,637
Support costs - teaching school	-	-	9,790	9,790	-
Charitable activities	5,065,306	695,145	1,372,150	7,132,601	3,173,416
Governance	-	-	20,610	20,610	16,895
	5,065,306	695,145	1,426,573	7,187,024	3,198,850

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	Total £	Individual items above £5,000
		Amount £ Reason
Gifts made by the trust	1,607	- N/A

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	3,918,468	1,691,578
Training and development	86,292	65,341
Educational supplies	256,810	126,288
School trip expenditure	96,506	32,304
ICT learning resources	32,663	59,461
Bought in professional services	118,250	122,807
	<u>4,508,989</u>	<u>2,097,779</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,146,838	433,242
Depreciation	491,154	151,669
Pension finance cost	26,000	29,000
ICT expenses	60,550	12,256
Bought in professional services	44,688	86,030
Travel and security	16,105	1,464
Maintenance	136,755	79,148
Cleaning	16,338	7,034
Rates	41,504	15,761
Energy	89,531	25,495
Catering	287,895	110,169
Insurance	47,972	18,428
Recruitment and support	3,115	1,771
Other support costs	150,405	102,869
Bank charges	6,867	1,301
	<u>2,565,717</u>	<u>1,075,637</u>
	<u>7,074,706</u>	<u>3,173,416</u>
TEACHING SCHOOL COSTS		
Direct costs	48,105	-
Support costs	9,790	-
	<u>57,895</u>	<u>-</u>
	<u>7,132,601</u>	<u>3,173,416</u>

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

8. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	-	15,000	15,000	8,000
Auditors' non audit costs	-	5,610	5,610	8,895
	<u>-</u>	<u>20,610</u>	<u>20,610</u>	<u>16,895</u>

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charitable group	491,154	151,669
Auditors' remuneration	15,000	8,000
Auditors' remuneration - non-audit	5,610	8,895
Operating leases	16,190	1,435
	<u>627,954</u>	<u>170,009</u>

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	4,047,166	1,593,451
Social security costs	236,086	89,687
Other pension costs (Note 25)	627,745	258,836
	<u>4,910,997</u>	<u>1,941,974</u>
Supply teacher costs	138,009	182,846
Staff restructuring costs	16,300	-
	<u>5,065,306</u>	<u>2,124,820</u>

b. Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £16,300. Individually the payments were: £6,300 and £10,000.

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

10. STAFF (continued)

c. Staff numbers

The average number of persons employed by the trust during the year expressed as full time equivalents was as follows:

	2015	2014
	No.	No.
Teaching	57	23
Administration and support	93	42
Management	14	5
	<hr/> 164 <hr/>	<hr/> 70 <hr/>

d. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015	2014
	No.	No.
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0
In the band £90,001 - £100,000	1	0
	<hr/> 1 <hr/>	<hr/> 0 <hr/>

The above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2015, pension contributions amounted to £22,932 (2014: £10,005).

11. CENTRAL SERVICES

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

- Chief executive
- Administrative staff and support
- Staff training
- Governance support
- Legal fees

The trust charges for these services on the basis of 6% of school budget share.

The actual amounts charged during the year were as follows:

	2015
	£
Bovingdon Primary Academy	79,184
The Grove Academy	123,546
Hammond Academy	71,561
	<hr/> 274,291 <hr/>
Total	<hr/> 274,291 <hr/>

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 1 Trustee (2014 - 3) in respect of defined benefit pension schemes.

One or more Trustees has been paid remuneration or has received other benefits from employment with the trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other 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:

	2015	2014
	£	£
V Parsey (principal and trustee)	90,000-95,000	
V Parsey (employers pension)	10,000-15,000	

Remuneration disclosures for trustees who resigned prior to 1 September 2014 are not reflected in the table above.

During the year ended 31 August 2015, expenses totalling £62 (2014 - £NIL) were reimbursed to 1 Trustee (2014 - no trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £684 (2014 - £21). The cost of this insurance is included in the total insurance cost.

14. PENSION FINANCE COSTS

	2015	2014
	£	£
Expected return on pension scheme assets	120,000	38,000
Interest on pension scheme liabilities	(146,000)	(67,000)
	<u>(26,000)</u>	<u>(29,000)</u>

ASPIRE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

15. TANGIBLE FIXED ASSETS

Group	Leasehold land and buildings £	Motor vehicles £	Computer equipment £	Fixtures and fittings £	Total £
Cost					
At 1 September 2014	5,786,000	-	149,070	94,985	6,030,055
Additions	285,861	13,000	95,109	135,928	529,898
Disposals	-	-	(1,094)	-	(1,094)
Transfer into trust Relating to discontinued operations	7,994,254	-	119,481	207,961	8,321,696
	-	-	-	(14,890)	(14,890)
At 31 August 2015	<u>14,066,115</u>	<u>13,000</u>	<u>362,566</u>	<u>423,984</u>	<u>14,865,665</u>
Depreciation					
At 1 September 2014	175,000	-	68,345	19,438	262,783
Charge for the year	331,075	2,600	101,176	56,303	491,154
On disposals	-	-	(237)	-	(237)
Relating to discontinued operations	-	-	-	(3,768)	(3,768)
At 31 August 2015	<u>506,075</u>	<u>2,600</u>	<u>169,284</u>	<u>71,973</u>	<u>749,932</u>
Net book value					
At 31 August 2015	<u>13,560,040</u>	<u>10,400</u>	<u>193,282</u>	<u>352,011</u>	<u>14,115,733</u>
At 31 August 2014	<u>5,611,000</u>	<u>-</u>	<u>80,725</u>	<u>75,547</u>	<u>5,767,272</u>

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

Trust	Leasehold land and buildings £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	5,786,000	-	94,985	149,070	6,030,055
Additions	285,861	13,000	135,928	95,109	529,898
Disposals	-	-	-	(1,094)	(1,094)
Transfer between classes	7,994,254	-	207,961	119,481	8,321,696
Relating to discontinued operations	-	-	(14,890)	-	(14,890)
At 31 August 2015	<u>14,066,115</u>	<u>13,000</u>	<u>423,984</u>	<u>362,566</u>	<u>14,865,665</u>
Depreciation					
At 1 September 2014	175,000	-	19,438	68,345	262,783
Charge for the year	331,075	2,600	56,303	101,176	491,154
On disposals	-	-	-	(237)	(237)
Relating to discontinued operations	-	-	(3,768)	-	(3,768)
At 31 August 2015	<u>506,075</u>	<u>2,600</u>	<u>71,973</u>	<u>169,284</u>	<u>749,932</u>
Net book value					
At 31 August 2015	<u>13,560,040</u>	<u>10,400</u>	<u>352,011</u>	<u>193,282</u>	<u>14,115,733</u>
At 31 August 2014	<u>5,611,000</u>	<u>-</u>	<u>75,547</u>	<u>80,725</u>	<u>5,767,272</u>

Included in land and buildings is land held at valuation of £4,794,538 (2014 - £1,411,000) which is not depreciated.

The trust's transactions relating to land and buildings included:

- Kitchen and toilet refurbishment at Bovingdon Primary Academy;
- Kitchen refurbishment at the Grove Academy; and
- Conversion of classrooms at Hammond Academy.

16. DEBTORS

	Group		Trust	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	16,537	-	5,637	-
Amounts owed by group undertakings	-	-	26,004	-
VAT recoverable	87,395	60,616	87,395	60,616
Other debtors	85,263	47,663	85,258	47,663
Prepayments and accrued income	50,219	12,504	49,844	12,504
	<u>239,414</u>	<u>120,783</u>	<u>254,138</u>	<u>120,783</u>

ASPIRE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

17. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Trust</u>	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	249,347	39,258	248,952	39,258
Other taxation and social security	70,756	56,343	70,756	56,343
EFA Creditor: grant abatement	7,703	7,703	7,703	7,703
Other creditors	86,576	131,898	77,180	131,898
Accruals and deferred income	314,735	119,808	314,735	119,808
	<u>729,117</u>	<u>355,010</u>	<u>719,326</u>	<u>355,010</u>

	<u>Group</u>		<u>Trust</u>	
	£	£	£	£
Deferred income				
Deferred income at 1 September 2014		111,721		111,721
Resources deferred during the year		168,338		168,338
Amounts released from previous years		(111,721)		(111,721)
Deferred income at 31 August 2015		<u>168,338</u>		<u>168,338</u>

Deferred income relates to grants and parental income received in advance.

18. CREDITORS:
Amounts falling due after more than one year

	<u>Group</u>		<u>Trust</u>	
	2015	2014	2015	2014
	£	£	£	£
EFA creditor: grant abatement	-	7,703	-	7,703
	<u>-</u>	<u>7,703</u>	<u>-</u>	<u>7,703</u>

ASPIRE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

19. STATEMENT OF FUNDS (GROUP)

	Brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
General Funds	38,614	783,369	(719,408)	81,939	-	184,514
Teaching school	-	97,025	(15,086)	(81,939)	-	-
	<u>38,614</u>	<u>880,394</u>	<u>(734,494)</u>	<u>-</u>	<u>-</u>	<u>184,514</u>
Restricted funds						
General Annual Grant (GAG)	111,019	4,814,362	(4,267,693)	(113,587)	-	544,101
Pupil premium	40,400	418,981	(459,381)	-	-	-
Other DFE income	212,691	263,847	(321,125)	19,878	-	175,291
SEN income	-	165,067	(165,067)	-	-	-
Early years funding	-	450,596	(450,596)	-	-	-
Children's centre	-	166,997	(166,997)	-	-	-
Other LA income	-	10,197	(10,197)	-	-	-
NCSL teaching school grant	-	42,810	(42,810)	-	-	-
Transfer on conversion	-	9,413	-	-	-	9,413
Pension reserve	(1,002,000)	(730,000)	(66,000)	-	27,000	(1,771,000)
	<u>(637,890)</u>	<u>5,612,270</u>	<u>(5,949,866)</u>	<u>(93,709)</u>	<u>27,000</u>	<u>(1,042,195)</u>
Restricted fixed asset funds						
Restricted fixed asset funds	5,585,961	-	(502,664)	8,851,126	-	13,934,423
Capital expenditure from GAG	181,310	-	-	-	-	181,310
Devolved formula capital	-	27,705	-	(8,204)	-	19,501
Capital improvement fund	-	438,238	-	(250,465)	-	187,773
Fixed assets on acquisition	-	8,498,748	-	(8,498,748)	-	-
	<u>5,767,271</u>	<u>8,964,691</u>	<u>(502,664)</u>	<u>93,709</u>	<u>-</u>	<u>14,323,007</u>
Total restricted funds	<u>5,129,381</u>	<u>14,576,961</u>	<u>(6,452,530)</u>	<u>-</u>	<u>27,000</u>	<u>13,280,812</u>
Total of funds	<u><u>5,167,995</u></u>	<u><u>15,457,355</u></u>	<u><u>(7,187,024)</u></u>	<u><u>-</u></u>	<u><u>27,000</u></u>	<u><u>13,465,326</u></u>

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

19. STATEMENT OF FUNDS (GROUP) (continued)

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

All restricted general funds are held for the purpose of education in line with the academy's objectives.

The Restricted Fixed Asset fund represents the net book value of capitalised fixed assets and unspent capital funds. Transfers to the fund are to meet the cost of additions.

Unrestricted funds are held for use at the discretion of Trustees to meet the Trust's charitable objects.

Other DfE income includes Universal Free School Meals income and PE Sports grant.

General Annual Grant (GAG) is to be spent on educational purposes as specified by the EFA. Under the funding agreement with the Secretary of State, the trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Analysis of fund balance by academies

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Bovingdon Primary Academy	66,584
Grove Academy	443,426
Hammond Academy	305,365
Central funds	97,944
	<hr/>
Total before fixed asset fund and pension reserve	913,319
Restricted fixed asset fund	14,323,007
Pension reserve	(1,771,000)
	<hr/>
Total	<u>13,465,326</u>

Analysis of cost by academies

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 £
Bovingdon Primary Academy	1,122,412	369,173	168,506	210,536	1,870,627
Grove Academy	1,731,317	362,083	298,912	384,124	2,776,436
Hammond Academy	951,542	316,195	160,402	271,823	1,699,962
Central funds	113,197	83,087	10,270	142,291	348,845
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>3,918,468</u>	<u>1,130,538</u>	<u>638,090</u>	<u>1,008,774</u>	<u>6,695,870</u>

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

20. STATEMENT OF FUNDS (TRUST)

	Brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ losses £	Carried forward £
Unrestricted funds						
General funds	38,614	792,843	(646,943)	-	-	184,514
	<u>38,614</u>	<u>792,843</u>	<u>(646,943)</u>	<u>-</u>	<u>-</u>	<u>184,514</u>
Restricted funds						
General Annual Grant (GAG)	111,019	4,814,362	(4,267,693)	(113,587)	-	544,101
Pupil premium	40,400	418,981	(459,381)	-	-	-
Other DFE income	212,691	263,847	(321,125)	19,878	-	175,291
SEN income	-	165,067	(165,067)	-	-	-
Early years funding	-	450,596	(450,596)	-	-	-
Children's centre	-	166,997	(166,997)	-	-	-
Other LA income	-	10,197	(10,197)	-	-	-
Transfer on conversion	-	9,413	-	-	-	9,413
Pension reserve	(1,002,000)	(730,000)	(66,000)	-	27,000	(1,771,000)
	<u>(637,890)</u>	<u>5,569,460</u>	<u>(5,907,056)</u>	<u>(93,709)</u>	<u>27,000</u>	<u>(1,042,195)</u>
Restricted fixed asset fund						
Restricted fixed asset funds	5,585,961	-	(502,664)	8,851,126	-	13,934,423
Capital expenditure from GAG	181,310	-	-	-	-	181,310
Devolved formula capital	-	27,705	-	(8,204)	-	19,501
Capital improvement fund	-	438,238	-	(250,465)	-	187,773
Fixed assets on acquisition	-	8,498,748	-	(8,498,748)	-	-
	<u>5,767,271</u>	<u>8,964,691</u>	<u>(502,664)</u>	<u>93,709</u>	<u>-</u>	<u>14,323,007</u>
Total	<u>5,167,995</u>	<u>15,326,994</u>	<u>(7,056,663)</u>	<u>-</u>	<u>27,000</u>	<u>13,465,326</u>

ASPIRE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

20. STATEMENT OF FUNDS (ACADEMY TRUST) (continued)

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

All restricted general funds are held for the purpose of education in line with the academy's objectives.

The Restricted Fixed Asset fund represents the net book value of capitalised fixed assets and unspent capital funds. Transfers to the fund are to meet the cost of additions.

Unrestricted funds are held for use at the discretion of Trustees to meet the Trust's charitable objects.

Other DfE income includes Universal Free School Meals income and PE Sports grant.

General Annual Grant (GAG) is to be spent on educational purposes as specified by the EFA. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	Carried forward £
General funds	38,614	880,394	(734,494)	-	-	184,514
Restricted funds	(637,890)	5,612,270	(5,949,866)	(93,709)	27,000	(1,042,195)
Restricted fixed asset funds	5,767,271	8,964,691	(502,664)	93,709	-	14,323,007
	<u>5,167,995</u>	<u>15,457,355</u>	<u>(7,187,024)</u>	<u>-</u>	<u>27,000</u>	<u>13,465,326</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	14,115,733	14,115,733	5,767,272
Current assets	184,514	1,457,922	207,274	1,849,710	765,436
Creditors due within one year	-	(729,117)	-	(729,117)	(355,010)
Creditors due in more than one year	-	-	-	-	(7,703)
Pension scheme liability	-	(1,771,000)	-	(1,771,000)	(1,002,000)
	<u>184,514</u>	<u>(1,042,195)</u>	<u>14,323,007</u>	<u>13,465,326</u>	<u>5,167,995</u>

ASPIRE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	8,270,331	(193,685)
Returns on investments and servicing of finance	(6,011)	(4,112)
Fixed assets transferred from Local Authority on conversion	(8,321,698)	-
Pension transferred from Local Authority on conversion	730,000	-
Depreciation of tangible fixed assets	491,154	151,669
Deficit on disposal of tangible fixed assets	11,981	-
Capital grants from DfE	(465,943)	(10,739)
Cash transferred on acquisition	(572,528)	-
(Increase)/decrease in debtors	(118,631)	770
Increase/(decrease) in creditors	366,404	(24,252)
FRS 17 adjustments	66,000	53,000
Net cash inflow/(outflow) from operations	451,059	(27,349)

23. ANALYSIS OF CHANGES IN NET

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	644,653	965,643	-	1,610,296
Net funds	644,653	965,643	-	1,610,296

24. TRANSFERS INTO THE TRUST

On 1 September 2014 all the operations and assets and liabilities of Bovingdon Primary Academy and Hammond Academy were transferred to Aspire Academies Trust for £NIL consideration.

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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

ASPIRE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. TRANSFERS INTO THE TRUST (continued)

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	7,994,255	7,994,255
- Other tangible fixed assets	-	-	327,443	327,443
Budget surplus on other school funds	252,066	9,413	177,050	438,529
LGPS pension deficit	-	(730,000)	-	(730,000)
Net assets/(liabilities)	<u>252,066</u>	<u>(720,587)</u>	<u>8,498,748</u>	<u>8,030,227</u>

The above net assets/liabilities include £572,528 transferred as cash.

The LGPS pension deficit transferred relates to the employees of Bovingdon Primary Academy and Hammond Academy who were the employees transferred as part of the acquisition of those schools. The obligation in respect of these employees represents their cumulative service at the predecessor schools and academy trusts at 1 September 2014.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

25. PENSION COMMITMENTS

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

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

Contributions amounting to £76,574 were payable to the scheme at 31 August 2015 (2014 - 28,982) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

25. PENSION COMMITMENTS (continued)

The employer's pension costs paid to TPS in the period amounted to £291,876 (2014: £113,372).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £467,000, of which employer's contributions totalled £385,000 and employees' contributions totalled £82,000. The agreed contribution rates for future years are 25.3% for employers and 5.5% for employees.

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

As described in note 24 the LGPS obligation relates to the employees of the group, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the group at the balance sheet date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

25. PENSION COMMITMENTS (continued)

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

	Expected return at 1 March 2015 %	Fair value at 1 March 2015 £	Expected return at 1 March 2014 %	Fair value at 1 March 2014 £
Equities	3.76	1,558,000	6.30	501,000
Bonds	3.76	679,000	3.30	172,000
Property	3.76	176,000	4.50	52,000
Cash	3.76	101,000	3.30	22,000
Other - user input	3.76	-	-	-
Total market value of assets		<u>2,514,000</u>		<u>747,000</u>
Present value of scheme liabilities		<u>(4,285,000)</u>		<u>(1,749,000)</u>
Deficit in the scheme		<u><u>(1,771,000)</u></u>		<u><u>(1,002,000)</u></u>

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(4,285,000)	(1,749,000)
Fair value of scheme assets	<u>2,514,000</u>	<u>747,000</u>
Net liability	<u><u>(1,771,000)</u></u>	<u><u>(1,002,000)</u></u>

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

	2015 £	2014 £
Current service cost	(398,000)	(144,000)
Interest on obligation	(146,000)	(67,000)
Expected return on scheme assets	<u>120,000</u>	<u>38,000</u>
Total	<u><u>(424,000)</u></u>	<u><u>(173,000)</u></u>
Actual return on scheme assets	<u><u>103,000</u></u>	<u><u>80,000</u></u>

The Expected Return on Employer Assets is based on the discount rate as per forthcoming revisions to FRS disclosures.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

25. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	1,749,000	1,366,000
Current service cost	398,000	144,000
Interest cost	146,000	67,000
Contributions by scheme participants	82,000	32,000
Actuarial (Gains)/losses	(43,000)	140,000
Benefits paid	(19,000)	-
Transfers into the Trust	1,972,000	-
	<u>4,285,000</u>	<u>1,749,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	747,000	572,000
Expected return on assets	120,000	38,000
Actuarial (losses)	(16,000)	(15,000)
Contributions by employer	358,000	120,000
Contributions by employees	82,000	32,000
Benefits paid	(19,000)	-
Transfers into the Trust	1,242,000	-
	<u>2,514,000</u>	<u>747,000</u>

The cumulative amount of actuarial gains and losses recognised in the Consolidated Statement of Total Recognised Gains and Losses is a £120,000 loss (2014 - £147,000 loss).

The group expects to contribute £322,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.40 %
Rate of increase in salaries	4.10 %	4.00 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

25. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.3	22.3
Females	24.5	24.5
Retiring in 20 years		
Males	24.3	24.3
Females	26.7	26.7

Amounts for the current and previous periods are as follows:

Defined benefit pension schemes

	2015	2014	2013
	£	£	£
Present value of defined benefit obligation	(4,285,000)	(1,749,000)	(1,366,000)
Fair value of scheme assets	2,514,000	747,000	572,000
Deficit in the scheme	(1,771,000)	(1,002,000)	(794,000)
Experience adjustments on scheme liabilities	3,000	(32,000)	-
Experience adjustments on scheme assets	(16,000)	(15,000)	40,000

26. OPERATING LEASE COMMITMENTS

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

Group	2015	2014
	£	£
Expiry date:		
Between 2 and 5 years	14,929	1,838

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

Trust		
	2015	2014
	£	£
Expiry date:		
Between 2 and 5 years	14,929	1,838

ASPIRE ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
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27. RELATED PARTY TRANSACTIONS

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

No further related party transactions took place in the year other than as disclosed in note 12.

On 1 September 2014, the operations, assets and liabilities of Bovingdon Primary Academy and Hammond Academy were transferred to Aspire Academies Trust at no gain or loss.

28. PRINCIPAL SUBSIDIARIES

Company name	Percentage control
West Hertfordshire Teaching School Partnership	100%

The West Hertfordshire Teaching School Partnership is a company limited by guarantee registered in England and Wales under company number 08240993. The Trust became the sole member on 1 September 2014.

29. MEMBERS LIABILITY

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



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