



(A Company Limited by Guarantee)

Company Registration Number:
08287012 (England and Wales)

Annual Report and Financial Statements

For the period ended 31 August 2014



**Inspire Multi Academy Trust
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Year ended 31 August 2014

Company Registration Number:
08287012 (England and Wales)

Inspire Multi Academy Trust

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Inspire Multi Academy Trust

Reference and Administrative Details

Members

M Foster (Chair)
 A Brown (resigned 27th February 2014)
 J Chadd
 J Griffith
 C Earl (resigned 22nd October 2013)
 I Ridley (resigned 9th January 2014)
 S Ruffell (appointed 7th November 2013)
 H Brown (appointed 25th March 2014)

Trustees

M Foster (Chair) * - @
 A Brown (resigned 27th February 2014)
 J Chadd / @
 J Griffith * #
 C Earl (resigned 22nd October 2013)
 S Ruffell (appointed 7th November 2013) * - @ +
 H Brown (appointed 25th March 2014) * # - @ +
 A Henderson. (Staff, Trustee, Chief Executive Headteacher and Accounting Officer) * # - @
 S Porthouse # /
 A McCully (Staff Director, Executive Bursar) * # - @
 K Lakeman - +
 A McEvoy - @
 S Robinson * @
 E Ashton * # /
 C Wallace *
 J West *
 M Robson (Removed 31st October 2013)
 L Cassidy (appointed 1st November 2013) *

* Members of the Strategy Committee
 - Members of the Personnel Committee
 @ Members of the Performance Committee

Members of the Finance and General Purpose Committee
 / Members of the Appeals Committee
 + Members of the Audit Committee

Company Secretary

S Allan

Senior Leadership Team

Chief Executive Headteacher
 Executive Bursar
 Headteacher
 Deputy Headteacher – Farringdon
 Assistant Headteacher – Farringdon
 Assistant Headteacher – Farringdon
 Headteacher – New Penshaw
 Deputy Headteacher – New Penshaw
 Headteacher – Plains Farm
 Deputy Headteacher – Plains Farm

A Henderson
 A McCully
 C Wallace
 S Matthews
 J Forster
 V Mellor
 L Cassidy
 S McVey
 J West
 C Orchard

Inspire Multi Academy Trust

Reference and Administrative Details (continued)

Principal and Registered Office

Archer Road, Farringdon, Sunderland. SR3 3DJ

Company Registration Number

08287012 (England and Wales)

Independent Auditor

Evolution Business and Tax Advisors LLP, 10 Evolution, Wynyard Business Park, Wynyard. TS22 5TB

Bankers

Lloyds TSB, Fawcett Street, Sunderland, Tyne & Wear.

Solicitors

Quality Solicitors BHP Law, 2 Kingfisher House, Kingfisher Way, Preston Farm, Stockton On Tees
TS18 3EX

Inspire Multi Academy Trust

Trustees' Report

For The Period Ended 31st August 2014

The Trustees present their annual report together with the audited financial statements and auditor's reports of the charitable company of Inspire Multi Academy Trust incorporated on 8th November 2012, for the period 1 September 2013 to 31 August 2014.

Inspire Multi Academy Trust includes Farrington Academy, New Penshaw Academy and Plains Farm Academy.

Inspire Multi Academy Trust operates 3 primary schools in Sunderland situated in New Penshaw, Farrington and Plains Farm, all are in areas of deprivation. The Trust has a pupil capacity of 960 and individual capacity of New Penshaw and Plains Farm 240 each and Farrington 480. In the May 2014 census actual numbers on roll were New Penshaw 190, Plains Farm 224 and 367 in Farrington.

Structure, Governance and Management

Constitution

The Multi 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 Inspire Multi Academy Trust Limited (Farrington Academy, New Penshaw Academy and Plains Farm Academy) are also the trustees of the charitable company for the purposes of company law. The charitable company is known as Inspire Multi Academy Trust.

Details of the Trustees who served during the period 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

Every member of Inspire Trust shall be indemnified out of the assets of the Multi Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from negligence, default, breach of duty or breach of Trust in relation to the affairs of the Academy Trust.

Principal Activities

The Trust's principal activity is, in accordance with Article 4 of the Articles Of Association, "to advance for the public benefit in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools, (Farrington, New Penshaw and Plains Farm Academies) offering a broad and balanced curriculum".

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

Inspire Multi Academy Trust

Trustees' Report (continued)

Method of Recruitment and Appointment or Election of Trustees

The initial Members of the Multi Academy Trust were nominated by the Governing Body of the predecessor school, Farringdon Primary School and later joined by three trustees from each sponsored school (the Headteacher, the Chair of the Local Governing Body, a Parent Governor).

The number of Trustees as set out in the Articles of Association and Funding Agreement shall be not less than three (but unless determined by ordinary resolution) shall not be subject to any maximum.

Subject to Articles 48-49, the Company shall have the following Trustees:

- up to 13 Trustees
- in addition to the Trustees the Members may appoint Staff Trustees through such process as they may determine
- the total number of Trustees including the Chief Executive Headteacher who are employees of the Company shall not exceed one third of the total number of Trustees
- a minimum of two Parent Trustees, suitable procedures are in place for the conduct of Parent Governor elections.

Policies and Procedures Adopted for the Induction and Training of Trustees

During the year of 2013/14 the Trustees held 20 meetings.

Following their appointment/election all new Trustees/Governors will receive an introduction to their role from the Chair of Trustees and Executive Headteacher, this introduction includes tours of the Trust's academies and the opportunity to meet other members of the Senior Leadership Team, staff and pupils.

The training and induction for new Trustees/Governors is dependent on their existing experience. Inspire Multi Academy Trust is committed to providing training opportunities so as to enable them to undertake their role more effectively, and provides them with copies of policies, procedures, minutes, accounts, budget, plans and other documentation.

The Trust subscribes to the Local Authorities Governor Training Programme which includes access to core training modules such as RAISEonline, Budget Management, SEN etc. as well as online training through the Modern Governor programme which covers all aspects of training from induction onwards.

Organisational Structure

The Multi Academy Trust structure consists of three levels: the Members, Trustees, and the Academy Local Governing Bodies. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Members have overall responsibility and ultimate decision making authority for the Trust including the establishment and running of the Academies. The Trustees retain overall responsibility for strategic planning and setting the Company's policy as well as responsibility for all matters relating to school finance and personnel matters.

The Trustees have the power to direct change when required. The responsibility for holding the school leaders to account and driving forward improvements in performance, attainment and progress is delegated to the Local Governing Body of each respective Academy, subject to the Company's Scheme of Delegation.

The Trustees are responsible for ensuring that the Governing Body fulfils its statutory obligations in a manner which will allow the Academy to fulfil its aims, ensuring procedures are in place to ensure regularity, propriety and value for money, setting general policy, adopting a Trust Improvement Plan and budget, monitoring the Trust by the use of budgets, external and internal review reports and

Inspire Multi Academy Trust

Trustees' Report (continued)

enabling them to make major decisions about the direction of the Company, capital expenditure, Headteacher and Deputy Headteacher staff appointments.

The Governors are responsible for adopting an annual School Improvement Plan and budget, implementing policies laid down by the Trustees, Chief Executive Headteacher and Chair of the Local Governing Body; the Headteacher of each Academy reports back to the Trustees termly on the outcomes of work in their school.

The Chief Executive Headteacher and Executive Bursar control the leadership and management of the Trust at an executive level implementing policies laid down by the Trustees and reporting back to them. The Executive Headteacher will always be part of staff appointments.

Connected Organisations including Related Party Relationships

The Trust is presently made up of three academies and does not work with any other organisations but is developing links with other schools, academies, colleges and other businesses where these partnerships assist in the Trust's objectives.

Objectives and Activities

The principal objective and activity of the charitable company, in accordance with the Articles of Association, is the management, development, maintenance and operation of the Trust's Academies, Farringdon Academy, New Penshaw Academy and Plains Farm Academy, offering a broad and balanced education for pupils of differing abilities between the ages of 3 and 11.

Objects and Aims

Underlying the principal objective are a number of other objectives which assist Academy staff in fulfilling the principal objective. These are as follows:

- to ensure that the process of education is a partnership between the learner, the school and the parents, together with Trustees, employers and the community
- to keep the pupil at the centre of this process, knowing that they have various talents and aspirations that need encouragement to develop
- to raise standards through a constant focus on individual achievement/attainment, effective use of new technologies and a higher percentage of outstanding teaching and leadership and management, ensuring at least good progress
- to challenge all in the Trust's community to fulfil their responsibilities ensuring accountability
- to motivate all pupils and enable them to be confident, independent lifelong learners equipped to meet the challenges of the 21st century within an outstanding, safe and nurturing environment
- to ensure all pupils show respect for each other and all the people in the Trust's communities and play a full part in creating a caring, respectful and supportive school environment
- to foster pupils outstanding behaviour avoiding all forms of bullying.

Objectives, Strategies and Activities

Inspire Multi Academy Trust Development Plan Priorities for 2013/14

- to improve levels of attainment across the Trust to be in line or exceed national expectations
- improve the quality of teaching and learning across the Trust to consistently good or outstanding
- improve the quality of leadership and management within our academies and trustee level
- improve the overall effectiveness of partnership working across the Trust

Inspire Multi Academy Trust

Trustees' Report (continued)

The strategies in place to enable the Trust to achieve its objectives are:

- Agreed robust accountability procedures with swift action if non compliance
- Development of agreed assessment systems and procedures
- Partnership work across all three academies linked to the curriculum
- Ensuring all stakeholders have a voice in the direction of the Trust and individual academies

Public Benefit

We acknowledge as Trustees that the Trust has complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers during the period, as detailed in L49 of the S.O.R.P.

The school premises are used for a variety of activities including community football, Karate, Zumba classes and pre-school playgroups. We also run adult and family learning training programmes and intend to extend this further in the future.

Strategic Report

Achievements and Performance

Inspire Multi Academy Trust has three schools which all performed above the National floor targets set by the Department for Education. The very positive Ofsted outcome for Farringdon, the sponsor Academy, in May 2014 produced an evidence base that presented Leadership and Management as outstanding, attainment and achievement, teaching and learning, pupil safety and behaviour at least good with many elements of outstanding. New Penshaw is a good school, whilst Plains Farm has worked exceptionally hard to remove itself from Special Measures as judged in their 2012 Ofsted.

Key Performance Indicators

Farringdon Academy

KS1 2014	L2+		L3	
	School	Sunderland	School	Sunderland
Reading	85%	88%	28%	25%
Writing	83%	85%	13%	13%
Maths	89%	91%	20%	20%
KS2 2014	L4+		L5	
	School	Sunderland	School	Sunderland
Reading	88%	89%	14%	50%
Writing	81%	85%	29%	31%
Maths	76%	87%	14%	41%
Combined level 4+RWM	67%	76%		

Inspire Multi Academy Trust

Trustees' Report (continued)

New Penshaw

KS1 2014	L2+		L3	
	School	Sunderland	School	Sunderland
Reading	83%	88%	13%	25%
Writing	80%	85%	10%	13%
Maths	90%	91%	7%	20%
KS2 2014	L4+		L5	
	School	Sunderland	School	Sunderland
Reading	100%	89%	33%	50%
Writing	76%	85%	19%	31%
Maths	100%	87%	33%	41%
Combined level 4+RWM		67%	76%	

Plains Farm

KS1 2014	L2+		L3	
	School	Sunderland	School	Sunderland
Reading	77%	88%	3%	25%
Writing	77%	85%	3%	13%
Maths	73%	91%	3%	20%
KS2 2014	L4+		L5	
	School	Sunderland	School	Sunderland
Reading	80%	89%	23%	50%
Writing	77%	85%	10%	31%
Maths	73%	87%	17%	41%
Combined level 4+RWM		70%	76%	

The effective working relationships across the Trust ensures that all three academies are now above floor standards and the capacity for further improvement is evident across the Trust.

A significant programme of CPD has been and is continuing to be provided to Headteachers, Trustees and school senior managers to develop further the academies' self-evaluation processes, use of data, planning and conducting school reviews, effective report writing and performance management.

All academies work closely with attendance support officers to improve attendance, with a specific focus on those pupils being deemed as Persistent Absentees. Attendance percentages for the end of 2013/14 academic year were Farrington 94.8%, New Penshaw 95.2%, Plains Farm 95.1%.

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

Most of the Trust's income is obtained from the DFE in the form of recurrent grants, the use of which is restricted to particular purposes. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities on page 22. Details of all grants and income received can be found in note 5.

Inspire Multi Academy Trust

Trustees' Report (continued)

All of the expenditure in the Statement of Financial Activities is in furtherance of the Trust's objectives.

During the period ending 31st August 2014 expenditure amounting to £8,129,000 was incurred or accrued. This was offset entirely by grants receivable from the EFA, Local Authority grants and other funds.

No specific capital grants were awarded to the academies by the DFE to provide fixed assets, apart from the Devolved Formula Capital Grants (DFC). In accordance with the charities SORP 2005, the DFC received is shown in the Statement of Financial Activities as restricted asset funds.

As expected, pupil numbers have increased across the Trust, particularly in Farringdon Academy, the sponsor academy, as data indicates a favourable outcome for pupil progress. The planned Full Time nursery initiative for 2014/2015 should drive further improvements in pupil numbers.

As a result of close working relationships, sharing of best practice and high expectations, attainment and progress will improve within the two sponsored academies which should be reflected in a rise in their pupil numbers that will secure increased funding from the EFA in future years.

Reserves Policy

The Trustees will review the levels of reserves of the Trust annually in the Autumn term. Trustees agree that the Trust should aim to hold a prudent level of reserves designed to provide sufficient working capital to cover delays between spending and receipt of grants, to provide contingency funding for unexpected emergencies, to remain appropriately funded over the medium term in order to deliver the Academy Trust's Plan, to provide funding capacity for future estate maintenance and planned capital investment subject to conditions as set out by the EFA and any other future liabilities as outlined within the Financial Statements.

As of 31st August 2014 the Trust level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £270,000. The Trustees have reviewed these reserve levels and believes that they should provide sufficient working capital to cover its aims and objectives.

Investment Policy

The Trust investment powers are governed by the Articles of Association, which permits the Charitable Company to deposit or invest any funds not immediately required for the furtherance of its objectives. After consulting with Lloyds Bank Relationship Manager, Trustees agreed to make investments in accounts within four different investment periods, ensuring that extra funds are available on a regular, timely basis to deal with any unforeseen emergencies. When the funds come to maturity Trustees will make the decision whether to re-invest or whether the funds will be required for urgent necessities or contingencies. Trustees approved an investment policy however at present, no investments have been made.

Principal Risks and Uncertainties

The Trust is subject to a number of risks and uncertainties in common with other Academies. The Trustees recognise that the principal risks and uncertainties are centred on the changes in the levels of funding from the DFE/EFA and also the LGPS deficit which represents a significant liability. However, the Trustees of the Trust consider that the individual academies are able to meet their liabilities in respect of paying its annual contributions for the foreseeable future, therefore the risk from this liability is minimised.

The Trust has been undertaking a comprehensive assessment of possible risks to the future of the Trust and associated academies. The Trustees have assessed the major risks which the charitable company is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances.

Inspire Multi Academy Trust

Trustees' Report (continued)

Risk Management

Trustees have met with external Risk and Assurance specialists to identify the major risks surrounding the Trust achieving the objects, aims and priorities to ensure that systems are in place to mitigate these risks. The Trust has compiled Risk Registers and Business Continuity Plans for the Trust and each Academy which are regularly monitored and reviewed annually by Trustees.

The system of Risk Management is monitored and reviewed on an annual basis by the Chief Executive Headteacher, Executive Bursar and Risk and Assurance specialists from the Local Authority who are well versed in Risk Management Procedures.

Plans for Future Periods

Our primary focus for the Trust in 2014/15 is to ensure our pupils make good or better progress and attain in line or exceeding national expectations at all Key Stages. Farrington, the sponsor academy, will work closely with New Penshaw and Plains Farm in ensuring they meet DfE floor targets. Other targets we have set include:

- raising the performance of Leadership and Management to outstanding across the Trust
- develop full time nursery provision across the Trust
- develop EYFS outdoor learning opportunities
- eradicating any inadequate teaching, raising the level of good teaching to 100% and aiming for at least 50% outstanding teaching
- embed and refine rigorous systems of assessment, planning and reporting
- reduce the levels of persistently absent pupils
- making sure we use our resources wisely, for the benefit of all pupils in the Trust.

Auditor

Insofar as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 3rd December 2014 and signed on the board's behalf by:

[Signed]

M. Foster

Chair of Trustees

Inspire Multi Academy Trust

Governance Statement

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 20 times during the period.

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

Members	Meetings attended	Out of a possible*
M. Foster (Chair)	1	1
J. Chadd	1	1
J. Griffith	1	1
# A Brown (resigned 27 th February 2014)	0	0
* S. Ruffell (appointed 7 th November 2013)	0	0
* H. Brown (appointed 25 th March 2013)	0	0

* not appointed at the time of the meeting

resigned prior to meeting

Trustees

M. Foster (Chair)	5	5
A. McCully (Staff Trustee, Executive Bursar)	5	5
A. McEvoy	5	5
A. Henderson (Staff Trustee, Chief Executive Headteacher, Responsible Officer)	5	5
A. Brown (resigned 27 th February 2014)	2	2
C. Wallace (Staff Trustee – Headteacher)	5	5
E. Ashton	2	5
H. Brown (appointed 25 th March 2013)	1	3
J. Chadd	5	5
J. West (Staff Trustee – Headteacher)	4	5
J. Griffith	3	5
K. Lakeman	2	5
L. Cassidy (Staff Trustee – Headteacher)	4	5
S. Robinson	0	5
S. Ruffell (appointed 7 th November 2013)	4	4
S. Porthouse	3	5

Inspire Multi Academy Trust

Governance Statement (continued)

Governance Review

A governance review was undertaken in the summer term 2014 by an external consultant as part of a review of Leadership and Management commissioned by Trustees. As part of this review, Trustees received a full written report detailing the findings, including strengths and weaknesses for each Local Governing Body and areas for development.

The External Consultant and Chief Executive Headteacher have commenced a programme of training and support for Local Governing Bodies, to better equip them for the role to both support the Leadership Teams, offer challenge and to interpret school data in order to hold the Leadership Team to account for the performance, progress and attainment across the school.

Trustees will work with the Chief Executive Headteacher during the Autumn term in the production of the Trust Improvement Plan for 2014/2015.

Trustees and Local Governing Bodies have also undertaken an internal Skills Audit during the Summer Term. The results of the audit will be analysed in the Autumn Term with appropriate training and development opportunities offered based upon the findings/outcomes.

The Skills Audit will also allow Trustees to assess areas where additional appointments may be required to bring a specific skill set and/or expertise to the Governing Bodies.

Sub-committees of the main board of Trustees

Finance and General Purposes Committee

The aims and objectives of the committee, as outlined in the approved Terms of Reference, are to assist the decision making of the Trustees in consultation with the Executive Headteacher, Executive Bursar and Headteachers to ensure sound management of the Academies' finances and resources including proper planning, monitoring and probity and to act as a critical friend providing strategic direction to offer support and challenge ensuring that all schools operate within Financial Regulations.

Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
S. Porthouse	3	3
A. McCully (Staff Trustee)	3	3
A. Henderson (Staff Trustee)	3	3
E. Ashton	1	3
H. Brown (appointed 25 th March 2014)	1	2
I. Ridley (resigned 9 th January 2014)	1	1
J. Griffith	1	2
S. Ruffell (appointed 7 th November 2013)	2	3

Inspire Multi Academy Trust

Governance Statement (continued)

Audit Committee

The aims and objectives of the committee, as outlined in the approved Terms of Reference, is to advise the Trustees on the adequacy and effectiveness of the Multi Academy Trust systems of internal control and its arrangements for risk management, control and governance processes and securing economic, efficiency and effectiveness (value for money).

It has been agreed that the Audit Committee will meet in the Autumn Term 2014 to:

- review the Trust Internal Audit /Responsible Officer report following their audit of internal controls and governance arrangements across the Trust in the Summer term 2014
- meet with Evolution Business and Tax Advisors LLP, the external auditor

A second meeting of the Audit Committee will take place in the Autumn Term to review the report from Evolution Business and Tax Advisors LLP following their audit in October 2014.

Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
A. Brown (resigned 27 th February 2014)	2	2
K. Lakeman	2	2
S. Ruffell (appointed 7 th November 2013)	1	1
* H. Brown (appointed 25 th March 2014)	0	0

* not appointed at the time of the meeting

Personnel Committee

The aims and objectives of the committee, as outlined in the approved Terms of Reference, in consultation with the Executive Headteacher and Academy Headteachers' is to keep under review and advise the Trustees on:

- staffing structures
- making recommendations on personnel related expenditure
- overseeing the appointment and reduction of staff
- the administration of salary and performance management policy
- salary issues, considering appeals on pay grades or pay awards
- working conditions - monitoring work/life balance, well-being and staff absence

Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
M. Foster (Chair)	4	4
A. McCully (Staff Trustee)	3	3
A. McEvoy	2	4
A. Henderson (Staff Trustee)	4	4
H. Brown (appointed 25 th March 2014)	2	2
I. Ridley (resigned 9 th January 2014)	1	2
K. Lakeman	1	3
S. Ruffell (appointed 7 th November 2013)	3	4

Inspire Multi Academy Trust

Governance Statement (continued)

Strategy Committee

The aims and objectives of the committee are to have a strategic and coordinating role that adds to the effectiveness of the work of the Trustees, to agree a programme of work responding to the need of an individual or school, review policy, oversee an Ofsted inspection, building projects, providing strategic recommendations to the Trustee as outlined in the approved Terms of Reference.

Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
J. Griffith (Chair)	2	2
A. McEvoy	1	2
A. Henderson (Staff Trustee)	2	2
A. Brown (resigned 27 th February 2014)	1	1
C. Wallace (Staff Trustee)	2	2
J. West (Staff Trustee)	2	2
L. Cassidy (Staff Trustee)	2	2
M. Foster	2	2
S. Robinson	0	2

Performance Committee

The aims and objectives of the committee are to oversee the performance within each academy as outlined in the approved Terms of Reference.

Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
M. Foster (Chair)	3	3
A. McCully (Staff Trustee)	2	2
A. McEvoy	2	3
A. Henderson (Staff Trustee)	3	3
H. Brown (appointed 25 th March 2014)	1	2
I. Ridley (resigned 9 th January 2014)	1	1
J. Chadd	2	3
S. Robinson	0	3
S. Ruffell (appointed 7 th November 2013)	3	3

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 Inspire Multi Academy Trust for the period 1st September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

Inspire Multi Academy Trust

Governance Statement (continued)

Capacity to Handle Risk

The board of Trustees, in conjunction with trained Local Authority personnel, 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 1st September 2013 up to 31 August 2014 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 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 termly financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks
- A Trust Arrears Policy has been devised to provide each Academy with a process to follow in respect of all arrears, recovery etc.

The board of trustees has considered the need for a specific internal audit function and has decided:

- to appoint Sunderland Local Authority Internal Auditor personnel to carry out 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. On a timetabled basis the Responsible Officer will carry out checks and on an annual basis the Responsible Officer will report to the Trustees on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

All three academies were subject to an internal audit of governance arrangements, financial controls and systems during week commencing 7th July 2014 for a period of 5 days. The objective of the audit was to provide assurance on whether the Multi Academy Trust's governance and financial management arrangements are robust and operate effectively to safeguard public funds. The audit report and any recommendations will be agreed with the accounting officer and reported to the trustees in the autumn term.

Review of Effectiveness

As accounting officer, Mrs A Henderson has responsibility for reviewing the effectiveness of the system of internal control. During the 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.

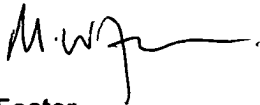
Inspire Multi Academy Trust

Governance Statement (continued)

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 general purposes committee and audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 3rd December 2014 and signed on its behalf by:

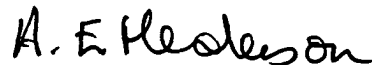
[Signed]



M Foster

Chair of Trustees

[Signed]



A Henderson

Accounting Officer

Inspire Multi Academy Trust

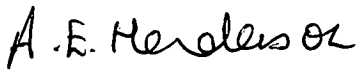
Statement on Regularity, Propriety and Compliance

As accounting officer of Inspire Multi Academy 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Multi 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.

[Signed]



A Henderson

Accounting Officer

Inspire Multi Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who act as Trustees of Inspire Multi Academy Trust Limited and are also the trustees of the charitable company for the purposes of company law) are responsible for preparing the Trustees' 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 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

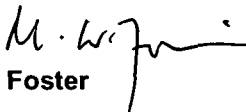
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of Trustees on 3 December 2014 and signed on its behalf by:

[Signed]


Mr M Foster

Chair of Trustees

Inspire Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Board of Trustees of Inspire Multi Academy Trust

We have audited the accounts of Inspire Multi Academy Trust for the year ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 issued by the EFA.

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees, who are also the directors of Inspire Multi Academy Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

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

Opinion on other matter prescribed by the Companies Act 2006

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

Inspire Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Board of Trustees of Inspire Multi Academy Trust (continued)

Matters on which we are required to report by exception

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

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

Evolution

Graham Fitzgerald BA FCA (Senior Statutory Auditor)
Evolution Business and Tax Advisors LLP

Chartered Accountants
Statutory Auditor

10 Evolution
Wynyard Park
Wynyard
TS22 5TB

Dated: *3 December 2014*

Inspire Multi Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Inspire Multi Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 25 July 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspire Multi Academy Trust during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Inspire Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 March 2012 and the Academies Financial Handbook, extant from 1 September 2013, 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. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 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 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Inspire Multi Academy Trust

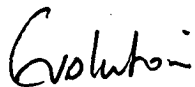
Independent Reporting Accountant's Assurance Report on Regularity to Inspire Multi Academy Trust and the Education Funding Agency (continued)

The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of termly Internal Assurance reports
- review of governing body and committee minutes
- review of payroll, purchases and expenses on a sample basis
- review of purchases and expenses on a sample basis
- review of credit and debit card transactions
- review of leases and other agreements
- review of register of business interests and consideration of related party transactions

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

Evolution Business and Tax Advisors LLP

Dated: 3 December 2014

Inspire Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2014 (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2014 £000	Total 2013 £000
Incoming Resources						
<i>Incoming resources from generated funds:</i>						
- Voluntary income	2	1	-	-	1	1
- Activities for generating funds	3	145	-	-	145	73
- Investment income	4	1	-	-	1	-
- Voluntary income – Transfer from Local Authority on conversion		-	-	-	-	9,281
<i>Incoming resources from charitable activities:</i>						
Funding for the academy trust's educational operations	5	38	3,695	30	3,763	2,283
Total incoming resources		185	3,695	30	3,910	11,638
Resources expended						
<i>Cost of generating funds:</i>						
Costs of generating voluntary income		-	-	-	-	-
Fundraising trading		21	5	-	26	53
Other resources expended – transfer from Local Authority on conversion		-	-	-	-	413
<i>Charitable activities:</i>						
Academy trust educational operations	7	127	3,543	4,397	8,067	2,020
Governance costs	8	-	36	-	36	43
Total resources expended	6	148	3,584	4,397	8,129	2,529
Net incoming / (outgoing) resources before transfers		37	111	(4,367)	(4,219)	9,109
Gross transfers between funds	16	-	(91)	91	-	-
Net income/(expenditure) for the year		37	20	(4,276)	(4,219)	9,109
Other recognised gains and losses						
Actuarial (losses) gains on defined benefit pension schemes	16,25	-	98	-	98	(235)
Net movement in funds		37	118	(4,276)	(4,121)	8,874
Reconciliation of funds						
Total funds brought forward at 1 September 2013	16	233	(374)	9,015	8,874	-
Total funds carried forward at 31 August 2014		270	(256)	4,739	4,753	8,874

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

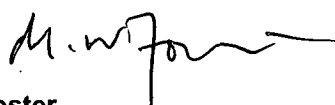
Inspire Multi Academy Trust

Balance Sheet as at 31 August 2014

Company Number 08287012

	Notes	2014 £000	2014 £000	2013 £000	2013 £000
Fixed Assets					
Tangible assets	13		4,709		8,981
Current Assets					
Debtors	14	146		232	
Cash at bank and in hand		711		857	
		<u>857</u>		<u>1,089</u>	
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(262)</u>		<u>(553)</u>	
Net current assets			<u>595</u>		<u>536</u>
Total assets less current liabilities			5,304		9,517
Pension scheme liability	25		<u>(551)</u>		<u>(643)</u>
Net assets including pension liability			<u>4,753</u>		<u>8,874</u>
Funds of the academy trust:					
Restricted funds					
- Fixed asset fund	16	4,739		9,015	
- General fund	16	295		269	
- Pension reserve	16	<u>(551)</u>		<u>(643)</u>	
Total restricted funds			4,483		8,641
Unrestricted income funds					
- General fund	16	<u>270</u>		<u>233</u>	
Total unrestricted funds			<u>270</u>		<u>233</u>
Total funds			<u>4,753</u>		<u>8,874</u>

The financial statements on pages 22 to 43 were approved by the trustees, and authorised for issue on 3 December 2014 and are signed on their behalf by:



M Foster

Chair of Trustees

Inspire Multi Academy Trust

Cash Flow Statement for the Year Ended 31 August 2014

	Notes	2014 £000	2013 £000
Net cash inflow from operating activities	20	(107)	604
Cash transferred on conversion to an academy trust		-	245
Returns on Investments and Servicing of Finance	21	1	-
Capital expenditure	22	(40)	8
(Decrease)/Increase in cash in the year	23	<u>(146)</u>	<u>857</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2013		857	-
Net funds at 31 August 2014		<u>711</u>	<u>857</u>

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014

1. Statement of Accounting Policies

Basis of Preparation

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

Going Concern

After reviewing financial and other information available, the governors consider that the Multi Academy Trust has adequate resources to continue operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Incoming Resources

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

- **Grants Receivable**

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- **Sponsorship Income**

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

- **Donations**

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

- **Other Income**

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

- **Donated Services and Gifts in Kind**

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

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

1. Statement of Accounting Policies (continued)

Inspire Multi Academy Trust has now been in operation since 1st December 2012, when Farrington Primary converted from a state maintained school to an academy trust. On the 1st April 2013, New Penshaw Primary and Plains Farm Primary joined the multi academy trust.

At the time of conversion to academy status, the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration was accounted for under the acquisition accounting method. The assets and liabilities transferred on conversion from the maintained schools to a multi academy trust were valued at their fair value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item at the time of conversion.

Resources Expended

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

- **Costs of Generating Fund**

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

- **Charitable Activities**

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

- **Governance Costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings.

All resources expended are inclusive of irrecoverable VAT.

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 freehold land, at rates calculated to write off the cost of each asset on a straight-line over its expected useful life, as follows:

• Land	Not depreciated
• Freehold buildings	50 years
• Long leasehold buildings	50 years
• Fixtures, fittings and equipment	10 years
• ICT equipment	4 years

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

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

1. Statement of Accounting Policies (continued)

assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Additional depreciation of £4,256,621 has been recognised in the Statement of Financial Activities, this represents the difference in the net book value of the land and buildings at 31 August 2013 for Plains Farm and New Penshaw and the valuation by Mouchel provided on behalf of the EFA in the current financial year.

Lease Assets

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

Investments

None held.

Stock

None held.

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.

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 and the assets are held separately from those of the academy trust.

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

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

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

1. Statement of Accounting Policies (continued)

Fund Accounting

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

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

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

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

2 Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
Other Donations	1	-	1	1
	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

3 Activities for Generating Funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
Hire of Facilities	17	-	17	12
Catering Income	77	-	77	34
Other Income	51	-	51	27
	<u>145</u>	<u>-</u>	<u>145</u>	<u>73</u>

4 Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
Short term deposits	1	-	1	-
	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

5 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2014 £000	Total 2013 £000
DfE / EFA revenue grants				
- General Annual Grant (GAG)	-	2,963	2,963	1,638
- Start Up Grants	-	-	-	75
- Capital Grant	-	20	20	20
- Other DfE/EFA grants	-	385	385	316
	<u>-</u>	<u>3,368</u>	<u>3,368</u>	<u>2,049</u>
Other Government Grants				
- Local Authority Grants	-	300	300	191
- Other Government Grants	-	13	13	-
	<u>-</u>	<u>313</u>	<u>313</u>	<u>191</u>
Non Grant Income	38	44	82	43
	<u>38</u>	<u>3,725</u>	<u>3,763</u>	<u>2,283</u>

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

6 Resources Expended

	Staff Costs	Non Pay Expenditure		Total 2014	Total 2013
	£000	Premises £000	Other £000	£000	£000
Costs of activities for generating funds	-	-	26	26	466
Academy's educational operations:					
- Direct costs	2,363	-	4,702	7,065	1,518
- Allocated support costs	468	229	305	1,002	502
	<u>2,831</u>	<u>229</u>	<u>5,033</u>	<u>8,093</u>	<u>2,486</u>
Governance costs including allocated support costs	-	-	36	36	43
	<u>2,831</u>	<u>229</u>	<u>5,069</u>	<u>8,129</u>	<u>2,529</u>

Incoming/outgoing resources for the year include:

	2014 £000	2013 £000
Operating leases:		
- Other Leases	13	10
- Fees payable to Auditor	12	10
	<u>25</u>	<u>20</u>

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

7 Charitable Activities

	Total 2014 £000	Total 2013 £000
Direct costs – educational operations		
Teaching and educational support staff costs	2,363	1,317
Depreciation	4,396	85
Technology costs	7	6
Educational supplies	194	92
Staff development	28	3
Educational consultancy	1	7
Other direct costs	76	8
	<u>7,065</u>	<u>1,518</u>
Support costs – educational operations		
Support staff costs	468	206
Depreciation	1	1
Technology costs	10	15
Maintenance of premises and equipment	52	36
Cleaning	29	26
Rent & rates	9	4
Energy costs	97	48
Insurance	110	53
Security and transport	17	9
Catering	151	48
Other support costs	58	56
	<u>1,002</u>	<u>502</u>
Total direct and support costs	<u>8,067</u>	<u>2,020</u>

8 Governance Costs

	Total 2014 £000	Total 2013 £000
Legal and professional fees	23	33
Auditor's remuneration		
- Audit of financial statements	11	10
- Other audit costs	2	-
	<u>36</u>	<u>43</u>

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

9 Staff

a. Staff costs

Staff costs during the period were:

	2014 £000	2013 £000
Wages and salaries	2,199	1,202
Social security costs	151	85
Pension costs	340	171
	<u>2,690</u>	<u>1,458</u>
Supply staff costs	94	78
Staff restructuring costs	50	-
	<u>2,834</u>	<u>1,536</u>

b. Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £50,206 (2013: £nil). Three of the non-statutory/non-contractual payments exceeded £5,000 individually, and these were for £32,506 £9,700 and £8,000.

c. Staff numbers

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

	2014 No.	2013 No.
Teachers	31	41
Administration and support	50	56
Management	5	5
	<u>86</u>	<u>102</u>

d. Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2014 No.	2013 No.
£60,001 - £70,000	1	1
£90,001 - £100,000	1	1

2 of the above employees participated in the Teacher's Pension Scheme. During the period ended 31 August 2014, pension contributions for these staff amounted to £23,235 (£2013: £14,022).

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

10 Related Party Transactions – Trustees' Remuneration & Expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration and periods covered was as follows:

Mrs AE Henderson (Executive Headteacher):	£95,000 - £100,000 (£70,000 - £75,000 December 12-August 13)
Mrs A McCully (Executive Bursar):	£45,000 - £ 50,000 (£35,000 - £40,000 December 12-August 13)
Mrs C McDermott (Headteacher):	£55,000 - £ 60,000 (£40,000 - £45,000 December 12-August 13)
Mrs J West (Headteacher):	£65,000 - £ 70,000 (£20,000 - £25,000 April 13-August 13)
Miss L Cassidy (Headteacher):	£50,000 - £ 55,000
Mrs M Robson (Headteacher):	£40,000 - £ 45,000* (£25,000 - £30,000 April 13-August 13)

*2014 figures cover September 2013 – October 2013

During the period ended 31 August 2014 no travel and subsistence expenses have been claimed (2013: £nil).

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

11 Central Services

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

- Educational Support Services;
- Financial Support Services;
- Governance Support Services

The trust charges for these services during the current accounting period have been based upon a 5% contribution from each Academy's General Annual Grant. Both New Penshaw Academy and Plains Farm Academy have made financial contributions towards the central services with Farrington Academy's contribution been by means of staffing support.

The actual amounts charged during the year were as follows:

	2014 £000
Farrington Academy	77
New Penshaw Academy	39
Plains Farm Academy	54
	<u>170</u>

12 Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy 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 £5,000,000 on any one claim and the cost for the period ended 31 August 2014 was £344 (2013: £889).

The cost of this insurance is included in the total insurance cost.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

13 Tangible Fixed Assets

	Leasehold Land and Buildings £000	Furniture and Equipment £000	Computer Equipment £000	Total £000
Cost				
At 1 September 2013	8,978	8	81	9,067
Additions	41	22	62	125
At 31 August 2014	9,019	30	143	9,192
Depreciation				
At 1 September 2013	67	-	19	86
Charged in year	4,369	1	27	4,397
At 31 August 2014	4,436	1	46	4,483
Net book values				
At 31 August 2014	4,583	29	97	4,709
At 31 August 2013	8,911	8	62	8,981

14 Debtors

	2014 £000	2013 £000
VAT recoverable	47	54
Other debtors	-	13
Prepayments and accrued income	99	165
	<u>146</u>	<u>232</u>

15 Creditors

	2014 £000	2013 £000
Trade creditors	23	85
Taxation and social security	91	49
Other creditors	1	288
Accruals and deferred income	147	131
	<u>262</u>	<u>553</u>

Deferred income

	2014 £000
Deferred Income at 1 September 2013	11
Resources deferred in the year	51
Amounts released from previous years	(11)
Deferred Income at 31 August 2014	<u>51</u>

At the balance sheet date the multi academy trust was holding funds received in advance for Academy Infant free School Meals £41,251 rates relief £5,595 and rent from the Behaviour Unit £4,083.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

16 Funds

	Balance at 1 September 2013 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2014 £000
Restricted general funds					
General Annual Grant (GAG)	123	2,963	(2,866)	(91)	129
Start Up Grant	20	-	-	-	20
Other DfE/EFA grants	80	385	(385)	-	80
Other income	46	347	(327)	-	66
Pension reserve	(643)	-	(6)	98	(551)
	(374)	3,695	(3,584)	7	(256)
Restricted fixed asset funds					
DfE/EFA capital grants	20	20	-	-	40
Other capital grants	-	10	-	-	10
Capital expenditure from GAG	18	-	(6)	91	103
Transfer from Local Authority	8,977	-	(4,391)	-	4,586
	9,015	30	(4,397)	91	4,739
Total restricted funds	8,641	3,725	(7,981)	98	4,483
Unrestricted funds					
Unrestricted funds	233	185	(148)	-	270
Total unrestricted funds	233	185	(148)	-	270
Total funds	8,874	3,910	(8,129)	98	4,753

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

General Annual Grant must be used for the normal running costs of the academy.

The Start Up Grant balance is fully committed to be spent in the early part of the new financial year.

Other DfE, EFA and government grants include Pupil Premium, Special Needs and Early Years funding and the income is restricted to the terms of each funding stream.

The gross transfer from the restricted general fund to the restricted asset fund of £90,656 represents the capital expenditure from the GAG during the period.

Capital Grant has been received for capital expenditure. Depreciation has been charged against assets within the Restricted Fixed Asset Fund. The transfer from Local Authority reflects fixed assets transferred on conversion along with surpluses on capital and revenue budgets at conversion.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

16 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2014 were allocated as follows:

	Total £000
Farringdon Academy	253
New Penshaw Academy	97
Plains Farm Academy	134
Inspire Central Costs (excluding FRS17 transactions)	81
Total before fixed assets and pension reserve	565
Restricted fixed asset fund	4,739
Pension reserve	(551)
Total	4,753

Analysis of academies by cost

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	Total
	£000	£000	£000	£000	£000
Farringdon Academy	1,061	212	77	363	1,713
New Penshaw Academy	548	100	59	160	867
Plains Farm Academy	754	150	58	172	1,134
Inspire central costs (includes FRS17 transactions)	-	9	-	9	18
Academy Trust	2,363	471	194	704	3,732

17 Analysis of Net Assets between Funds

Fund balances at 31 August 2014 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	4,709	4,709
Current assets	274	508	75	857
Current liabilities	(4)	(213)	(45)	(262)
Pension scheme liability	-	(551)	-	(551)
Total net assets	270	(256)	4,739	4,753

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

18 Capital Commitments

	2014 £000	2013 £000
Contracted for, but not provided in the financial statements	10	-

19 Financial Commitments

Operating Leases

At 31 August 2014 the academy trust had annual commitment under non-cancellable operating leases as follows:

	2014 £000	2013 £000
Non Land and Buildings		
Expiring within two and five years inclusive	11	5
Expiring in over five years	1	-
	<u>12</u>	<u>5</u>

20 Reconciliation of Net Income to Net Cash Inflow from Operating Activities

	2014 £000	2013 £000
Net income	(4,219)	9,109
Transfer from Local Authority on conversion	-	(9,281)
Depreciation (note 13)	4,397	86
Capital grants from DfE and other capital income	(30)	(39)
Interest receivable (note 4)	(1)	-
FRS 17 pension costs less contributions payable (note 25)	9	409
FRS 17 pension finance income (note 25)	(3)	(1)
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	86	(232)
Increase/(decrease) in creditors	(346)	553
Net Cash Inflow from Operating Activities	<u>(107)</u>	<u>604</u>

21 Returns on Investment and Servicing of Finance

	2014 £000	2013 £000
Interest received	1	-
	<u>1</u>	<u>-</u>

22 Capital Expenditure and Financial Investment

	2014 £000	2013 £000
Purchase of tangible fixed assets	(70)	(31)
Capital grants from DfE/EFA	30	20
Capital funding received from sponsors and others	-	19
Net cash outflow from capital expenditure and financial investment	<u>(40)</u>	<u>8</u>

23 Analysis of Changes in Net Funds

	At 1 September 2013 £000	Cash Flows £000	At 31 August 2014 £000
Cash in hand and at bank	857	(146)	711
	<u>857</u>	<u>(146)</u>	<u>711</u>

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

24 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.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

25 Pension and Similar Obligations

The academy'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 South Tyneside Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £43,336 (£2013: nil) were payable to the schemes at 31 August 2014 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

The Teachers Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest 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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- An employer cost cap of 10.9% of pensionable pay will be applied for future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pension website (<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>).

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

25 Pension and Similar Obligations (continued)

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of normal pension age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40:80:100% basis.

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy 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 August 2014 was £179,000, of which employer's contributions totalled £143,000 and employees' contributions totalled £36,000. The agreed contribution rates for future years are 23.6% for employers and 5.5% - 12.5% for employees.

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

Due to the scheme being in deficit, Inspire Multi Academy Trust has agreed with the trustees to make contributions at 23.6% from April 2014.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

25 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

Principal Actuarial Assumptions (% per annum)

	At 31 August 2014	At 31 August 2013
Rate of increase in salaries	3.6	4.7
Rate of increase for pensions in payment/inflation	2.1	2.8
Discount rate for scheme liabilities	3.7	4.5
Inflation assumption (CPI)	2.1	2.8
Commutation of pensions to lump sums	75.0	75.0

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

	At 31 August 2014	At 31 August 2013
<i>Retiring today</i>		
Males	23.0	21.7
Females	24.6	23.9
<i>Retiring in 20 years</i>		
Males	25.0	23.5
Females	26.9	25.8

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

	Long-term expected rate of return at 31 August 2014 (%pa)	Fair value at 31 August 2014 £000	Long-term expected rate of return at 31 August 2013 (%pa)	Fair value at 31 August 2013 £000
Equities	7.5	1,026	7.9	824
Property	6.8	139	7.4	110
Government bonds	2.9	55	3.4	45
Corporate bonds	3.3	175	4.1	143
Cash	1.1	40	0.9	28
Other*	7.5	92	7.9	87
Total market value of assets		1,527		1,237
Present value of scheme liabilities				
- Funded		(2,078)		(1,880)
Surplus/(deficit) in the scheme		(551)		(643)

* Other holdings may include hedge funds, currency holding, asset allocation futures and other financial instruments. It is assumed that these investments will achieve a return in line with equities.

The actual return on scheme assets was £112,000 (2013: £55,000).

A building block approach is used to determine the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

25 Pension and Similar Obligations (continued)

note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the fund at the accounting date.

Local Government Pension Scheme (continued)

Amounts recognised in the Statement of Financial Activities

	2014 £000	2013 £000
Current service cost (net of employee contributions)	(152)	(62)
Past service cost	0	0
Total operating charge	<u>(152)</u>	<u>(62)</u>

Analysis of pension finance income/(costs)

Expected return on pension scheme assets	92	40
Interest on pension liabilities	(89)	(39)
Pension finance income/(costs)	<u>3</u>	<u>1</u>

The actuarial gains and losses for the current period are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £137,000 loss (£2013: £235,000 loss).

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

	2014 £000	2013 £000
Opening present value of liabilities	1,880	620
Current service cost	152	62
Interest cost	89	39
Employee contributions	36	18
Actuarial (gains) / losses on liabilities	(78)	250
Benefits paid	(1)	(1)
Net increase in liabilities from disposals and acquisitions	-	892
At 31 August	<u>2,078</u>	<u>1,880</u>

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

	2014 £000	2013 £000
Opening fair value of assets	1,237	433
Expected return on assets	92	40
Actuarial gain	20	15
Employer contributions	143	66
Employee contributions	36	18
Benefits paid	(1)	(1)
Net increase in assets from disposals and acquisitions	-	666
At 31 August	<u>1,527</u>	<u>1,237</u>

The estimated value of employer contributions for the period ended 31 August 2015 is £155,000.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

25 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

The five-year history of experience adjustments is as follows:

	2014 £000	2013 £000
Present value of defined benefit obligations	(2,078)	(1,880)
Fair value of share of scheme assets	1,527	1,237
Deficit in the scheme	<u>(551)</u>	<u>(643)</u>
Experience adjustments on share of scheme assets Amount £000	20	15
Experience adjustments on scheme liabilities Amount £000	(71)	0

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2014 (continued)

26 Related Party Transactions

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

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