



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



INSPIRE EDUCATION TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs Lois Whitehouse (resigned 28 November 2019) Chair of the Diocesan Board of Education - Canon Linda Wainscoat (resigned 16 August 2019) Mrs Eileen Leech Mr Ralph Bonnell Chair of the Diocesan Board of Education - Canon April Gould (appointed 16 August 2019) Bishop Christopher Cocksworth (appointed 10 September 2019)
Trustees	Mrs Kim Docking, Executive Principal (resigned 31 August 2019) Canon Linda Wainscoat (resigned 30 November 2018) Mr David Kershaw Mr Graham Wise, Chair of the Finance and Audit Committee Reverend Malcolm Tyler, Chairman Mrs Gillian Bowser (resigned 31 August 2019) Mrs Lisa Hayes Mrs Sybil Hanson (appointed 30 November 2018) Mrs Rachel Mason (appointed 10 September 2019) Mr Mark Gore (appointed 10 September 2019)
Company registered number	09728614
Company name	Inspire Education Trust
Principal and registered office	Walsgrave CofE Academy School House Lane Walsgrave Coventry CV2 2BA
Company secretary	Mrs Antoinette Heffernan
Senior Management Team	Mrs Kim Docking, Executive Principal Mrs Antoinette Heffernan, Business Manager Mr Robert Darling, Headteacher - Walsgrave Ms Pam Carpenter, (to 31 December 2018) Headteacher - Whittle Mrs Michelle Harris, (from 29 April 2019) Headteacher - Whittle Mrs Amy Husband, Headteacher - Clifford Bridge Mrs Claire Jackson, Headteacher - Hearsall
Independent auditor	Cooper Parry Group Limited Chartered Accountants Statutory Auditor One Central Boulevard Blythe Valley Business Park Solihull West Midlands B90 8BG

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

Bankers	Lloyds Bank plc Coventry CV1 5RA
Solicitors	Browne Jacobson LLP Victoria Square House Victoria Square Birmingham B2 4BU

INSPIRE EDUCATION TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of Inspire Education Trust (the academy trust) for the period 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.

The academy trust operates 4 primary academies in Coventry, Warwickshire. Its academies have a combined pupil capacity, from Reception to Year Six, of 1,530 and had a roll of 1453 in the school census in January 2019.

Structure, Governance and Management

a. Constitution

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

The charitable company's memorandum and articles of association are the primary governing document of the academy trust.

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

The charitable company is known as Inspire Education Trust.

Details of the Trustees who served during the period, 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 academy trust undertakes to contribute to the assets of the academy trust 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

In accordance with the normal commercial practice, the academy trust provides indemnity insurance to protect its members, directors, academy representatives and officers from claims arising from negligent acts, errors, or omissions occurring whilst on academy trust business. This insurance does not extend to any claim arising from any act or omission which trustees knew to be a breach of trust or breach of duty, or which was committed by the trustees in reckless disregard of whether it was a breach of trust or a breach of duty, or to the costs of any unsuccessful defense to a criminal prosecution brought against the trustees in their capacity as trustees. The insurance provider provides up to £10 million in aggregate claims.

d. Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed by nomination and election by current board members, by nomination by the members of the charitable company.

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

Structure, Governance and Management (continued)

e. Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees bring a variety of experience from a number of different backgrounds in both education and industry and commerce. Those coming via a role with a Local Governing Body will have received governor training. Where necessary, additional training will be provided on charity, educational, legal and financial matters. All trustees are routinely involved with meetings, accounts, reports, budgets, plans and other information necessary to enable them to carry out their roles. Assistance and advice is always available from trust staff or professional advisors.

f. Organisational Structure

The MAT Board of Directors (the trustees) consists of The Executive Principal and a team of six externally appointed directors each with varying skills. The MAT Board establish an overall framework for the governance of the Trust and is responsible for setting general policies, setting and monitoring annual budgets, making major decisions regarding strategic direction of the company and staff appointments. The directors are responsible for the monitoring and performance of the Executive Principal.

Each Academy has a Local Governing Body which has delegated authorities from the Trust Board. The Local Governing Body of each of the schools are responsible for implementing the policies laid down by the directors and reporting back to them. They scrutinise the performance of the individual schools. The committees are made up of parents, staff, directors and co-opted governors. They have responsibility for the Performance Management of the Head Teacher. The Executive Principal is the Chief Executive Officer and Accounting Officer.

The day-to-day running of the academies within the trust are managed by a headteacher and senior leaders in each academy, who have delegated authorities for both Financial and HR matters per a scheme of delegation. Head Teachers can authorise expenditure up to £1,000 of goods and services with the executive principal able to authorise up to £10,000. The Executive Principal, Head Teacher and Business Manager are bank signatories on the respective bank accounts of each academy.

g. Arrangements for Setting Pay and Remuneration of Key Management Personnel

The pay policy was agreed in October 2018 at the Finance and Audit Committee with arrangements specified for key management personnel. The pay of these staff is set in line with the recommendations in the Teachers Pay and Conditions for the size of school and level of responsibility.

h. Related parties and other connected charities and organisations

Inspire Education Trust was established as a standalone company and does not have any external sponsors. The long-established relationship between Inspire Education Trust and the Coventry Diocesan Board of Education has continued with Walsgrave C of E Academy entering into a Service Level Agreement to support the school in continuing to be an outstanding Church Of England Primary School.

i. Trade union facility reporting

All our academies within Inspire Education Trust bought back into the Coventry City Council Trade Union Service level agreement in this financial year.

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

Objectives and Activities

a. Objects and aims

Inspire Education Trust is a Multi Academy Trust that grew from a shared belief that children deserve a first-class education so that each individual child understands what they are capable of, what talents they have, and strives for excellence in themselves in order to succeed in the next stage of their education and the world of work.

We understand that every member of staff is here for the best interest of the children. We want to ensure that every child is valued and that the unique identity of each school is protected, celebrated and recognised for the contribution it makes to ensuring children have the best education and experiences. Our mission statement captures the way in which we work to achieve this.

“Together we achieve, individually we grow”

The following aims act to support our ethos:

‘In all schools across the MAT we show respect towards those of other faiths and beliefs. The Christian faith is also central to the life and work of our Church of England School.’

In our school communities, we aim to create an atmosphere of trust and understanding in which the sanctity of the individual is cherished and where the children and adults show consideration, courtesy and respect for each other at all times.

- We aim** to overcome any barriers to learning in order that children feel able to fly.
- We aim** for all members of our school community to feel safe, secure and successful.
- We aim** to provide a dynamic and responsive curriculum which stimulates a lifelong love of learning through which children develop the skills necessary to feel valued and fulfilled citizens of the future.
- We aim** for the children to be independent learners and feel confident to make decisions and take responsibility for their learning.
- We aim** to constantly provide opportunities for children to engage with current and new technologies to enhance their learning experiences.
- We aim** to develop effective partnerships between home, school, local, national and global communities.

Our Values

We are committed to making all children feel happy, safe and secure.

We believe that all our children are of equal value, regardless of their differences, and we celebrate the diversity of our school community.

We believe that it is our responsibility to ensure that our children fulfil their social and academic potential through appropriately differentiated opportunities.

We believe that our children are entitled to innovative learning experiences, which give them the skills, and knowledge, to feel valued and fulfilled citizens.

We value and encourage children's involvement in and contribution to the daily life of the school and We actively seek opportunities to listen to children's voices.

We value and actively seek to promote links with parents, the local, national and global communities.

We celebrate our national culture and traditions and encourage the children from other cultures to teach us about theirs.

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

Objectives and Activities (continued)

b. Objectives, strategies and activities

Key Improvement focuses identified for this year were:

- To improve the impact of leadership and management at all levels.
- To ensure that all members of the Local Governing Body have an accurate understanding of their role and the school's effectiveness and are able to provide sufficient challenge to school leaders
- To maintain consistent high quality leadership within the MAT through a MAT Succession Plan that evolves to reflect emerging needs
- To raise standards of teaching & learning.
- To improve pupils' outcomes through rigorous use of attainment data and appropriate interventions
- To increase the progress of disadvantaged pupils through improved identification of individual barriers and personalised strategies / support
- To ensure all pupils are confident, self-assured, independent learners.
- To improve behaviour over time so that all children behave in line with school expectations.
- To increase the percentage of children working at age-related and at greater depth in Reading, Writing and Maths at KS1/KS2
- To secure expected or better than expected progress, for the overwhelming majority of pupils based on previous statutory assessments.
- To ensure inclusion and equality by promoting equality of opportunity and diversity for pupils and staff so that the ethos and culture of the whole school counters any form of direct or indirect discriminatory behaviour.
- To support the emotional well-being of children and staff
- To ensure the school reflects best practice in safeguarding so that all pupils feel safe in school.
- To ensure the school achieves high attendance / improved attendance for vulnerable children.

The strategies and criteria to measure success for achieving these objectives were:

- Staff had individual profiles and generic and bespoke staff development was provided as a result of monitoring outcomes.
- Our academies worked together to share best practice in order to continually improve pedagogy
- 'Accelerated Improvement Plans' for teachers not meeting teacher standards commensurate with career stage expectations.
- Extended staff meetings to support planning for the Core Curriculum and the delivery of our Thematic Curriculum.
- Performance management systems to support teacher improvement.
- Staff across the MAT, including employment of a Teaching and Learning Consultant were deployed in each academy sharing their expertise to improve the teaching profile.
- Head Teacher of Walsgrave led on assessment ensuring systems and processes were embedded and impacted on standards.
- Staff were trained in the use of pupil assessment data in order to impact on targeted provision and assessment outcomes.
- Ongoing training in Maths No Problem across the MAT.
- Ongoing staff training both at Academy and across the MAT.
- Cross MAT and Network moderation.
- Sampling of teacher judgements.
- 'Pupil Progress' meetings used to upskill teachers.
- Ongoing monitoring of the quality of teaching.
- Embedding flipped monitoring to empower teachers in taking responsibility for their own professional development.
- Strategic Leads across the MAT coordinated the work of their subjects /aspects in order to ensure consistency of expectation in all subjects and in key year groups, EYFS, 2 and 6.
- Monitoring ensured teachers if necessary, had support at individual level to ensure that they were confident in delivering all National Curriculum Subjects.
- Planned cross MAT induction programme of new staff, NQT's and Schools Direct students
- Cross MAT planning of enrichment activities.

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

Objectives and Activities (continued)

- Termly analysis of data to include a focus on the attainment and progress of identified groups of pupils and a gap analysis.
- Provision Management meetings focussed on Disadvantaged Children and children 'off track' in terms of progress and attainment.
- Developing the role of the Disadvantaged Pupil Champion in coordinating provision and monitored outcomes (both academic and well being) throughout the year
- Monitoring focus on provision and outcomes for identified groups of pupils.
- Achievement for All embedded in work of the school. Particular focus Hearsall and Whittle
- Teachers and support staff trained in delivering interventions.
- Content of interventions revisited.
- Use of Thrive further developed at Clifford Bridge and Walsgrave. Embedded at Hearsall and Whittle where additional staff to be trained as Thrive practitioners.
- Attendance initiatives and expectations embedded in all academies and their impact monitored against all and identified groups of pupils.
- Termly staff training in Safeguarding including, Prevent, CSE, FGM , County Lines and Emotional Abuse.
- All governors at LGB level received Safeguarding training.
- Initiatives to support children's health and fitness introduced.
- Forest Schools embedded at Walsgrave and Hearsall.

c. Public benefit

In setting the objectives and planning activities the trustees have given careful consideration to ensuring compliance with the Charity Commissions general guidance on public benefit. The activities undertaken to further the academy trust's public benefit are:

The trust aims to advance, for the public benefit, education in Coventry and the surrounding area. In particular, but without prejudice to the generality of the forgoing by maintaining, managing and developing schools and offering a broad curriculum to all its pupils and in the case of Walsgrave C of E Academy with a distinctively Christian context.

The Trust also provides opportunities for children, their parents and the local communities that it serves through a range of extra-curricular activities and opportunities.

Inspire Education Trust is working to support all of the academies within the trust and to sustain a culture of mutual support and development across these academies. The commitment to developing a high-quality curriculum, delivered by well trained and effective teaching and support staff, and the sharing of expertise is at the heart of the trust's vision and development.

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

Objectives and Activities (continued)

Strategic report

Achievements and performance

a. Strategic report

The MAT is in its fourth year of operation and we continue to build on the ethos embedded within our group of academies. There have been no inspections during this academic year, however Walsgrave CE Academy volunteered to host a 'Mock Ofsted' in preparation for the introduction of the new Ofsted Framework September 2019. We have seen some impressive improvements in all four MAT academies. The Regional Schools Commissioner was very positive and is prepared to allow IET to grow the MAT.

Walsgrave CE Academy

There have not been any routine inspections during this year and Walsgrave remains in the category of 'Outstanding' in both OFSTED and SIAMS. Walsgrave took part in a "Mock Inspection" working with Ofsted Inspectors who judged the school against the new Framework. Feedback was both positive and developmental highlighting areas of focus ready for its' introduction in September 2019.

The Local Authority confirms the view of the MAT that this is an effective academy with its vision and ethos embedded in its practice. The strong support of the local incumbent and the highly effective Chair of the Local Governing Body is a factor in its success, along with an efficient and active Local Governing Body. There is also a wonderful team spirit within the academy where all staff work well together to evaluate and monitor progress constantly and strive to ensure that good progress is achieved for all pupils. The headteacher is relentless in his drive for improvement.

The Leadership Team has been strengthened with the internal promotion of an additional Assistant Headteacher. Both Assistant Headteachers are highly effective practitioners setting a strong example in their class teaching. There is good capacity for leadership at all levels. The headteacher has invested significantly in the development of both senior middle leaders. Phase leaders have a significant impact in their phases ensuring consistent high quality teaching.

External reviews confirm that Walsgrave CE Academy remains 'Outstanding'. The school was judged to be 'highly effective' with many strengths including the quality of teaching and learning, leadership and the engaging curriculum.

Clifford Bridge Academy

The Academy was inspected by Ofsted in May. We judged the schools as 'Outstanding' and were delighted that the Inspection recognised the strong practice and marked improvement. As such, in line with the current Ofsted framework, HMI recommended a Section 5 Inspection in the next 12-18 months. We were disappointed that no such inspection took place. The Trust judges the school as being outstanding in the current framework (pre 2019) and as such would have welcomed external validation.

This was a difficult year for the Academy as ill health resulted in the Head Teacher was absent for a number of weeks on two occasions, as was one of the Assistant Head. It was a tribute to the effective staff development and systems within the school that there was no negative impact on the school and developments continued as planned. The highly effective MAT Early Years Lead is based at Clifford Bridge and contributed to leadership capacity within the school. The Head Teacher has empowered leaders at all levels and their impact is clear to see.

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

Strategic report (continued)

Achievements and performance (continued)

She continues to use her expertise in Inclusion and Thrive to support all children within the academy. She is now an accredited Thrive trainer. The Local Governing Body is led by an extremely proactive Chair. She is well supported by the rest of the Governing Body. 'Governors know the school well. They share the commitment to continuous development. They do not take at face value what they are told but visit the school to verify what leaders tell them.

Whittle Academy

Whittle was a sponsored Academy with an OFSTED judgement of Requires Improvement. We were delighted when Whittle was recognised by Ofsted June 2018 as 'good' in every area highlighting the rapid pace and impact of change. During 2017/18 the Executive Principal and Teaching and Learning consultant spent a considerable amount of time at Whittle. During the first half of the autumn term they were based elsewhere. The Head Teacher and Deputy Head Teacher were on long term sick from early October 2017, which saw them leaving the academy at the end of the term.

The Executive Principal and Teaching and Learning Consultant led the academy until a substantive head took up post at the start of the summer term. She has made a superb start to her headship and quickly won the trust and respect of all stakeholders. These arrangements ensured that there was no negative impact on the children and the school and saw staff morale quickly improve. Middle leaders and the Pastoral Lead provided strong support during this period giving their time and expertise freely.

The new Chair Of the Local Governing Body was inducted in post by her predecessor and Chair of Directors. She established herself very quickly winning the respect of all stakeholders. She provides both support and challenge as needed.

Hearsall Academy

Hearsall Community Primary School joined Inspire Multi Academy Trust in April 2017 as a sponsored academy. The substantive Headteacher left the school at the end of the academic year. The Deputy Headteacher led the school, initially in a temporary role and then became substantive Head Teacher in February 2019. She has provided strong leadership, which saw the consistent quality of provision improve, as recognised in two external reviews and by the Local Authority. The outstanding Early Years Assistant Headteacher was on maternity leave from August 2018 to July 2019. Leadership capacity in this area was provided by the Trust and saw the Strategic Lead for the EYFS who was in school on a weekly basis. A second Assistant Head Teacher was promoted. He is a Local Leader of Education, and has shown himself to be an exceptional school leader, both of teaching and learning and in pastoral care. His strategic lead of Thrive has been quite exceptional.

The building work, agreed at point of conversion, had a significant impact on the work of the school, in particular in the autumn term. We are delighted that it is now complete and that the outdoor playground, and learning spaces are much improved. We are still waiting for the work on the MUGA to be completed.

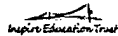
Sports provision across the school continued to improve significantly with large numbers of children competing in regional and Coventry-wide events.

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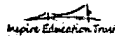
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)



1. Inspire Attainment Data Headlines - July 2019



**All
Children**

Reception - GLD	2018	2019
National	72	72
Clifford Bridge	88	81
Hearsall	72	73
Stockingford		59
Walsgrave C of E	72	81
Whittle	70	63

Year 1 & 2 - Phonics	Year 1		Year 2 (Retake)	
	2018	2019	2018	2019
National	82	82	92	
Clifford Bridge	88	83	92	95
Hearsall	79	81	93	85
Stockingford		67		86
Walsgrave C of E	80	81	90	98
Whittle	77	80	63	91

KS1 Teacher Assessment	ARE						GDS						ARE Combined	
	Reading		Writing		Maths		Reading		Writing		Maths		2018	2019
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019		
National	75	75	70	69	76	76	25	25	16	15	22	22	65	-
Clifford Bridge	78	88	78	85	85	90	33	32	18	22	30	32		82
Hearsall	76	75	72	70	87	83	33	36	22	22	38	34		69
Stockingford	68	70	68	54	74	72	21	16	18	7	7	16		59
Walsgrave C of E	80	84	78	84	80	84	28	30	12	18	30	25		82
Whittle	62	63	57	60	62	68	19	17	11	17	11	17	45	60

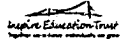
KS2 Test Outcome	Reading ARE		Reading GDS		GDS ARE		GDS GDS		Writing (TA) ARE		Writing (TA) GDS		Maths ARE		Maths GDS		Combined ARE		Combined GDS	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
National	75	73	28	27	78	78	34	36	78	78	20	20	76	79	24	27	64	65	18	-
Clifford Bridge	94	79	40	19	94	85	47	39	91	82	28	14	97	94	34	31	91	73		
Hearsall	85	73	35	22	88	88	37	36	81	81	14	20	88	92	30	31	74	68		8
Stockingford	63	56	12	18	67	63	25	21	70	62	10	9	67	57	5	9	54	1	40	2
Walsgrave C of E	88	76	32	24	92	90	38	41	92	83	23	20	92	86	35	29	82	67	6	10
Whittle	64	64	10	31	72	71	26	40	77	79	3	10	54	62	13	21	51	60	0	2

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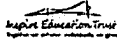
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)



2. Inspire Attainment Data Headlines - July 2019



Disadvantaged Children

Reception - GLD	2018	2019
National	56	
Clifford Bridge	67 (3)	0 (0)
Hearsall	50 (3)	80 (4)
Stockingford		
Walsgrave C of E	25 (1)	33 (1)
Whittle	75 (6)	67% (2)

Year 1 & 2 - Phonics	Year 1		Year 2 (Retake)	
	2018	2019	2018	2019
National	68		86	
Clifford Bridge	75 (8)	40 (2)	80 (5)	100 (8)
Hearsall	70 (7)	50 (4)	89 (7)	100 (16)
Stockingford				
Walsgrave C of E	17 (1)	50 (2)	90 (9)	88 (7)
Whittle	71 (5)	50 (3)	71 (5)	83 (5)

KS1 Teacher Assessment	ARE						GDS						ARE Combined	
	Reading		Writing		Maths		Reading		Writing		Maths		2018	2019
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019		
National	78		70		77		27		15		20			
Clifford Bridge	40 (2)		40 (2)		40 (2)		20 (1)		20 (1)		40 (2)			
Hearsall	44	81	33	75	67	87	22	31	11	12	11	25		69
Stockingford		45		28		52		3		28		7		28
Walsgrave C of E	70 (7)	25 (2)	70 (7)	25 (2)	80 (8)	75 (6)	20 (2)	0 (0)	10 (1)	0 (0)	20 (2)	0 (0)		25 (2)
Whittle	43 (3)	57 (4)	29 (2)	43 (3)	43 (3)	43 (3)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)

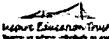
KS2 Test Outcome	Reading ARE		Reading GDS		GfES ARE		GfES GDS		Writing (TA) ARE		Writing (TA) GDS		Maths ARE		Maths GDS		Combined ARE		Combined GDS	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
	71		23		78		27		79		18		75		20		60		7	
National	86	55	29	9	100	82		9	71	73	0	18	71	64	14	18	57	45		9
Clifford Bridge	100 (1)	58 (4)	0 (0)	0	100 (1)	71 (5)	0 (0)	29 (2)	100 (1)	58 (4)	0 (0)	14 (1)	100 (1)	86 (6)	0 (0)	14 (1)	100 (1)	58 (4)	0 (0)	0
Hearsall		56 (25)		18 (8)		56 (25)		18 (8)		56 (25)		12 (1)		51 (23)		6 (3)		33 (16)		0
Stockingford		67 (8)	44 (4)	0 (0)	89 (8)	75 (9)	22 (2)	25 (3)	100 (1)	58 (7)	22 (2)	0 (0)	89 (8)	67 (8)	35 (3)	8 (1)	89 (8)	55 (5)	89 (8)	0 (0)
Walsgrave C of E	100 (1)	67 (8)	44 (4)	0 (0)	89 (8)	75 (9)	22 (2)	25 (3)	100 (1)	58 (7)	22 (2)	0 (0)	89 (8)	67 (8)	35 (3)	8 (1)	89 (8)	55 (5)	89 (8)	0 (0)
Whittle	54 (7)	47 (8)	15 (2)	24 (4)	54 (7)	65 (11)	15 (2)	18 (3)	62 (8)	70 (13)	0 (0)	6 (1)	31 (4)	47 (8)	8 (1)	0 (0)	31 (4)	41 (7)	0 (0)	0 (0)

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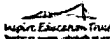
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)



3. Inspire Scale Score & Progress Overview - July 2019



KS1 Historic APS

	2018	2019
Clifford Bridge	18.1	18.0
Hearsall	16.0	16.3
Stockingford		
Walsgrave C of E	17.4	17.2
Whittle	15.9	16.5

Progress Measures

**Progress is calculated by seeing where similar children were at the end of KS1 and then again at the end of KS2.*

	Reading				Writing				Maths			
	2018		2019		2018		2019		2018		2019	
	0		0		0		0		0		0	
	All	Dis	All	Dis	All	Dis	All	Dis	All	Dis	All	Dis
Clifford Bridge	-0.8		-3.3	-3.9	-1.3		-2.0	-0.5	-0.3		-0.5	+1.7
Hearsall	+2.2				0				+2.8			
Stockingford	-4.3				-3.4				-4.4			
Walsgrave C of E	-0.1	+1.4	-0.8	-1.7	-0.2	+2.6	-0.4	-2.2	+0.9	-1.5	+0.6	-0.6
Whittle	-2.6	-3.3	-2.2	-3.3	-1.5	-3.9	-2.6	-2.4	-2.6	-4.4	-3.2	-5.2

Average Scaled Score Information

**This is calculated by adding all the children individual scaled scores and dividing by total number of children so we can compare to National*

	Reading				GaPS				Maths			
	2018		2019		2018		2019		2018		2019	
			104				106				105	
	All	Dis	All	Dis	All	Dis	All	Dis	All	Dis	All	Dis
Clifford Bridge	107.0	107.0	103.0	100.0	108.0	103.0	108.0	105.0	107.0	101.0	107.0	106.0
Hearsall	106.0	102.0			108.0	106.0			106.0	103.7		
Stockingford	101.0								100.0			
Walsgrave C of E	107.2	108.1	104.2	100.3	109.0	106.5	108.8	103.4	107.4	104.3	106.4	101.9
Whittle	101.2	99.0	102.9	100.1	104.9	101.0	105.0	100.5	100.6	98.0	102.7	98.4

Quality of Teaching

The teaching profile improved in all four schools within the MAT during 2018/19. This was as a result of focused CPD, particularly at Whittle and at Hearsall in the summer term.

%	Clifford Bridge			Hearsall			Walsgrave			Whittle		
	Aut	Spr	Sum	Aut	Spr	Sum	Aut	Spr	Sum	Aut	Spr	Sum
O	35	44	56	12.5	25	25	41	47-O	56-O	22	33.3	33.3
G	65	56	44	50	57	62.5	53	53-G	44-G	56	44.4	44.4
RI				12.5	18	12.5	6	0	0	32	22.2	22.2
I				12.5								

At Hearsall there were two agency staff in post during the summer term. They have not been included in these figures. Staff remaining in the MAT are good or better. Staff changes make it hard to accurately suggest a teaching profile for 2019/20. This will be communicated to LGB's and Directors throughout the year.

Assessment

Moderation sessions and LA audit of judgement in Year R, 2 and 6 in MAT schools, SATS results confirmed teacher judgments were accurate. Teachers themselves reported greater confidence in assessing both in statutory and non statutory year groups.

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

Strategic report (continued)

Achievements and performance (continued)

Curriculum

Monitoring of planning, delivery, books and pupil voice confirmed that there was appropriate focus on all National Curriculum subjects and that children were engaged in their learning and enjoyed coming to school. Ofsted praised the quality of our curriculum saying it was inspiring.

"The curriculum, which is well designed, is a strength of the school. It is underpinned by a clear rationale, which promotes learning in a broad range of subjects in addition to English and mathematics. Through themed topics, pupils develop generic skills and characteristics such as resilience and teamwork. Where appropriate, topics are closely related to the local context of Coventry to foster pupils' pride in their local heritage."

Development in assessment in foundation subjects has taken place. Curriculum development is a School Improvement Priority this year reflecting new expectations and focus from Ofsted.

Behaviour

Ongoing monitoring of behaviour and exclusions confirmed the impact of the introduction of Thrive. Behaviour is outstanding in two schools and good in the others. The focus on behaviour for learning has had positive outcomes in all four schools.

Safeguarding

The MAT Pastoral Lead with the Executive Principal coordinate the work of the Pastoral Teams in each academy. Staff work closely to ensure consistent practice in all schools and are constantly looking at ways to improve and extend our provision.

Governors and directors were invited to generic Safeguarding training at the start of the year. All staff attend Safeguarding training on the first Teacher Day of the year. This is also part of the induction process for mid – year starters. Whole staff training has included a Prevent update, FGM, E Safety, Emotional Abuse and Child Sexual Exploitation. CPOMs is used consistently across the MAT and has greatly improved our systems. Staff report increased confidence in this area. Safeguarding leads and the Executive Principal attend Local Authority termly updates.

Cross MAT appointments

Staff include an Executive Principal/CEO, MAT Business Manager, Assistant Business Manager, Lead Site Service Officer, Health & Safety Lead (.2), Teaching and Learning Consultant (.4), ICT Technician, ICT support (x2) and PE HLTA plus two PE apprentices.

These cross-MAT roles have had a positive impact not only on teaching and learning, but every aspect of our school. Consistency of expectations, clear procedures and systems have supported school improvement at every level.

Staff

Headteachers, Chair of Governors, Office Managers, Year Group Teachers, Subject leaders, Pastoral Support Staff, Inclusion Leads all meet on a regular basis to share and improve practice.

Governance

The strong lead from the Chair of Directors, and Chairs of the Local Governing Bodies has provided much needed support, challenge and expertise during this period of change. The new Chair of Directors is a highly experienced and effective governor. He has ensured that he visited each Academy, taking the time to get to know the schools and school leaders. He has met regularly with the Executive Principal and attends all MAT Finance sub committees.

Succession planning remains a priority and careful recruitment and training has ensured that we have a diverse and appropriate skillset in each local governing body. We recognise that this is an area which we need to further develop reflecting increased expectations on governors.

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

Strategic report (continued)

Achievements and performance (continued)

Attendance

We are constantly looking at ways to further improve our attendance particularly impacting on hard to reach families and those who choose to take a holiday in term time. Attendance remains a challenge at both Hearsall and Whittle Academy this year despite the introduction of a range of initiatives this year.

Clifford Bridge				Hearsall				
Attendance based on ½ days	2017-18	2018 Autumn	Cumulative to June 21st	Attendance based on ½ days	2017-18	2018-19 Autumn	2018-19 Autumn & Spring	2018-19 Whole Year
Attendance – all pupils (Overall %)	96.16%	96.83%	95.65%	Attendance – all pupils (Overall %)	94%	96.1%	95.4%	95.1%
Disadvantaged pupils	95%	98.44%	93.97%	Disadvantaged pupils		95.3%	95.05%	94.67%
Unauthorised absence- all (%)	3.06%	1.03%	0.80%	Unauthorised absence- all (%)		0.6%	1.51%	2.07%
Disadvantaged pupils	1%	0.07%	1.22%	Disadvantaged pupils		0.09%	0.73%	1.12%
Persistent Absence 15% - all (%)	1.38%	3.33%	2.98%	Persistent Absence 15% - all (%)		5.89%	6.47%	6.25%
Disadvantaged pupils	0.55%	7.5%	0.22%	Disadvantaged pupils		1.02%	17.86%	11.64%
Persistent Absence 20% - all (%)	0%	1.7%	1.61%	Persistent Absence 20% - all (%)		4.76%	3.7%	5.16%
Disadvantaged pupils	0%	5%	0.23%	Disadvantaged pupils		25%	25%	9%
Pupil sessions missed - all (no.)	5521	1003	2049	Pupil sessions missed - all (no.)		1367	4188	6638
Disadvantaged pupils	5%	148	322	Disadvantaged pupils		288	513	1481

Walsgrave					Whittle				
Attendance based on ½ days	2017-18	2018-19 Autumn	2018-19 Autumn & Spring	2018-19 Whole Year	Attendance based on ½ days	2017-18	2018-19 Autumn	2019 Spring + Aut	2018-19 (Whole Year)
Attendance – all pupils (Overall %)	96.9%	96.9%	96.3%	96.0%	Attendance – all pupils (Overall %)	94.3	94.8	95.6 Spr + Aut	Summer 93.7 (overall 94.7)
Disadvantaged pupils	95.9%	96.1%	95.4%	95.2%	Disadvantaged pupils	93.8	93.2	94.2 Spr + Aut	Summer 94.7 (overall 94.5)
Unauthorised absence- all (%)	0.53%	1.1%	1.0%	0.9%	Unauthorised absence- all (%)	1.7	2.0	1.5	2.3
Disadvantaged pupils	0.53%	0.9%	0.9%	0.7%	Disadvantaged pupils	2.2	3.1	2.4	1.3
Persistent Absence 10% - all (%)	3.6%	6.7%	8.3%	8.6%	Persistent Absence 15% - all (%)	5.2	2.1	3	2
Disadvantaged pupils	5.7%	10.2%	12%	13%	Disadvantaged pupils	1.9	0.4	0.8	0.5
Pupil sessions missed - all (no.)	6684	1332	2432	-	Persistent Absence 20% - all (%)	1.9	0.8	2.2	0
Disadvantaged pupils	900	171	347	-	Disadvantaged pupils	0.4	0.4	0.4	0

Staff retention was high across the trust was high in three of our academies. At Hearsall 2018/19 saw significant staff turnover. We recognise the need to monitor this in 2019/20. Although exit interviews were offered to all take up was poor. Those completed were positive. We are looking to replace on line interviews with face to face interviews conducted by our HR Director in 2019/20. Recruitment was successful and we are fully staffed in all four schools. We were thrilled to be an employer of choice at a time when many schools are struggling to recruit. Our commitment to CPD and staff wellbeing is recognised as is our success in promoting from within.

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

Strategic report (continued)

Achievements and performance (continued)

Key Performance Indicators

As funding is predominantly based on pupil numbers this is a key performance indicator.

Pupil Numbers

October '17

Group description	Capacity	Pupils	Surplus
YR	225	188	37
Y1	225	200	25
Y2	225	200	25
Y3	225	202	23
Y4	225	208	17
Y5	225	224	1
Y6	180	173	7
	1530	1395	135

October '18

Group description	Capacity	Pupils	Surplus
YR	225	188	37
Y1	225	200	25
Y2	225	200	25
Y3	225	202	23
Y4	225	208	17
Y5	225	224	1
Y6	180	173	7
	1530	1395	135

b. Going concern

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

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

Strategic report (continued)

Financial review

a. Reserves policy

The majority of the academy trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted. The grants received from the ESFA during the year ended 31 August 2019 of £6,329,000 and the associated expenditure of £6,361,000 are shown as restricted funds in the Statement of Financial Activities.

Certain land, buildings and other assets were transferred into the Trust in April 2016. Included in assets is land and buildings which were professionally valued by Chartered Surveyors. The valuation is based on Depreciated Replacement Cost (PRCF) for specialised properties which are the current cost of replacing an asset with its modern equivalent less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

Total funds at the period end were £10,861,000 of which £13,022,000 related to fixed assets less £3,908,000 relating to the pension reserve deficit.

The MAT continues to work to the Key financial policies which were adopted during the first year that includes the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Chief Executive, Head Teachers, Business Manager, Assistant Business Manager, Office Managers, budget holders and other staff, as well as delegated authority for spending.

On an annual basis finance policies are reviewed and updated by the finance and audit committee and these policies include The Management of Connected Party Transactions, Charges and Remissions, Lettings, Debtors Budget Holders policy and Investments.

The amount of reserves held by the academy at 31 August 2019 is £1,747,238 These are for the following purpose:

Designated Reserves	£213,074
School Funds	£41,095
Earmarked Grants	£ 31,318
Conversion Grants	£114,400
To Bridge 2018-19 budget gap	£398,928
Un-earmarked	£948,423

The trustees review the reserve levels of the trust ongoing though out the financial year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the MAT, the uncertainty over future income streams, pupil demographics and other key risks identified during the risk review.

The Trust's Designated Funds covered Seven maternities this financial year. For 2019-20 we are currently aware of three members of staff due to go on maternity leave. The full cost of a staff member is profiled within the budget and is then matched from the fund. The fund therefore naturally decreases over the leave and is then increased at the end of the maternity leave as the total maternity entitlement is less than the annual cost of a staff member were they to be in post.

The MAT holds reserves for the following:

- Maternity Cover,
- Building & Plant maintenance and Replacement,
- ICT replacement strategy.

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

Strategic report (continued)

Financial review (continued)

The purpose of these funds are to provide sufficient working capital to cover planned replacements such as staff, plan repair or replacement boilers and kitchen equipment to ensure business continuity and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and the intention to build up reserves as and when circumstances allow. Trustees have agreed not to increase to these reserves in 2019-20 budget plans.

Financial year	Walsgrave	Clifford Bridge	Whittle	Hearsall	Total
2018-19	£62,886	£48,375	£54,736	£47,078	£213,074
2017-18	£59,647	£48,337	£55,455	£50,448	£213,887
2016-17	£50,603	£30,780	£42,895	£14,757	£139,035

Planned Projects :

Walsgrave Toilet refurbishment Summer 2020 YR 5 & Yr 6

Clifford Bridge: KS1 & Ks2 painting and decorationg

Whittle: External Door replacement project

Hearsall: Ongoing painting & Decorating

Additionally, trustees recognise other risks such as:

- fall in pupil numbers
- Grant fallout.
- Decrease in Pupil Premium Grant as KS2 children leave from year six
- Low pupil numbers coming into Reception Classes in autumn term 2019-20 due to a downwards demographic trajectory in Coventry in two of our academies.

b. Investment policy

Due to the nature and timing of receipt of funding, the trust may at times hold cash balances surplus to its short term requirements. The Investments Policy was reviewed in this financial year by the Finance and audit committee.

The aim of this policy is to ensure that funds which the Inspire Education Trust does not immediately need to cover anticipated expenditure are deposited or invested in such a way as to maximise income but minimise risk.

Trustees recognise that principally, it is responsible for ensuring that the Multi Academy Trust's funds are used only in accordance with the law, its articles of association, its funding agreement, the Academies Financial Handbook and policy.

Trustees are responsible for the proper stewardship of those funds, including regularity and propriety, and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money.

Trustees recognise that should the Trust invest surplus funds it **must** adhere to the **Value for Money principles** achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the Trust's charge, the avoidance of waste and extravagance, and prudent and economical administration.

Inspire Education Trust does not consider the investment / deposit of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

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

Strategic report (continued)

Financial review (continued)

Balances on Investment Accounts as at 31 August 2019:

Investment	Walsgrave	Clifford Bridge	Whittle	Hearsall	IET
Total	330,874.93	30,082.18	250,684.48	70,247.12	60,205.94

c. Principal risks and uncertainties

The board of trustees has reviewed the major risks to which the MAT is exposed in line with the risk register which is reviewed on a regular basis together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the trust are as follows:

Financial - the MAT has considerable reliance on continued government funding through the ESFA. Whilst this level is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. The Trust employed Coventry City Council in 2018-19 to act as Responsible Officer and has been led by the Chair of Finance and Audit.

Reputational - the continuing success of the trust is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational and professional standards. To mitigate this risk, trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Fraud and mismanagement of funds - the academy has appointed an internal auditor to carry out checks on financial systems and records in line with good financial practice. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

At the year end, the MAT had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

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

Fundraising

The academies within the trust have undertaken the below fundraising in the period 1 September 2018 to August 2019.

Details	Amount raised	On behalf of a charity	PTFA - on behalf of school
Red Nose	£200	✓	
Down Syndrome	£ 97	✓	
Children in Need	£957	✓	
Pass the Smile	£779	✓	
Poppy Appeal	£102	✓	
Myton Christmas Card	£50	✓	
Comic Relief	£368	✓	
Wear a Hat day – Brain Tumor	£250	✓	
School Fundraising & Fetes	£2,103		✓
Cake Sales	£280		✓
NSPCC	£631	✓	
McMillian Appeal	£266	✓	

Plans for future periods

The MAT will continue to strive to provide outstanding education and improve the levels of performance of its children at all levels. The MAT will continue to aim to attract high quality teachers and support staff in order to deliver its objectives, raising standards of teaching and learning from the baseline at the start of the year.

The Trust was approached by the DfE to sponsor Stockingford Primary School . Stockingford is a four form, undersubscribed primary school, which was placed in Special Measures in September 2018. Stockingford joined Inspire 01/09/2019. We were also approached by Blue Coat Academy and Music College. We anticipate Blue Coat joining Inspire in January 2020.

The Trust will seek to grow the number of academies within the trust to a level that is deemed under the foreseeable future circumstances to ensure future sustainability and viability for the trust. Blue Coat is in a strong position to provide support to another secondary school and is looking to complete a Free School in Nuneaton in wave 14. We would look for at least one more primary school to join our Trust in 2019/20.

The induction of new Leaders is a priority in 2019/20 as is the development of centralised services reflecting the increased size of the Trust as a secondary school joins Inspire. The Executive Principal, founder of the Trust and an NLE, at the DfE's request, has agreed to provide consultancy support during 2019/20 to support the induction of new leaders and the demands Stockingford will inevitably bring. We are delighted to have appointed a highly effective and experienced Head Teacher to lead the school September 2010.

The new CEO is experienced in school leadership, as a long standing Chair of Governors, Chair of Directors and member of a secondary IEB . Her business experience and strategic vision will be invaluable in supporting the Trust going forward. The Deputy of the Trust has been appointed as the lead for the primaries in Teaching, Learning and Provision. He will be co head of Walsgrave for three days a week and work across the primary academies for the remaining two days. He will work alongside his deputy, who will be co head for two days. A similar model exists at Clifford Bridge, reflecting the request from the substantive head to work three days per week.

The Head Teachers at both Hearsall and Clifford Bridge , though new to headship, have already made a positive impact on their schools. Future school leaders have been identified and are accessing relevant training including preparation for Headship, Deputy Headship and Middle leaders training.

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

Plans for future periods (continued)

New Members and Directors are in post (September 2019). Members now reflect a Church majority, a condition for Blue Coat joining Inspire. Directors have a wide skill set and experience in governance and bring experience in finance, HR, leadership and education. The new CEO is not a Director and only one Director is a Member and one Director sits on a LGB.

Numbers at both local Governing Bodies have increased and observers have attended Director's meetings. A focus for development is to look at better communication from LGBs to Directors and visa versa.

Leadership will continue to ensure that staff have clarity and understanding around data collection and progress measures. All tracking systems are manageable and impact upon pupil attainment. All staff routinely use Assessment for Learning to ensure teaching and feedback is matched to individual children's needs.

Additionally the Trust will seek:

- To ensure that increased percentages of pupils make 'good' or better progress in relation to their starting points.
- To focus on diminishing the difference between disadvantaged and non-disadvantaged pupils, to raise attainment of the more able.
- To embed Thrive Practice in all of our schools and so improve behavior and staff expertise in managing the behavior of all children.
- To support pupil and staff well being.
- To develop a coherently planned and sequenced ambitious foundation curriculum which gives all children the knowledge, skills and understanding they need for future learning
- To ensure the foundation curriculum is well-adapted to meet the needs of all children, including Disadvantaged, Most Able pupils and those with SEND.
- To improve and develop teachers' subject knowledge across the foundation curriculum. To develop subject pedagogy so teaching supports children remembering, using and apply knowledge.?

Funds held as custodian on behalf of others

The academy does not hold such funds and does not act as the custodian trustees of any other charity.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 11 December 2019 and signed on its behalf by:



Reverend Malcolm Tyler
Chair of Trustees

INSPIRE EDUCATION TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 5 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
Mrs Kim Docking, Executive Principal	5	5
Canon Linda Wainscoat	0	0
Mr David Kershaw	4	5
Mr Graham Wise, Chair of the Finance and Audit Committee	5	5
Reverend Malcolm Tyler, Chairman	5	5
Mrs Gillian Bowser	4	5
Mrs Lisa Hayes	3	5
Mrs Sybil Hanson	4	4
Mrs Rachel Mason	0	0
Mr Mark Gore	0	0

For future sustainability and effectiveness the Board has co-opted one observer on to the board of director's from Hearsall Academy. This Associate also sits on the Finance and audit committee and has full voting rights. This governor continues to bring strong expertise and skills in Financial Management.

The local governing bodies undertake annual skills audit and chairs meet peer to peer to develop and improve their knowledge and skills.

We are also looking at ways to better support governors in their monitoring role recognising the amount of time needed in this voluntary role. We are providing termly training opportunities for governors both in house and through governor support service.

The Trustees consider that they are kept well informed with good quality data, and this, together with the breadth of skills and experience of individual Trustees, enables the Board of Trustees to provide a high degree of challenge and support to the Academy Trust. The Board of Trustees meets 5 times a year with responsibility delegated to the sub - committee who act on behalf of the Board as detailed below. These committees report back to the main Trust board after each sub-committee has taken place.

INSPIRE EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance and Audit Committee is a sub-committee of the main board of trustees. Its purpose is to hold the board of trustees to account for their financial statements, budgeting and value for money and to monitor, review and evaluate financial propriety.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Kim Docking	3	3
Mr Graham Wise	3	3
Reverend Malcolm Tyler	3	3

Review of value for money

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

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

- Annual review of Service Level agreements.
- Proactively seeking discounts.
- Working with back office staff around process and practices to ensure efficient working practices.
- Ongoing training for Office managers, Premises manager and Site Service Officers and ICT Manager to reinforce principles of Value for Money.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Inspire Education 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 trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Coventry City Council as internal auditor.

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

- testing of payroll systems
- testing of the accounts payable and receivable systems
- testing of control account/bank reconciliations

On a termly basis, Coventry City Council reports to the board of Trustees through the finance and audit committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

The Trust has a service Level agreement with Coventry City Council's school finance team to undertake the role of the internal auditor. Each school has a termly visit and there have been no material control issues raised in 2018/19.

Review of effectiveness

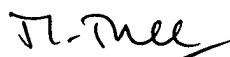
As accounting officer, the Executive Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the systems is being put in place.

11 December 2019

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



Reverend Malcolm Tyler
Chair of Trustees



Mrs Kim Docking
Accounting Officer


INSPIRE EDUCATION TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Inspire Education Trust I have considered my responsibility to notify the academy trust 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 trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

A handwritten signature in black ink, appearing to read 'K. M. Docking', with a stylized flourish at the end.

Mrs Kim Docking
Accounting Officer
Date: 11 December 2019

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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 period. 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:

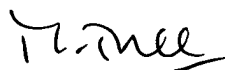
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of Trustees on 11 December 2019 and signed on its behalf by:



Reverend Malcolm Tyler
Chair of Trustees

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

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

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

- the 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 trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Other information includes the Reference and administrative details, the Trustees' report 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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



Simon Atkins FCA (Senior statutory auditor)

for and on behalf of
Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

One Central Boulevard
Blythe Valley Business Park

Solihull

West Midlands

B90 8BG

11 December 2019

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 26 September 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspire Education Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Inspire Education Trust's funding agreement with the Secretary of State for Education dated 20 August 2015 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.

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

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

Approach

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

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

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

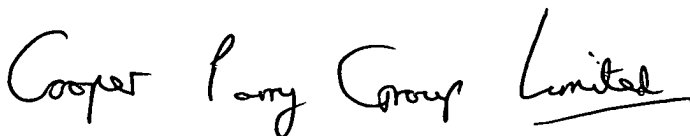
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities;
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

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.



Cooper Parry Group Limited

Date: 11 December 2019

INSPIRE EDUCATION 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 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
	Note					
Income from:						
Donations and capital grants	3	46	-	81	127	54
Charitable activities	4	188	7,045	-	7,233	6,811
Other trading activities	5	200	-	-	200	165
Investments	6	3	-	-	3	1
Total income		437	7,045	81	7,563	7,031
Expenditure on:						
Charitable activities	7	77	7,377	310	7,764	7,573
Total expenditure		77	7,377	310	7,764	7,573
Net income/(expenditure)		360	(332)	(229)	(201)	(542)
Transfers between funds	17	-	(88)	88	-	-
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	-	(550)	-	(550)	561
Net movement in funds		360	(970)	(141)	(751)	19
Reconciliation of funds:						
Total funds brought forward		761	(2,312)	13,163	11,612	11,593
Net movement in funds		360	(970)	(141)	(751)	19
Total funds carried forward		1,121	(3,282)	13,022	10,861	11,612

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

The notes on pages 34 to 57 form part of these financial statements.

INSPIRE EDUCATION TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09728614

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £000	2018 £000
Fixed assets			
Tangible assets	14	12,931	13,062
Current assets			
Debtors	15	160	154
Cash at bank and in hand		2,265	1,941
		<u>2,425</u>	<u>2,095</u>
Creditors: amounts falling due within one year	16	(587)	(497)
Net current assets		<u>1,838</u>	<u>1,598</u>
Total assets less current liabilities		<u>14,769</u>	<u>14,660</u>
Defined benefit pension scheme liability	22	(3,908)	(3,048)
Total net assets		<u><u>10,861</u></u>	<u><u>11,612</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	17	13,022	13,163
Restricted income funds	17	626	736
Pension reserve	17	(3,908)	(3,048)
Total restricted funds	17	<u>9,740</u>	<u>10,851</u>
Unrestricted income funds	17	<u>1,121</u>	<u>761</u>
Total funds		<u><u>10,861</u></u>	<u><u>11,612</u></u>

The financial statements on pages 31 to 57 were approved by the Trustees, and authorised for issue on 11 December 2019 and are signed on their behalf, by:



Reverend Malcolm Tyler
Chair of Trustees

The notes on pages 34 to 57 form part of these financial statements.

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Net cash provided by operating activities	19	419	153
Cash flows from investing activities	20	(95)	39
Cash flows from financing activities		-	-
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		324	192
Cash and cash equivalents at the beginning of the year		1,941	1,749
Cash and cash equivalents at the end of the year	21	<hr/> 2,265 <hr/>	<hr/> 1,941 <hr/>

The notes on pages 34 to 57 from part of these financial statements

INSPIRE EDUCATION 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), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

INSPIRE EDUCATION 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.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. 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 straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Leasehold property	- 2% (50 years)
Furniture and equipment	- 20% (5 years)
Computer equipment	- 33% (3 years)

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.

1.8 Liabilities

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

1.9 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement 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 15. Prepayments are not financial instruments. Amounts due to the academy trust'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 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.10 Operating leases

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

1.11 Pensions

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

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

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

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

The academy trust is a member of a multi-employer plan. Where it is not possible for the academy trust to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

1.12 Fund accounting

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

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

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

INSPIRE EDUCATION TRUST
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgement

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

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 22, 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.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgement:

The classification of expenditure between restricted and unrestricted funds is deemed as a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material the expenditure is apportioned to both funding streams on an appropriate basis.

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. Income from donations and capital grants

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Donations	46	-	46	6
Capital Grants	-	81	81	48
Total 2019	46	81	127	54
Total 2018	6	48	54	

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4. Funding for the academy trust's academy trust educational operations

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	5,537	5,537	5,453
Start up Grants	-	70	70	8
Other DfE / ESFA Grants	-	722	722	651
	-	6,329	6,329	6,112
Other government grants				
Local authority grants	-	561	561	365
	-	561	561	365
Other funding				
Other income from the academy trust's educational operations	188	155	343	334
Total 2019	188	7,045	7,233	6,811
Total 2018	171	6,640	6,811	

5. Income from other trading activities

	Unrestricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Hire of Facilities	58	58	63
Other income	142	142	102
Total 2019	200	200	165

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

6. Investment income

	Unrestricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Short term deposits	<u>3</u>	<u>3</u>	<u>1</u>

7. Expenditure

	Staff Costs 2019 £000	Premises 2019 £000	Other 2019 £000	Total 2019 £000	Total 2018 £000
Academy trust educational operations:					
Direct costs	4,335	310	720	5,365	5,293
Allocated support costs	1,365	232	802	2,399	2,280
Total 2019	<u>5,700</u>	<u>542</u>	<u>1,522</u>	<u>7,764</u>	<u>7,573</u>
Total 2018	<u>5,521</u>	<u>571</u>	<u>1,481</u>	<u>7,573</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £000	Support costs 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Academy trust educational operations	5,365	2,399	7,764	7,573
Total 2019	<u>5,365</u>	<u>2,399</u>	<u>7,764</u>	<u>7,573</u>
Total 2018	<u>5,293</u>	<u>2,280</u>	<u>7,573</u>	

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £000	Total funds 2018 £000
Staff costs	1,600	1,496
Technology	9	7
Premises	232	276
Other support costs	515	482
Governance	43	19
	<u>2,399</u>	<u>2,280</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £000	2018 £000
Depreciation of tangible fixed assets	310	294
Fees paid to auditor for:		
- audit	11	10
- other services	3	6
	<u>324</u>	<u>310</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
	£000	£000
Wages and salaries	4,011	3,896
Social security costs	344	336
Pension costs	1,055	1,050
	5,410	5,282
Agency staff costs	263	224
Staff restructuring costs	27	15
	5,700	5,521

Staff restructuring costs comprise:

Severance payments	27	15
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b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £27,200 (2017: £15,000). Individually the payments were £18,000, £6,500 and £2,700.

c. Staff numbers

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

	2019	2018
	No.	No.
Teachers	60	62
Administration and support	147	142
Management	12	13
	219	217

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

10. Staff costs (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2019	2018
	No.	No.
Teachers	52	55
Administration and support	92	90
Management	12	13
	156	158

d. Higher paid staff

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

	2019	2018
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £809,000 (2018: £875,000).

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11. Central services

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

- human resources
- financial services
- legal services
- educational support services

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

- flat percentage of the General Annual Grant (GAG) income at 5%

The actual amounts charged during the year were as follows:

	2019	2018
	£000	£000
Clifford Bridge Academy	73	67
Whittle Academy	51	54
Walsgrave Church of England Academy	82	81
Hearsall Academy	71	70
Total	277	272

12. Trustees' remuneration and expenses

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

		2019	2018
		£000	£000
Mrs Kim Docking, Executive Principal (resigned 31 August 2019)	Remuneration	110 - 115	105 - 110
	Pension contributions paid	15 - 20	15 - 20

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

13. Trustees' and Officers' insurance

The academy trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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14. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2018	13,507	123	130	13,760
Additions	88	-	91	179
At 31 August 2019	13,595	123	221	13,939
Depreciation				
At 1 September 2018	558	50	90	698
Charge for the year	227	25	58	310
At 31 August 2019	785	75	148	1,008
Net book value				
At 31 August 2019	12,810	48	73	12,931
At 31 August 2018	12,949	73	40	13,062

Land is included in the total leasehold land and buildings valuation at a value of £2,221,000 (2018 - £2,221,000) and is not depreciated.

15. Debtors

	2019 £000	2018 £000
Trade debtors	11	5
VAT recoverable	79	49
Prepayments and accrued income	70	100
	160	154

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

	2019	2018
	£000	£000
Trade creditors	58	107
Other taxation and social security	176	174
Other creditors	232	88
Accruals and deferred income	121	128
	<u>587</u>	<u>497</u>
	<u>587</u>	<u>497</u>
	2019	2018
	£000	£000
Deferred income at 1 September 2018	127	121
Resources deferred during the year	121	127
Amounts released from previous periods	(127)	(121)
	<u>121</u>	<u>127</u>
	<u>121</u>	<u>127</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Free School Meals £114,000 (2018 - £116,000) and trips income £7,000 (2018 - £9,000) relating to 2019/20.

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
General funds	363	437	(77)	170	-	893
Designated funds	398	-	-	(170)	-	228
	<u>761</u>	<u>437</u>	<u>(77)</u>	<u>-</u>	<u>-</u>	<u>1,121</u>
Restricted general funds						
General Annual Grant (GAG)	704	5,537	(5,611)	(88)	-	542
Start up grant	32	70	(28)	-	-	74
Other Grants	-	1,438	(1,428)	-	-	10
Pension reserve	(3,048)	-	(310)	-	(550)	(3,908)
	<u>(2,312)</u>	<u>7,045</u>	<u>(7,377)</u>	<u>(88)</u>	<u>(550)</u>	<u>(3,282)</u>
Restricted fixed asset funds						
Transferred on conversion	12,005	-	(244)	-	-	11,761
DfE / ESFA Capital	1,158	81	(66)	88	-	1,261
	<u>13,163</u>	<u>81</u>	<u>(310)</u>	<u>88</u>	<u>-</u>	<u>13,022</u>
Total Restricted funds	<u>10,851</u>	<u>7,126</u>	<u>(7,687)</u>	<u>-</u>	<u>(550)</u>	<u>9,740</u>
Total funds	<u><u>11,612</u></u>	<u><u>7,563</u></u>	<u><u>(7,764)</u></u>	<u><u>-</u></u>	<u><u>(550)</u></u>	<u><u>10,861</u></u>

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17. Statement of funds (continued)

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

The balance of £626,000 on the Restricted General Funds will be used for educational purposes in accordance with the restrictions attached with the funding.

The Pension Reserve of £3,908,000 (overdrawn) represents the Academy Trust's share of the deficit in the West Midlands Pension Fund.

Restricted Fixed Asset Funds relate predominantly to the assets acquired on conversion to an Academy Trust, being the properties

The Unrestricted Funds represent the surplus generated by the Academy Trust on activities for generating funds. The designated funds represent amounts ringfenced for specific expenditure as detailed in the reserves policy within the Trustees' Report.

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

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019	2018
	£000	£000
Clifford Bridge Academy	289	187
Whittle Academy	417	493
Walsgrave Church of England Academy	582	493
Hearsall Academy	324	237
Central Services	135	87
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,747	1,497
Restricted fixed asset fund	13,022	13,163
Pension reserve	(3,908)	(3,048)
	<hr/>	<hr/>
Total	10,861	11,612
	<hr/> <hr/>	<hr/> <hr/>

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

17. 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 £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2019 £000	Total 2018 £000
Clifford Bridge Academy	1,038	317	190	152	1,697	1,557
Whittle Academy	830	243	161	178	1,412	1,406
Walsgrave Church of England Academy	1,075	342	286	230	1,933	1,866
Hearsall Academy	994	340	256	215	1,805	1,677
Central Services	163	433	2	9	607	773
Academy trust	4,100	1,675	895	784	7,454	7,279

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

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

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
General funds	368	343	(28)	(320)	-	363
Designated funds	284	-	(206)	320	-	398
	<u>652</u>	<u>343</u>	<u>(234)</u>	<u>-</u>	<u>-</u>	<u>761</u>
Restricted general funds						
General Annual Grant (GAG)	719	5,453	(5,505)	37	-	704
Start up grant	50	8	(26)	-	-	32
Other grants	-	1,179	(1,179)	-	-	-
Pension reserve	(3,275)	-	(334)	-	561	(3,048)
	<u>(2,506)</u>	<u>6,640</u>	<u>(7,044)</u>	<u>37</u>	<u>561</u>	<u>(2,312)</u>
Restricted fixed asset funds						
Transferred on conversion	12,231	-	(226)	-	-	12,005
DfE / ESFA Capital grants	1,216	48	(69)	(37)	-	1,158
	<u>13,447</u>	<u>48</u>	<u>(295)</u>	<u>(37)</u>	<u>-</u>	<u>13,163</u>
Total Restricted funds	<u>10,941</u>	<u>6,688</u>	<u>(7,339)</u>	<u>-</u>	<u>561</u>	<u>10,851</u>
Total funds	<u>11,593</u>	<u>7,031</u>	<u>(7,573)</u>	<u>-</u>	<u>561</u>	<u>11,612</u>

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	12,931	12,931
Current assets	1,121	1,213	91	2,425
Creditors due within one year	-	(587)	-	(587)
Provisions for liabilities and charges	-	(3,908)	-	(3,908)
Total	1,121	(3,282)	13,022	10,861

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	13,062	13,062
Current assets	761	1,233	101	2,095
Creditors due within one year	-	(497)	-	(497)
Provisions for liabilities and charges	-	(3,048)	-	(3,048)
Total	761	(2,312)	13,163	11,612

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

	2019	2018
	£000	£000
Net expenditure for the year (as per Statement of financial activities)	(201)	(542)
Adjustments for:		
Depreciation	310	294
Capital grants from DfE and other capital income	(81)	(48)
Interest receivable	(3)	(1)
Defined benefit pension scheme cost less contributions payable	234	253
Defined benefit pension scheme finance cost	76	81
(Increase)/decrease in debtors	(6)	33
Increase in creditors	90	83
Net cash provided by operating activities	419	153

20. Cash flows from investing activities

	2019	2018
	£000	£000
Dividends, interest and rents from investments	3	1
Purchase of tangible fixed assets	(179)	(10)
Capital grants from DfE Group	81	48
Net cash (used in)/provided by investing activities	(95)	39

21. Analysis of cash and cash equivalents

	2019	2018
	£000	£000
Cash in hand	2,265	1,941
Total cash and cash equivalents	2,265	1,941

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22. Pension commitments

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. 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 £565,000 (2018 - £458,000).

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

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

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22. 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 £511,000 (2018 - £425,000), of which employer's contributions totalled £417,000 (2018 - £339,000) and employees' contributions totalled £ 94,000 (2018 - £86,000). The agreed contribution rates for future years are 17.8 per cent for employers and 6.2 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

	2019 %	2018 %
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.90	2.65
Inflation assumption (CPI)	2.20	2.30

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	20.9	21.9
Females	23.2	24.4
<i>Retiring in 20 years</i>		
Males	22.6	24.1
Females	25.1	26.7

Sensitivity analysis

	2019 £000	2018 £000
Discount rate +0.1%	160	121
Discount rate -0.1%	(164)	(125)
Mortality assumption - 1 year increase	(224)	(152)
Mortality assumption - 1 year decrease	216	147
CPI rate +0.1%	139	105
CPI rate -0.1%	(135)	(102)

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22. Pension commitments (continued)

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

	At 31 August 2019 £000	At 31 August 2018 £000
Equities	1,389	1,086
Gilts	219	123
Corporate bonds	87	64
Property	189	139
Cash and other liquid assets	83	64
Other	343	240
Total market value of assets	2,310	1,716

The actual return on scheme assets was £75,000 (2018 - £18,000).

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

	2019 £000	2018 £000
Current service cost	564	592
Past service cost	87	-
Interest income	(52)	(39)
Interest cost	127	119
Administrative expenses	1	1
Total amount recognised in the Statement of financial activities	727	673

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

	2019 £000	2018 £000
At 1 September	4,764	4,550
Current service cost	564	592
Interest cost	127	119
Employee contributions	94	86
Actuarial losses/(gains)	625	(582)
Benefits paid	(43)	(1)
Past service costs	87	-
At 31 August	6,218	4,764

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22. Pension commitments (continued)

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

	2019	2018
	£000	£000
At 1 September	1,716	1,275
Interest income	52	39
Actuarial gains/(losses)	75	(21)
Employer contributions	417	339
Employee contributions	94	86
Benefits paid	(43)	(1)
Administrative expenditure	(1)	(1)
At 31 August	2,310	1,716

23. Operating lease commitments

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

	academy trust 2019 £000	academy trust 2018 £000
Not later than 1 year	12	12
Later than 1 year and not later than 5 years	3	8
	15	20

24. Members' liability

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

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25. Related party transactions

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

During the year the academy trust entered purchased services under a Service Level Agreement with the Diocesan Board of Education, an organisation which Members and Trustees of the academy trust hold key management positions in. Purchases totalled £100 (2018: £1,432) in the period and no amounts were outstanding at the period end (2018: £Nil).

26. Post balance sheet events

On 1 September 2019 Stockingford Primary School joined the Trust, converting to Academy Status.