

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



**ArmstrongWatson®**  
Accountants, Business & Financial Advisers

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	P Dutton J Westwater S Edgar N MacKnight (appointed 16 July 2019, resigned 16 July 2019) J Turnbull (appointed 4 April 2019) R Orr (appointed 17 September 2019)
<b>Trustees</b>	P Dutton, Chair of Governors J Westwater, Chair of Finance & Premises G Stephenson, CEO and Accounting Officer J Milner, Vice Chair J Foster A Wake (appointed 16 July 2019) N Macknight (appointed 16 July 2019)
<b>Company registered number</b>	08842629
<b>Company name</b>	Aim High Academy Trust
<b>Principal and registered office</b>	Newbottle Primary Academy Houghton Road Houghton Le Spring Tyne & Wear DH4 4EE
<b>Chief executive officer</b>	Graham Stephenson
<b>Senior leadership team</b>	G Stephenson, CEO C Shield, Headteacher S Morrison, Headteacher E Monaghan, Headteacher D Shovlin, Improvement lead N Burn, Improvement lead J Moran, Executive business manager

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Independent auditors**      Armstrong Watson Audit Limited  
Chartered Accountants  
York House  
Northallerton  
North Yorkshire  
DL6 2XQ

**Bankers**                      Lloyds Banking Group  
54 Fawcett Street  
Sunderland  
Tyne and Wear  
SR1 1SF

**Solicitors**                  Samuel Phillips Law Firm  
Gibb Chambers  
52 Westgate Road  
Newcastle Upon Tyne  
NE1 5XU

**AIM HIGH ACADEMY TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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

**Structure, governance and management**

**a. Constitution**

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

The charitable company's Trust deed is the primary governing document of the academy.

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

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

**b. Members' liability**

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

**c. Trustees' indemnities**

Every trustee of the academy trust shall be indemnified out of the assets of the academy trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted by the court from liability for negligence default, breach of duty or breach of trust in relation to the affairs of the academy trust.

**d. Method of recruitment and appointment or election of Trustees**

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Membership is determined in accordance with the composition set out in Articles 45-56 of the Articles of Association and shall comprise of:

- Up to 12 trustees, appointed under Article 50
- Any staff trustees, if appointed under Article 50AA and subject to Article 50B
- The Chief Executive Office, if appointed under Article 57; and
- A minimum of 2 parent trustees appointed or elected under Articles 53-5D unless there are local governing bodies each of which includes at least 2 parent members.
- The academy trust may also have any co-opted trustee appointed under Article 58.

The term of office for any trustee shall be 4 years. Trustees are permitted to stand for re-election at the meeting at which they retire, should they remain eligible to do so. New trustees are recruited in accordance with the Trust's Article of Association and the relevant funding agreement.

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

**Structure, governance and management (continued)**

**e. Policies adopted for the induction and training of Trustees**

During the period, the arrangements for setting the pay and remuneration of the academy trust's key personnel have followed recognised procedures – the Chief Executive and Headteachers' salaries were paid in accordance with national guidelines in respect of the size of school and number of pupils. All other personnel are paid in line with nationally recognised pay scales and agreed by trade unions.

Performance Management has been rigorous and personnel have only been awarded an increase if targets have been met. The academy trust's personnel committee meet to discuss and agree any pay policies and remuneration awarded to individuals.

**f. Organisational structure**

The structure consists of two levels: Trustees/Governors (including separate committees) and Senior Leadership Team (SLT).

The Trustees are responsible for determining strategic policy, adopting an annual Improvement Plan following a self-evaluation review, monitoring the practices adopted by the academy trust, determining the strategic direction of the academy trust, capital expenditure and senior staff appointment.

The Senior Leadership Team consists of the Chief Executive, Headteachers, Assistant Headteachers, Improvement Leads and the Executive Business Manager. The SLT controls the academy trust at an executive level, implementing the policies laid down by the Trustees and reporting back to them.

The Headteachers and Trustees are responsible for the authorisation of spending within agreed budgets and the appointment of staff as stated in the scheme of delegation and the academy trust's financial regulations manual. The Executive Business Manager is responsible for the management of the financial systems, sourcing additional funds and ensuring efficient and effective use of resources. The Executive Business Manager is responsible for the authorisation of spending up to agreed limits as stated in the scheme of delegation and the financial regulations manual, alongside the management of some support staff, facilities staff and the efficient operation of the school office. The Chief Executive is the Accounting Officer for the Academy Trust.

**g. Arrangements for setting pay and remuneration of key management personnel**

During the period, the arrangements for setting the pay and remuneration of the academy trust's key personnel have followed recognised procedures – the Chief Executive and Headteachers' salaries were paid in accordance with national guidelines in respect of the size of school and number of pupils. All other personnel are paid in line with nationally recognised pay scales and agreed by trade unions.

Performance Management has been rigorous and personnel have only been awarded an increase if targets have been met. The academy trust's personnel committee meet to discuss and agree any pay policies and remuneration awarded to individuals.

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

**Structure, governance and management (continued)**

**h. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	3

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-
<b>Percentage of pay bill spent on facility time</b>	<b>£</b>
Total cost of facility time	-
Total pay bill	4,090,758
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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**i. Related parties and other connected charities and organisations**

All members/trustees/governors are required to declare any business interests that may impact on the academy trust. During the financial period 1 September 2018 – 31 August 2019 two trustees and one local governor declared an interest and the academy trust employed its recognised procedures to address this. The adopted policy is that if any interests are declared then the trustee will remove themselves from relevant decision making processes. All such declarations and decisions are detailed in the minutes of Governing Body meetings. Related parties to Aim High Academy Trust for the period 1 September 2018 to 31 August 2019 are Pat Dutton and Janet Foster both trustees (self-employed assessors) and Chris Hall (local governor at Newbottle Primary – self-employed outdoor education/maintenance provider).

A register of declared business interests is published on the trust's website and further information is held on file at the relevant academy.

**Objectives and activities**

**a. Objects and aims**

The principal objective and activity of the charitable company is the operation of New bottle Primary, Dub mire Primary and Gilles Lane Primary to provide education for pupils of different abilities between the ages of 3-11 years old. We aim for a thirst for, and enjoyment of, learning for everyone.

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

**Objectives and activities (continued)**

**b. Objectives, strategies and activities**

When setting the objectives, the Trustees have given careful consideration to how strategy is formed in relation to the Charity Commission's general guidance.

The academy trust aims to provide a curriculum which is:

- Relevant to the children's interests and locality
- Exciting, fun and enjoyable which in turn stimulates learning
- Flexible to allow the needs of all learners to be met
- Well planned and delivered so as to progressively build up children's knowledge and understanding

Although sharing some commonalities, each individual academy has a bespoke curriculum.

We want our curriculum to:

- Raise standards and achievement
- Build confidence
- Allow experiential learning
- Enhance basic skills throughout
- Raise self-esteem and aspirations of learners
- Give children control of their own learning and to explore their own interests
- Promote investigation and problem-solving skills for learners to become independent
- Use assessment to develop learning

**c. Public benefit**

The charitable purpose of the trust relates to the provision of early years and primary education to children within our local community. All material decisions made during the period have been consistent with the purposes of the trust and, where necessary, have been made to minimise risks of detriment to our beneficiaries and the public in general. The trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives in planning future activities.

**Achievements and performance**

**a. Key performance indicators**

The academy trust has directed school funding to secure the best possible outcomes for all pupils, particularly those accessing pupil premium funding. A quality teach first initiative is adopted across the trust. Learning is maximised by quality teaching and delivery. Targeted intervention measures are established at the earliest opportunity and progress of all children is tracked rigorously. The staffing structure is regularly reviewed to ensure children receive a high-quality education.



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

**Strategic report (continued)**

**Achievements and performance (continued)**

**Key Performance Indicators: Newbottle**

<b>KS1</b>	<b>At expected standard</b>	<b>At greater depth</b>
Reading	74%	26%
Writing	75%	14%
Mathematics	74%	21%
<b>KS2</b>		
Reading	73%	27%
Writing	77%	21%
Mathematics	86%	32%

**Key Performance Indicators: Dubmire**

<b>KS1</b>	<b>At expected standard</b>	<b>At greater depth</b>
Reading	70%	18%
Writing	70%	7%
Mathematics	78%	13%
<b>KS2</b>		
Reading	76%	17%
Writing	80%	22%
Mathematics	76%	28%

**Key Performance Indicators: Gillas Lane**

<b>KS1</b>	<b>At expected standard</b>	<b>At greater depth</b>
Reading	59%	14%
Writing	50%	9%
Mathematics	59%	14%
<b>KS2</b>		
Reading	56%	44%
Writing	75%	25%
Mathematics	69%	25%

The main financial performance indicators of the trust relate to the management of spending against General Annual Grant (GAG) and the use of these funds for the benefit of the pupils in our academies. It is the trust's policy that, in general terms, the income received in any one year is spent for the benefit of those children attending school during that academic year.

The board of trustees has a robust strategy in place to mitigate financial pressures faced by all academies during 2017-18 and beyond. Budgets are closely monitored, and spending is linked to school improvement plans and trust objectives with the aim of improving outcomes for pupils. Trustees aim to achieve further economies of scale through the streamlining of processes to enable savings to be reinvested into the academies within the

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**TRUSTEES' REPORT (CONTINUED)**  
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**Strategic report (continued)**

**Achievements and performance (continued)**

trust. Funding is based on pupil numbers and these are closely monitored. There are multiple new housing developments within the Houghton le Spring area and trustees are keen to signpost new families to our academies with pupil spaces.

Financial performance indicators include:

- All spending is appropriate and supports the common goal of improving educational outcomes
- No trustee/governor/employee has benefitted personally from the use of these funds
- Payroll services fully meet tax obligations
- There is probity in the use of public funds
- Competitive tendering is in place
- Regular reviews of projected and actual pupil numbers and staffing requirements take place

**b. Going concern**

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

but the key considerations assessed by the Board are:

- The Board have acknowledged that the Statement of Financial Activities has presented a net deficit before actuarial gains or losses in the last two accounting periods.
- This deficit includes significant non cash items such as depreciation. If added back to the this deficit result the underlying operating result of educational activities (being cash generative) would show:

	<b>2019</b>	<b>2018</b>
Net income/expenditure	(218,462)	(203,266)
Depreciation and amortisation	264,957	258,507
LGPS pension charges in excess of cash contributions paid	81,000	97,000
<b>Underlying operating result</b>	<b>127,495</b>	<b>152,241</b>

- This underlying cash generation is consistent with managements forecasts and budgets for future periods
- As such the Board are satisfied no indication of any material uncertainties over the ability of the Trust to remain a going concerns

**Financial review**

**a. Reserves policy**

Most of the trust's income is obtained from the Education and Skills Funding Agency in the form of recurrent grants, most of which is restricted to particular purposes. The grants received from the ESFA for the period ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy trust also receives Early Years grant funding and Special Educational Needs funding for high needs pupils, the use of which is also restricted to particular purposes.

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

**Strategic report (continued)**

**Financial review (continued)**

During the year ended 31 August 2019, total income was £5,676k (2018: £5,635k). Total expenditure totalled £5,894k (2018: £5,838k). All the expenditure shown in the Statement of Financial Activities is in furtherance of the Trusts objectives.

At 31 August 2019, the net book value of tangible fixed assets was £9,500k (2018: £9,732k) and movements in tangible assets are shown in note 15 to the financial statements. The assets were used exclusively in providing education and associated support services to the pupils of the academies within the trust.

The implications of FRS102 'Retirement Benefits' have been applied in full resulting in a deficit of £1,936k (2018 £1,080k) recognised in the Balance Sheet.

The trust held fund balances at 31 August 2019 of £8,242k (2018: £9,211k), comprising £9,342k (2018: £9,631k) of restricted fixed asset funds, £831k (2018: £830k) unrestricted income funds and funds of £5k (2018: deficit £170k) on restricted funds.

The trustee have adopted the following policies relating to finance and governance during 2018-2019:

- Scheme of Delegation
- Financial Regulations Manual
- Treasury Management & Investment

The Academy reserves are presently being held to fund building improvements, facilities and services and an element to provide sufficient working capital to cover delays between spending and receipt of grants including a contingency to deal with unexpected emergencies such as urgent maintenance.

The trustees review the level of financial reserves of the academy trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees will ensure that the level of reserves that can be carried forward at the end of the financial period will be in line with the guidance received from the DfE on the treatment of the General Annual Grant (GAG) income and other grants.

The trustees aim to match income with expenditure and carry forward reserves they consider necessary for future periods of expenditure. The trustees also aim to carry a prudent level of reserves designed to:

- cover working capital requirements (forming part of restricted and unrestricted general funds)
- act as a contingency to meet unforeseeable expenditure (forming part of restricted and unrestricted general funds)
- fund planned and specific future capital expenditure (forming part of the restricted fixed asset fund)

The level of reserves is reviewed annually by the trustees and they assess it in relation to these 3 purposes; however, the level of actual reserves will vary from one academy to another from time to time. The trustees consider that the level of reserves held at 31 August 2019 is consistent with the reserves policy outlined above.

During the period to 31 August 2019 reserves have been used to fund building modification at Dubmire Academy to establish a trust central office base, a new VOIP telephone system across the trust and the establishment of a forest school at Dubmire Academy. A new roof at Gillas Lane Academy was funded by Condition Improvement Funding from ESFA.

Budgets are set for each academy with a view to being balanced each year whilst supporting the aims and goals of each individual setting at sustainable levels. Where an individual academy is unable to set a balanced budget, trustees will determine whether reserves are to be used as a contingency or whether expenditure must be reduced to within an acceptable level.

Free reserves are represented by the unrestricted funds balance as at 31 August 2019.

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

**Strategic report (continued)**

**Financial review (continued)**

The Trustees will continue to regularly monitor these reserve levels to ensure they provide sufficient working capital to cover the aims and objectives of the larger multi academy trust.

**b. Investment policy**

Under the Memorandum and Articles of Association, the academy trust has the power to invest funds not immediately required for its own purposes, in any way the trustees see fit. The academy trust operates an interest bearing current account with a bank approved by the board of trustees and has a positive cash balance to cover eventualities and unforeseen expenses. The trustees have adopted a Treasury Management and Investment policy - the banking facilities are reviewed on a regular basis. The academy trust has no funds invested as at 31st August 2019.

**c. Principal risks and uncertainties**

The Business Manager has worked closely with accountants, internal audit providers and the School Finance Team to ensure that financial systems are secure.

The principal risk to the trust is changes to funding formulae and falling pupil rolls as funding is based on pupil numbers. Pupil numbers may also be affected by the reputation of the trust; however, our pupil numbers are consistently high with few spaces available. Trustees do not consider this to be a high risk. The three academies within the trust are new academies with only one, Newbottle Primary, being inspected since conversion. Newbottle Primary and Gillas Lane Primary are currently rated Good.

Strategies to develop middle and senior leaders have been implemented across the trust. All academies have a full complement of senior leaders. Staffing is stable and allows academies to focus on improving outcomes for pupils and school improvement.

In addition, the trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant liability on the trust's balance sheet. There is a risk the future contribution levels will increase, which is outside the trust's control.

The pension surplus or deficit does not constitute an immediate liability or realisable asset and does not mean that the equivalent amount is already committed or no longer available to the Trust. The presence of a pension surplus or deficit will generally result in a cash flow effect for Aim High Academy Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust is confident it can meet the required pension contributions from projected future income without significantly impacting upon its planned level of activities, however challenging this may be. Aim High Academy Trust continues to calculate its reserves without setting aside a designated reserve to cover the pension liability.

**Fundraising**

Aim High Academy Trust does not employ a professional fundraiser or commercial participator to fundraise on behalf of the trust. General small-scale fundraising events are held throughout the year by staff and parents in our academies to raise small amounts of money to supplement academy income, i.e. summer fayre/disco etc. These funds are accounted for in unrestricted income.

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

**Plans for future periods**

Over-arching themes for the Trust:

In order to improve performance against key performance indicators, we propose to:

- Conduct regular trust leadership networks, where specific aspects of leadership are focussed upon and shared
- Conduct regular and timely trust QA exercises, supporting leaders in looking at aspects of school improvement
  - Explore curriculum intent with individual schools
  - Formulate a clear and concise curriculum delivery statement
  - Develop phonic systems into positive writing outcomes
  - Enhance the curriculum through subject leadership programmes
- Ensure SLT members have the opportunity to lead in quality coaching and mentoring of individual staff to bring about improved outcomes
- Work closely with the local authority on school-based planning so as to be in a favourable position for potential expansion.

**Disclosure of information to auditors**

Insofar as the Trustees are aware:

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

The Trustees' report was approved by order of the board of Trustees, as the company directors, on and signed on its behalf by:

**G Stephenson**  
CEO



**P Dutton**  
(Chair of Trustees)



11/12/19

**AIM HIGH ACADEMY TRUST**  
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**GOVERNANCE STATEMENT**

**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Aim High 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 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 Aim High 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.

The Trustees (who are also the directors 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 Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 6 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
P Dutton, Chair of Governors	6	6
J Westwater, Chair of Finance & Premises	5	6
G Stephenson, CEO and Accounting Officer	6	6
J Milner, Vice Chair	6	6
J Foster	4	6
A Wake	1	1
N Macknight	1	1

**Key changes in the composition of the Governance and Board of Trustees**

N MacKnight resigned as a Member due to his involvement with the local council but has remained with the Trust on the board of trustees. J Turnbull and R Orr have been appointed as Members to fill vacancies identified. A Wake has also joined the board of trustees.

**Coverage of work**

All structures, committees and individual responsibilities, as well as the performance measures appropriate to promoting excellent school performance going forward, have been and continue to be reviewed. Restructuring of the board of trustees and subsequent committees and local governing committees has allowed for a focus on school-based activity against agreed performance outcomes. Trustees have ensured that the respective school improvement plans reflect the challenges that trustees and local governors have made to seek continuous improvement in academy performance.

The committees of the board of trustees have received reports relevant to their remit and in line with the Academies Financial Handbook.

**Board's Performance**

The Trust regularly undertakes a review of strategic leadership and management as well as teaching and overall performance. Trustees will continue with their cycle of evaluation regarding the impact and effectiveness of the board in the new financial year. A programme of training and development is available for trustees to ensure they are able to undertake the function and responsibilities of their roles.

The Finance and Audit Committee is a sub-committee of the main board of trustees. Its purpose is to ensure the efficient and effective use of resources at a Trust and individual academy level. The Executive Business Manager, although not a trustee, also attends the meetings of the Finance and Audit Committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Westwater, Chair of Finance & Premises	4	5
P Dutton, Chair of Governors	3	5
G Stephenson, CEO and Accounting Officer	5	5
J Milner, Vice Chair	5	5
J Foster	4	4

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**GOVERNANCE STATEMENT (CONTINUED)**

**Review of value for money**

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

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

- Improving educational results, particularly at Dubmire Primary, which has resulted in a 'Good' Ofsted rating (October 2019).
- Higher proportion of children making required progress across key stage 1 and 2
- Improved attendance across the Trust, particularly an improvement in historic persistent absentees
- Centre of excellence, particularly around Maths mastery , and used as a beacon to train and inform other professionals
- Knowledgeable and trained staff used by the Maths Hub and Local Authority to disseminate good practice whilst growing knowledge within our own organisation
- Effective and efficient use of resources – as staffing forms the largest part of budget spend, regular reviews of staffing structure are undertaken to ensure it can support successful attainment of objectives within School Improvement Plans. The Trust employs a high proportion of skilled and experienced teaching and support staff who are effectively deployed to provide best value whilst meeting the needs of our pupils.
- Ensuring services purchased follow best value procurement process – all higher value SLA contracts reviewed within appropriate timescales.

**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 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 Aim High Academy Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

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



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**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework**

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint [Input name] as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems.

On a quarterly basis, the internal auditor reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

On a termly basis, internal audit reports are presented to the board of trustees via the Finance & Audit Committee. During the period, the audit plan was completed as planned and all recommendations arising as a result of the internal auditor work were addressed and implemented at the earliest opportunity. In particular, the checks carried out in the period included:

- Testing of expenditure – including payroll, purchase systems and bank reconciliation
- Review of governance structure – including scheme of delegation and minutes of board and committee meetings
- Testing of income collection processes

**Review of effectiveness**

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

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

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

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

**P Dutton, Chair of Governors**  
Chair of Trustees



11/12/19

**G Stephenson, CEO and Accounting Officer**  
Accounting Officer



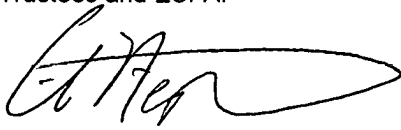
**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



**G Stephenson, CEO and Accounting Officer**  
Accounting Officer  
Date: 11/12/19

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

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

**Opinion**

We have audited the financial statements of Aim High Academy Trust (the 'academy') for the year ended 31 August 2019 which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF AIM  
HIGH ACADEMY TRUST (CONTINUED)**

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

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

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

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF AIM  
HIGH ACADEMY TRUST (CONTINUED)**

**Responsibilities of trustees**

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

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

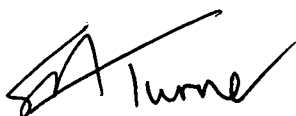
**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



**Simon Turner (senior statutory auditor)**  
for and on behalf of  
**Armstrong Watson Audit Limited**  
Chartered Accountants  
Northallerton

Date: 17 December 2019

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

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

In accordance with the terms of our engagement letter dated 9 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Aim High Academy Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Aim High Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Aim High Academy Trust's funding agreement with the Secretary of State for Education dated 29 September 2016 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

The work undertaken to draw our conclusion includes:

A review of the accuracy of the corporation's self assessment of compliance with regularity and propriety requirements and review of appropriate evidence and documentation.

Review of payroll and personnel for compliance with scheme of delegation.

Review of financial powers and authorisation limits in relation to purchasing for compliance with scheme of delegation.

Review of corporate minutes.

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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



**Simon Turner (senior statutory auditor)**

**Armstrong Watson Audit Limited**  
Chartered Accountants  
Northallerton  
DL6 2XQ

Date: 17 December 2019



**AIM HIGH ACADEMY TRUST**  
(A company limited by guarantee)

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

		Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
	Note					
<b>Income from:</b>						
Donations and capital grants	3	-	-	275,607	275,607	230,330
Charitable activities		86,810	4,790,160	-	4,876,971	4,891,445
Other trading activities		434,353	88,611	-	522,963	513,008
Investments	6	500	-	-	500	435
<b>Total income</b>		<b>521,663</b>	<b>4,878,771</b>	<b>275,607</b>	<b>5,676,041</b>	<b>5,635,218</b>
<b>Expenditure on:</b>						
Raising funds		18,877	221,754	-	240,631	457,334
Academy trust educational operations		249,934	4,839,902	564,036	5,653,873	5,381,150
<b>Total expenditure</b>		<b>268,811</b>	<b>5,061,656</b>	<b>564,036</b>	<b>5,894,503</b>	<b>5,838,484</b>
<b>Net income/(expenditure)</b>		<b>252,852</b>	<b>(182,885)</b>	<b>(288,429)</b>	<b>(218,462)</b>	<b>(203,266)</b>
Transfers between funds	18	(252,109)	252,109	-	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>743</b>	<b>69,224</b>	<b>(288,429)</b>	<b>(218,462)</b>	<b>(203,266)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	23	-	(750,000)	-	(750,000)	298,000
<b>Net movement in funds</b>		<b>743</b>	<b>(680,776)</b>	<b>(288,429)</b>	<b>(968,462)</b>	<b>94,734</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		830,439	(1,250,224)	9,630,540	9,210,754	9,116,020
Net movement in funds		743	(680,776)	(288,429)	(968,462)	94,734
<b>Total funds carried forward</b>		<b>831,182</b>	<b>(1,931,000)</b>	<b>9,342,111</b>	<b>8,242,293</b>	<b>9,210,754</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 26 to 49 form part of these financial statements.

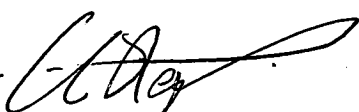
**AIM HIGH ACADEMY TRUST**  
(A company limited by guarantee)  
REGISTERED NUMBER: 08842629

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	14	29,852	28,139
Tangible assets	15	9,499,682	9,731,590
		<u>9,529,534</u>	<u>9,759,729</u>
<b>Current assets</b>			
Debtors	16	219,757	230,164
Cash at bank and in hand		1,011,615	801,134
		<u>1,231,372</u>	<u>1,031,298</u>
Creditors: amounts falling due within one year	17	(582,614)	(500,272)
<b>Net current assets</b>		<u>648,758</u>	<u>531,026</u>
<b>Total assets less current liabilities</b>		<u>10,178,292</u>	<u>10,290,755</u>
<b>Net assets excluding pension liability</b>		<u>10,178,292</u>	<u>10,290,755</u>
Defined benefit pension scheme liability	23	(1,936,000)	(1,080,000)
<b>Total net assets</b>		<u><u>8,242,292</u></u>	<u><u>9,210,755</u></u>
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	9,342,111	9,630,540
Restricted income funds	18	5,000	(170,224)
		<u>9,347,111</u>	<u>9,460,316</u>
Restricted funds excluding pension asset	18	9,347,111	9,460,316
Pension reserve	18	(1,936,000)	(1,080,000)
<b>Total restricted funds</b>	18	<u>7,411,111</u>	<u>8,380,316</u>
<b>Unrestricted income funds</b>	18	<u>831,181</u>	<u>830,439</u>
<b>Total funds</b>		<u><u>8,242,292</u></u>	<u><u>9,210,755</u></u>

The financial statements on pages 23 to 49 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

**G Stephenson**  
Accounting Officer



**P Dutton**  
Chair of Trustees



11/12/19

The notes on pages 26 to 49 form part of these financial statements.

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	(30,864)	163,037
<b>Cash flows from investing activities</b>	21	241,345	138,364
<b>Change in cash and cash equivalents in the year</b>		210,481	301,401
Cash and cash equivalents at the beginning of the year		801,134	499,733
<b>Cash and cash equivalents at the end of the year</b>	22	<u>1,011,615</u>	<u>801,134</u>

The notes on pages 26 to 49 form part of these financial statements

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

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

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

Aim High Academy Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

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

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

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

**1. Accounting policies (continued)**

**1.4 Expenditure**

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the statement of financial activities as the related expenditure is incurred.

**1.6 Interest receivable**

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

**1.7 Intangible assets**

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	- 3 years
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**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

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

**1. Accounting policies (continued)**

**1.8 Tangible fixed assets**

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

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

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

Depreciation is provided on the following bases:

Freehold property	- 50 years (integral fixtures to external fabric of buildings 25 years)
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A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

**1.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.11 Liabilities**

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

**AIM HIGH ACADEMY TRUST**  
**(A company limited by guarantee)**

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

**1. Accounting policies (continued)**

**1.12 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

**1.13 Pensions**

The academy operates a defined contribution pension scheme and the pension charge represents the amounts payable by the academy to the fund in respect of the year.

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

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

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

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

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

**1. Accounting policies (continued)**

**1.14 Fund accounting**

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

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**3. Income from donations and capital grants**

	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Donations	-	-	23,615
Government and capital grants	275,607	275,607	206,715
	<u>275,607</u>	<u>275,607</u>	<u>230,330</u>



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**4. Income from charitable activities**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>DfE/ESFA grants</b>				
General annual grant	-	3,651,216	<b>3,651,216</b>	3,660,042
Other Dfe/ESFA grants	-	549,523	<b>549,523</b>	591,901
Local Authority Grants	-	550,121	<b>550,121</b>	473,140
Other income	86,810	-	<b>86,810</b>	148,362
Schools direct funding	-	39,300	<b>39,300</b>	18,000
<b>Total 2019</b>	<u>86,810</u>	<u>4,790,160</u>	<u><b>4,876,970</b></u>	<u>4,891,445</u>
<i>Total 2018</i>	<u>148,362</u>	<u>4,743,083</u>	<u>4,891,445</u>	

**5. Income from other trading activities**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from trading activities	<u>434,353</u>	<u>88,611</u>	<u><b>522,964</b></u>	<u>513,008</u>
<i>Total 2018</i>	<u>508,008</u>	<u>5,000</u>	<u>513,008</u>	

**6. Investment income**

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	<u>500</u>	<u><b>500</b></u>	<u>435</u>

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**7. Expenditure**

	<b>Staff Costs 2019 £</b>	<b>Premises 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
Expenditure on raising voluntary income:					
Direct costs	155,151	-	85,480	<b>240,631</b>	457,334
Academy's educational operations:					
Direct costs	3,533,398	1,007,886	61,300	<b>4,602,584</b>	4,412,232
Support costs	402,209	285,848	363,232	<b>1,051,289</b>	968,918
	<u>4,090,758</u>	<u>1,293,734</u>	<u>510,012</u>	<u><b>5,894,504</b></u>	<u>5,838,484</u>
<b>Total 2018</b>	<u><u>4,097,994</u></u>	<u><u>240,044</u></u>	<u><u>1,500,446</u></u>	<u><u><b>5,838,484</b></u></u>	

**8. Analysis of expenditure by activities - educational operations**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Academy's educational operations	<u>4,602,584</u>	<u>1,051,289</u>	<u><b>5,653,873</b></u>	<u>5,381,150</u>
<b>Total 2018</b>	<u><u>4,412,232</u></u>	<u><u>968,918</u></u>	<u><u><b>5,381,150</b></u></u>	

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**8. Analysis of expenditure by activities - educational operations (continued)**

**Analysis of direct costs**

	<b>Educational operations 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Pension income	27,000	<b>27,000</b>	29,000
Staff costs	3,533,398	<b>3,533,398</b>	3,457,385
Raising funds	742,929	<b>742,929</b>	667,340
Academy trust educational operations	34,300	<b>34,300</b>	-
Direct costs	264,957	<b>264,957</b>	258,507
	<u>4,602,584</u>	<u><b>4,602,584</b></u>	<u>4,412,232</u>

**Analysis of support costs**

	<b>Educational operations 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Staff costs	402,209	<b>402,209</b>	471,815
Allocated support costs	649,080	<b>649,080</b>	497,103
	<u>1,051,289</u>	<u><b>1,051,289</b></u>	<u>968,918</u>

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2019 £</b>	<i>2018 £</i>
Operating lease rentals	-	21,965
Depreciation of tangible fixed assets	<b>245,163</b>	245,197
Amortisation of intangible assets	<b>19,794</b>	13,310
Fees paid to auditors for:		
- audit	<b>10,075</b>	10,075
- other services	<b>1,250</b>	1,250
	<u><b>266,279</b></u>	<u>291,737</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	3,226,353	3,194,556
Social security costs	269,639	267,244
Pension costs	594,766	636,193
	<u>4,090,758</u>	<u>4,097,993</u>
Agency staff costs	160,531	-
	<u><u>4,251,289</u></u>	<u><u>4,097,993</u></u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	22,897	7,790
Severance payments	17,451	1,278
Pension strain	5,035	6,334
	<u>45,383</u>	<u>15,402</u>

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

Included in staff restructuring costs are four non-contractual severance payments in the year, one at £7,418, one at £3,387, one at £2,903 and one at £3,743.

**c. Staff numbers**

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

	2019 No.	2018 No.
Teachers	43	42
Administration and support	95	120
Management	7	7
	<u>145</u>	<u>169</u>

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**10. Staff costs (continued)**

**d. Higher paid staff**

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	4	3
In the band £80,001 - £90,000	1	1
	<u>          </u>	<u>          </u>

**e. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel for their services to the academy trust was £530,558 (2018: £509,132)

**11. Central services**

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

- Financial Services
- Strategic Direction
- School Improvement
- Educational Support Services
- Human Resources

The academy charges for these services on the following basis:

The contribution per school is set at 8% (2018: 5%) of budgeted income

Other costs not able to be met from the 8% (2018: 5%) contribution are apportioned to each school according to the size or need of that school.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Newbottle Primary Academy	140,398	86,568
Dubmire Primary Academy	136,654	90,776
Gillas Lane Primary Academy	62,592	39,173
	<u>          </u>	<u>          </u>
<b>Total</b>	<b>339,644</b>	<b>216,517</b>
	<u>          </u>	<u>          </u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. Trustees' remuneration and expenses**

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
G Stephenson, CEO and Accounting Officer    Remuneration	<b>85,000 -</b>	<b>80,000 -</b>
	<b>90,000</b>	<b>85,000</b>

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

**13. 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 £10,000,000 on any one claim and the cost for the year ended 31 August 2019 was £17843 (2018 - £700). The cost of this insurance is included in the total insurance cost.

**14. Intangible assets**

	<b>Computer software £</b>
<b>Cost</b>	
At 1 September 2018	<b>46,552</b>
Additions	<b>21,507</b>
At 31 August 2019	<b>68,059</b>
<b>Amortisation</b>	
At 1 September 2018	<b>18,413</b>
Charge for the year	<b>19,794</b>
At 31 August 2019	<b>38,207</b>
<b>Net book value</b>	
At 31 August 2019	<b>29,852</b>
At 31 August 2018	<b>28,139</b>

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**15. Tangible fixed assets**

	Long-term leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 September 2018	10,161,664	257,890	7,250	10,426,804
Additions	-	13,255	-	13,255
At 31 August 2019	<u>10,161,664</u>	<u>271,145</u>	<u>7,250</u>	<u>10,440,059</u>
<b>Depreciation</b>				
At 1 September 2018	551,283	136,681	7,250	695,214
Charge for the year	204,600	40,563	-	245,163
At 31 August 2019	<u>755,883</u>	<u>177,244</u>	<u>7,250</u>	<u>940,377</u>
<b>Net book value</b>				
At 31 August 2019	<u>9,405,781</u>	<u>93,901</u>	<u>-</u>	<u>9,499,682</u>
At 31 August 2018	<u>9,610,381</u>	<u>121,209</u>	<u>-</u>	<u>9,731,590</u>

**16. Debtors**

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	4,646	4,857
Other debtors	158,026	157,335
Prepayments and accrued income	57,085	67,972
	<u>219,757</u>	<u>230,164</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Creditors: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>396,762</b>	<b>162,714</b>
Other creditors	<b>-</b>	<b>132,310</b>
Accruals and deferred income	<b>185,852</b>	<b>205,248</b>
	<b>582,614</b>	<b>500,272</b>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 September 2018	<b>105,266</b>	<b>76,175</b>
Resources deferred during the year	<b>153,463</b>	<b>105,256</b>
Amounts released from previous periods	<b>(105,266)</b>	<b>(76,165)</b>
	<b>153,463</b>	<b>105,266</b>

Deferred income represents funds received in advance where entitlement has not passed to the Trust. The balance of £153,463 includes conditional improvement fund £8,310 (2018: £17,363), rates relief of £13,627 (2018: £13,329), UIFSM of £65,260 (2018: £74,564), DFE devolved funding £65,652 (2018: £Nil) and other income £614 (2018: £208)



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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds	830,439	521,663	(268,812)	(252,109)	-	831,181
<b>Restricted general funds</b>						
General annual grant	(170,224)	3,651,216	(3,733,101)	252,109	-	-
Other DFE grants	-	192,246	(192,246)	-	-	-
Schools direct	-	39,300	(34,300)	-	-	5,000
Pupil premium	-	357,277	(357,277)	-	-	-
Other grants	-	26,505	(26,505)	-	-	-
Early years school funding	-	523,616	(523,616)	-	-	-
Other educational income	-	88,611	(88,611)	-	-	-
Pension reserve	(1,080,000)	-	(106,000)	-	(750,000)	(1,936,000)
	<u>(1,250,224)</u>	<u>4,878,771</u>	<u>(5,061,656)</u>	<u>252,109</u>	<u>(750,000)</u>	<u>(1,931,000)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset fund	9,630,540	275,607	(564,036)	-	-	9,342,111
<b>Total Restricted funds</b>	<u>8,380,316</u>	<u>5,154,378</u>	<u>(5,625,692)</u>	<u>252,109</u>	<u>(750,000)</u>	<u>7,411,111</u>
<b>Total funds</b>	<u>9,210,755</u>	<u>5,676,041</u>	<u>(5,894,504)</u>	<u>-</u>	<u>(750,000)</u>	<u>8,242,292</u>

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**18. Statement of funds (continued)**

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.

Pupil Premium, other grants and other income which includes PE Grant, Special Needs and Early Years Funding with the income being restricted to the terms of each funding stream.

Capital Grant has been received for capital and related 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 2019.

The academy's restricted general (excluding pension reserve) and unrestricted funds total £836,181 at 31 August 2019. (2018: £579,590)

**Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Newbottle Academy	<b>528,791</b>	468,237
Gillas Lane Academy	<b>104,532</b>	46,154
Dubmire Academy	<b>117,828</b>	118,532
Central Services	<b>85,030</b>	27,292
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	<b>836,181</b>	660,215
Restricted fixed asset fund	<b>9,342,111</b>	9,630,540
Pension reserve	<b>(1,936,000)</b>	(1,080,000)
	<hr/>	<hr/>
<b>Total</b>	<b>8,242,292</b>	9,210,755
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Newbottle Academy	1,196,108	144,883	95,525	396,346	<b>1,832,862</b>	1,920,869
Gillas Lane Academy	510,821	52,692	51,374	243,932	<b>858,819</b>	1,035,999
Dubmire Academy	1,479,864	256,898	237,489	412,912	<b>2,387,163</b>	2,478,446
Central Services	258,142	112,372	1,345	76,258	<b>448,117</b>	542,343
<b>Academy</b>	<b>3,444,935</b>	<b>566,845</b>	<b>385,733</b>	<b>1,129,448</b>	<b>5,526,961</b>	<b>5,977,657</b>

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**18. Statement of funds (continued)**

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
<b>Unrestricted funds</b>					
General Funds	280,405	656,807	(106,773)	-	830,439
<b>Restricted general funds</b>					
General annual grant	68,125	3,660,042	(4,002,629)	-	(169,224)
Other DFE grants	47,844	628,214	(676,058)	-	-
Schools direct	29,976	5,000	(34,976)	-	-
Pupil premium	-	385,827	(385,827)	-	-
Pension reserve	(1,281,000)	69,000	(167,000)	298,000	(1,081,000)
	<u>(1,135,055)</u>	<u>4,748,083</u>	<u>(5,266,490)</u>	<u>298,000</u>	<u>(1,250,224)</u>
<b>Restricted fixed asset funds</b>					
Restricted Fixed Asset Fund	9,970,670	230,329	(465,221)	-	9,630,540
<b>Total Restricted funds</b>	<u>8,835,615</u>	<u>4,978,412</u>	<u>(5,731,711)</u>	<u>298,000</u>	<u>8,380,316</u>
<b>Total funds</b>	<u><u>9,116,020</u></u>	<u><u>5,635,219</u></u>	<u><u>(5,838,484)</u></u>	<u><u>298,000</u></u>	<u><u>9,210,755</u></u>

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**19. Analysis of net assets between funds**

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

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	187,423	9,312,259	9,499,682
Intangible fixed assets	-	-	29,852	29,852
Current assets	689,677	541,695	-	1,231,372
Creditors due within one year	141,504	(724,118)	-	(582,614)
Provisions for liabilities and charges	-	(1,936,000)	-	(1,936,000)
<b>Total</b>	<b>831,181</b>	<b>(1,931,000)</b>	<b>9,342,111</b>	<b>8,242,292</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	9,731,590	9,731,590
Intangible fixed assets	-	-	28,139	28,139
Current assets	893,749	137,549	-	1,031,298
Creditors due within one year	(63,312)	(307,773)	(129,189)	(500,274)
Provisions for liabilities and charges	-	(1,080,000)	-	(1,080,000)
<b>Total</b>	<b>830,437</b>	<b>(1,250,224)</b>	<b>9,630,540</b>	<b>9,210,753</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. Reconciliation of net expenditure to net cash flow from operating activities**

	2019 £	2018 £
Net expenditure for the year (as per statement of financial activities)	<b>(218,462)</b>	<b>(203,266)</b>
<b>Adjustments for:</b>		
Amortisation	<b>19,794</b>	13,310
Depreciation	<b>245,167</b>	245,196
Capital grants from DfE and other capital income	<b>(275,607)</b>	<b>(206,714)</b>
Interest receivable	<b>(500)</b>	<b>(435)</b>
Defined benefit pension scheme cost less contributions payable	<b>79,000</b>	68,000
Defined benefit pension scheme finance cost	<b>27,000</b>	29,000
Decrease/(increase) in debtors	<b>10,408</b>	<b>(35,699)</b>
Increase in creditors	<b>82,336</b>	253,645
<b>Net cash (used in)/provided by operating activities</b>	<b>(30,864)</b>	<b>163,037</b>

**21. Cash flows from investing activities**

	2019 £	2018 £
Dividends, interest and rents from investments	<b>500</b>	435
Purchase of intangible assets	<b>(21,507)</b>	<b>(4,610)</b>
Purchase of tangible fixed assets	<b>(13,255)</b>	<b>(64,175)</b>
Capital grants from DfE Group	<b>275,607</b>	206,714
<b>Net cash provided by investing activities</b>	<b>241,345</b>	<b>138,364</b>

**22. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	<b>1,011,615</b>	801,134
<b>Total cash and cash equivalents</b>	<b>1,011,615</b>	<b>801,134</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the year amounted to £307,210 (2018 - £292,727).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy 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.

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**23. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £269,000 (2018 - £332,000), of which employer's contributions totalled £214,000 (2018 - £270,000) and employees' contributions totalled £ 55,000 (2018 - £62,000). The agreed contribution rates for future years are 16.7% per cent for employers and per cent for employees.

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

**Principal actuarial assumptions**

	<b>2019</b>	<b>2018</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.50</b>	<b>3.40</b>
Rate of increase for pensions in payment/inflation	<b>2.00</b>	<b>1.90</b>
Discount rate for scheme liabilities	<b>2.80</b>	<b>2.50</b>
Inflation assumption (CPI)	<b>2.00</b>	<b>1.90</b>
RPI inflation	<b>3.10</b>	<b>3.00</b>
Pension accounts revaluation rate	<b>2.00</b>	<b>1.90</b>

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

	<b>2019</b>	<b>2018</b>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	<b>21.9</b>	<b>22.9</b>
Females	<b>23.6</b>	<b>25.1</b>
<i>Retiring in 20 years</i>		
Males	<b>23.6</b>	<b>25.1</b>
Females	<b>26.9</b>	<b>28.7</b>



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**23. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	5,274	4,036
Discount rate -0.1%	5,574	4,265
Mortality assumption - 1 year increase	5,603	4,266
Mortality assumption - 1 year decrease	5,243	4,032
CPI rate +0.1%	5,503	4,211
CPI rate -0.1%	5,342	4,088

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

	<b>At 31 August 2019</b>	<b>At 31 August 2018</b>
	<b>£</b>	<b>£</b>
Equities	2,283,330	2,071,575
Corporate bonds	397,404	343,728
Property	299,796	260,865
Cash and other liquid assets	73,206	67,518
Government bonds	142,926	122,760
Other	289,338	202,554
<b>Total market value of assets</b>	<b>3,486,000</b>	<b>3,069,000</b>

The actual return on scheme assets was £213,000 (2018 - £146,000).

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Current service cost	(288,000)	(338,000)
Interest income	89,000	69,000
Interest cost	(116,000)	(98,000)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(315,000)</b>	<b>(367,000)</b>

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**23. Pension commitments (continued)**

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

	2019 £	2018 £
<b>At 1 September</b>	<b>4,149,000</b>	<b>3,912,000</b>
Current service cost	288,000	338,000
Interest cost	116,000	98,000
Employee contributions	55,000	62,000
Actuarial losses/(gains)	874,000	(221,000)
Benefits paid	(65,000)	(40,000)
Past service costs	5,000	-
<b>At 31 August</b>	<b>5,422,000</b>	<b>4,149,000</b>

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

	2019 £	2018 £
<b>At 1 September</b>	<b>3,069,000</b>	<b>2,631,000</b>
Interest income	89,000	69,000
Actuarial gains	124,000	77,000
Employer contributions	214,000	270,000
Employee contributions	55,000	62,000
Benefits paid	(65,000)	(40,000)
<b>At 31 August</b>	<b>3,486,000</b>	<b>3,069,000</b>

**24. Operating lease commitments**

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

	2019 £	2018 £
Not later than 1 year	11,203	11,203
Later than 1 year and not later than 5 years	12,975	12,975
	<b>24,178</b>	<b>24,178</b>

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**25. Members' liability**

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

**26. Related party transactions**

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, 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's financial regulations and normal procurement procedures.

P Dutton and J Foster are both self-employed Basic Skills Quality Mark Assessors. (P Dutton and J Foster are members of the trust).

Aim High Academy Trust operates the Quality Mark for Basic Skills on behalf of Sunderland Local Authority. P Dutton and J Foster carried out assessments at schools in the Sunderland area and each received remuneration totalling £250 (2018: £750).

P Dutton also provided training and consultancy services as part of the National Leaders of Governance programme and received remuneration totalling £83 (2018: Nil).

These services were provided by P Dutton and J Foster at cost and in accordance with the trust's financial regulations. There was no amounts outstanding as at 31 August 2019.

C Hall is a local governor to the Academy since May 2018. C Hall is the owner of Thrills & Skills for Life, an outdoor education provider and maintenance company. C Hall provided these services totalling £120 at cost and in accordance with the trust's financial regulations.