

Inspiring Learners Multi Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 8 December 2017 to 31 August 2018



HALLIDAYS
MORE THAN JUST ACCOUNTANTS

Hallidays
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Inspiring Learners Multi Academy Trust

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Inspiring Learners Multi Academy Trust

Reference and Administrative Details

Members:	S Astley (appointed 8 December 2017) G Geoghegan (appointed 8 December 2017) A Hughes (appointed 8 December 2017)
Trustees:	J Whyte (Chair) (appointed 8 December 2017) C Brindley (appointed 8 December 2017) K Cleary (appointed 8 December 2017) K Eccles (appointed 8 December 2017) T Gardner (appointed 8 December 2017) K Spark (CEO) (appointed 3 July 2018)
Senior Management Team:	K Spark - CEO – ILMAT, Executive Headteacher S Hampton - Assistant Headteacher – Bollin H Marshall - Assistant Headteacher – Bollin A Robinson - Assistant Headteacher – Bollin K Manion - Head of School - Tyntesfield H Wright - Deputy Headteacher – Tyntesfield E McDonald - Assistant Headteacher – Tyntesfield Siobhan Thompson - School Business Manager
Company Name	Inspiring Learners Multi Academy Trust
Principal and Registered Office	Tyntesfield Primary School, Alma Road, Sale, M33 4HE
Company Registration Number	11104150 (England and Wales)
Independent Auditor	Hallidays Riverside House, Kings Reach Business Park, Yew Street, Stockport, SK4 2HD
Bankers	Lloyds 7 th Floor, 40 Spring Gardens, Manchester, M2 1EN
Solicitors	Browne Jacobson 14 th Floor, No. 1 Spinningfields, 1 Hardman Square, Manchester, M3 3EB

Inspiring Learners Multi Academy Trust

Trustees' Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 8 December 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates 2 primary academies in Trafford each for pupils aged 4 – 11 with a nursery for children aged 3+. Each academy has a pupil capacity of 60 children per year group and a 26 full time equivalent place nursery. Each school has a total capacity of 446 (420 plus 26) and therefore we have a combined pupil capacity of 892 and had a roll of 886 in the summer school census of May 2018.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee (company number 11104150) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Inspiring Learners Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Inspiring Learners Multi Academy Trust.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details.

Members' Liability

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

Trustees' Indemnities

Professional indemnity insurance is in place to protect Trustees, Governors, and officers from claims arising from negligent acts, errors or omission occurring on Academy business. The insurance provides cover for up to £10,000,000. The academy use the Risk Protection Arrangement offered by the DfE

Method of Recruitment and Appointment or Election of Trustees

The members of the trust are responsible for the appointment of trustees. Trustees are appointed based on the skills they will bring. Trustees are assessed initially by invitation dependent upon their: expertise, experience and skills prior to a process of recruitment and appointment.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees and governors are appointed based on the skills that they will bring to the governing body or trust board. On all occasions, an induction is carried out related to the workings of the trust, including policies and procedures, roles and responsibilities together with appropriate training opportunities. Regular skills audits are undertaken to ensure that the breadth and balance of expertise is available to the trust board and governing body.

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Organisational Structure

The governance of the trust is defined in the Articles of Association, together with the funding agreement from the Department for Education.

The trustees are responsible for setting general policy, the strategic direction and growth of the trust, adopting an annual plan and budget, monitoring the trust and academies by the use of financial management and other performance information, making appointments to the executive team, and approving the annual report and financial statements.

The Chief Executive Office is the Accounting Officer.

The trustees meet at least once every half term. The local governing body and governor committees meet on at least a termly basis. Trustees and governors make regular visits to both academies, attending and supporting functions.

The day to day management of each school is delegated to the CEO/Executive Headteacher and Heads of School who meet regularly.

Responsibilities of trustees, governors and senior leaders are clearly defined in the Trust Scheme of Delegation.

Arrangements for setting pay and remuneration of key management personnel

The trust has a pay policy that is reviewed annually. The setting of pay and remuneration of key management personnel within the trust is as follows:

- All posts within the structure have detailed job descriptions and person specifications which are subject to annual review and are written with due regard to enabling staff to maintain a reasonable work/life balance.
- Pay and remuneration for school staff is managed at individual school level by their Resources Committee.
- The trust is fully committed to the implementation of an appraisal process for teachers and support staff, with the objective of maximising the professional development of all staff and progress of pupils.
- The remuneration of the executive team is set in accordance with the Trust Pay Policy and is managed by the trust board.

Related Parties and other Connected Charities and Organisations

Tyntesfield Primary School is one of two designated teaching schools in Trafford Teaching School Alliance (TTSA). TTSA has key performance indicators which benefit the Trust as there is a clear expectation that all members of a teaching school alliance improve their outcomes. The onus is on the teaching school to facilitate this, whether it be providing support, access to high quality CPD, sharing good practice or through the development of talent management pathways.

K Cleary (trustee) delivered leadership training for the teaching school in 2017/2018. Trustees were assured that services were provided to the teaching school at a cost below market rate.

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Objectives and Activities

Objects and Aims

The trust object is to advance for the public benefit, education for children aged 3-11 by establishing, maintaining, carrying on, managing and developing schools offering a broad balanced curriculum that enables every child to achieve their potential.

The trust vision is to “Inspire Learners” and to create in children and staff a culture of high expectation, achievement, collaboration and a love of learning. This vision is underpinned by 5 values: Passion, Ambition, Collaboration, Innovation and Integrity.

Further developing and maintaining strong leadership and governance at all levels is a key priority as the trust recognises the pivotal role of effective leadership in ensuring the best outcomes for pupils as well as creating a culture of trust where staff feel valued and appreciated.

Objectives, Strategies and Activities

The main objectives of the trust during the period ended 31 August 2018 are summarised below:

- To establish a new multi academy trust;
- To establish strong governance of the trust at all levels;
- Ensuring the trust's clear vision and values are embedded in the culture of the trust;
- To develop the trust support systems and infrastructure;
- Maintain close links with Trafford Local Authority and to utilise these links for the benefit of the trust and its pupils;
- To successfully sponsor Bollin Primary School to join the multi academy trust;
- To maintain rapid rate of progress at Bollin Primary School in raising standards and addressing areas for development following the Ofsted inspection

The trustees are pleased to report that all the objectives have been achieved.

Public Benefit

The Trust has a specific public benefit purpose to: operate institutions of state funded education; manage these schools at their optimum in terms of efficiency and value for money to maximise benefit to their pupils; to innovate in education and to provide improved access to better quality schooling.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by The Charity Commission in exercising their duties.

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Strategic Report

Achievements and Performance

The academy trust achieved results above the national average for the age related expectations at the end of EYFS, KS1 and KS2, demonstrating strong progress and attainment. Bollin Primary School joined the Trust on 1 June 2018.

Key Performance Indicators

Below is pupil attainment and achievement data for the academic year 2017/2018 alongside local and national comparisons. This data set includes:

- EYFSP – Early Years Foundation Stage Profile for reception age children. This data details attainment.
- Y1 Phonics Screening. This data details attainment.
- KS1 SATs – Key Stage 1 Statutory Assessment Tests in Reading, Writing and Mathematics for Year 2 children. This data details attainment.
- KS2 SATs – Key Stage 2 Statutory Assessment Tests in Reading, Writing, Mathematics, and Grammar for Year 6 children. This data details attainment and progress made by the children from end of KS1 to end of KS2.

Tyntesfield Results 2018

Foundation Stage Profile (% pupils achieving GLD)

	2016	2017	2018
Tyntesfield	80%	85%	93%
Trafford	74%	72%	75%
National	69%	69%	71%

Year 1 Phonics Test

	2016	2017	2018
Tyntesfield	88%	97%	98%
Trafford	85%	84%	86%
National	81%	81%	83%

Year 2 SATs

READING	2016	2017	2018
Tyntesfield Expected Standards and above	82%	78%	85%
Trafford Expected Standards and above	79%	81%	78%
National Expected Standards and above	74%	76%	75%
Tyntesfield Greater Depth	38%	43%	43%
Trafford Greater Depth	29%	31%	30%
National Greater Depth	24%	25%	26%

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Strategic Report

WRITING	2016	2017	2018
Tyntesfield Expected Standards and above	77%	78%	79%
Trafford Expected Standards and above	69%	73%	73%
National Expected Standards and above	66%	68%	70%
Tyntesfield Greater Depth	21%	27%	28%
Trafford Greater Depth	14%	15%	17%
National Greater Depth	13%	16%	16%

MATHS	2016	2017	2018
Tyntesfield Expected Standards and above	79%	68%	74%
Trafford Expected Standards and above	77%	80%	80%
National Expected Standards and above	72%	75%	76%
Tyntesfield Greater Depth	16%	15%	28%
Trafford Greater Depth	22%	23%	25%
National Greater Depth	18%	21%	22%

Year 2 Combined Percentage (Reading + Writing + Maths)	2016	2017	2018
Tyntesfield Expected Standards and above	64%	68%	74%
Trafford Expected Standards and above	64%	68%	68%
National Expected Standards and above	60%	64%	65%
Tyntesfield Greater Depth	16%	15%	18%
Trafford Greater Depth	10%	10%	12%
National Greater Depth	9%	11%	12%

Year 6 SATs

READING	2016	2017	2018
Tyntesfield Expected Standards and above	86%	90%	92%
Trafford Expected Standards and above	76%	80%	84%
National Expected Standards and above	66%	71%	75%
Tyntesfield Greater Depth	46%	42%	40%
Trafford Greater Depth	27%	33%	37%
National Greater Depth	19%	25%	28%

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Strategic Report

WRITING	2016	2017	2018
Tyntesfield Expected Standards and above	98%	97%	95%
Trafford Expected Standards and above	81%	81%	85%
National Expected Standards and above	74%	76%	78%
Tyntesfield Greater Depth	36%	25%	31%
Trafford Greater Depth	15%	18%	25%
National Greater Depth	17%	18%	20%

PUNCTUATION, GRAMMAR AND SPELLING	2016	2017	2018
Tyntesfield Expected Standards and above	96%	95%	90%
Trafford Expected Standards and above	83%	85%	86%
National Expected Standards and above	72%	77%	78%
Tyntesfield Greater Depth	56%	43%	62%
Trafford Greater Depth	34%	42%	46%
National Greater Depth	22%	31%	34%

MATHS	2016	2017	2018
Tyntesfield Expected Standards and above	92%	93%	90%
Trafford Expected Standards and above	80%	83%	83%
National Expected Standards and above	70%	75%	76%
Tyntesfield Greater Depth	64%	45%	53%
Trafford Greater Depth	27%	34%	36%
National Greater Depth	17%	23%	24%

Year 6 Combined Percentage (Reading + Writing + Maths)	2016	2017	2018
Tyntesfield Expected Standards and above	82%	88%	83%
Trafford Expected Standards and above	66%	70%	75%
National Expected Standards and above	53%	61%	64%
Tyntesfield Greater Depth	30%	20%	38%
Trafford Greater Depth	9%	12%	16%
National Greater Depth	5%	9%	10%

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Strategic Report

YEAR 6 PROGRESS	2016	2017	2018
Reading	Tyntesfield +2.9 Trafford +1.2 National 0.0	Tyntesfield +0.8 Trafford +1.0 National 0.0	Tyntesfield +2.0 Trafford +1.1 National 0.0
Writing	Tyntesfield +2.8 Trafford +0.1 National 0.0	Tyntesfield +0.7 Trafford 0.0 National 0.0	Tyntesfield +1.2 Trafford +0.6 National 0.0
Maths	Tyntesfield +4.8 Trafford +1.3 National 0.0	Bolin +1.9 Trafford +1.2 National 0.0	Tyntesfield +3.0 Trafford +1.3 National 0.0

Bollin Results 2018

Foundation Stage Profile (% pupils achieving GLD)

	2016	2017	2018
Bollin	73%	81%	81%
Trafford	74%	72%	75%
National	69%	69%	71%

Year 1 Phonics Test

	2016	2017	2018
Bollin	88%	83%	92%
Trafford	85%	84%	86%
National	81%	81%	83%

Year 2 SATs

READING	2016	2017	2018
Bollin Expected Standards and above	84%	87%	83%
Trafford Expected Standards and above	79%	81%	78%
National Expected Standards and above	74%	76%	75%
Bollin Greater Depth	30%	22%	30%
Trafford Greater Depth	29%	31%	30%
National Greater Depth	24%	25%	26%

WRITING	2016	2017	2018
Bollin Expected Standards and above	51%	65%	72%
Trafford Expected Standards and above	69%	73%	73%
National Expected Standards and above	66%	68%	70%
Bollin Greater Depth	8%	4%	27%
Trafford Greater Depth	14%	15%	17%
National Greater Depth	13%	16%	16%

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Strategic Report

MATHS	2016	2017	2018
Bollin Expected Standards and above	69%	78%	83%
Trafford Expected Standards and above	77%	80%	80%
National Expected Standards and above	72%	75%	76%
Bollin Greater Depth	18%	15%	30%
Trafford Greater Depth	22%	23%	25%
National Greater Depth	18%	21%	22%

Year 2 Combined Percentage (Reading + Writing + Maths)	2016	2017	2018
Bollin Expected Standards and above	46%	61%	68%
Trafford Expected Standards and above	64%	68%	68%
National Expected Standards and above	60%	64%	65%
Bollin Greater Depth	5%	4%	18%
Trafford Greater Depth	10%	10%	12%
National Greater Depth	9%	11%	12%

Year 6 SATs

READING	2016	2017	2018
Bollin Expected Standards and above	82%	84%	93%
Trafford Expected Standards and above	76%	80%	84%
National Expected Standards and above	66%	71%	75%
Bollin Greater Depth	33%	50%	44%
Trafford Greater Depth	27%	33%	37%
National Greater Depth	19%	25%	28%

WRITING	2016	2017	2018
Bollin Expected Standards and above	92%	86%	93%
Trafford Expected Standards and above	81%	81%	85%
National Expected Standards and above	74%	76%	78%
Bollin Greater Depth	15%	17%	29%
Trafford Greater Depth	15%	18%	25%
National Greater Depth	17%	18%	20%

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Strategic Report

PUNCTUATION, GRAMMAR AND SPELLING	2016	2017	2018
Bollin Expected Standards and above	92%	88%	90%
Trafford Expected Standards and above	83%	85%	86%
National Expected Standards and above	72%	77%	78%
Bollin Greater Depth	38%	57%	49%
Trafford Greater Depth	34%	42%	46%
National Greater Depth	22%	31%	34%

MATHS	2016	2017	2018
Bollin Expected Standards and above	85%	88%	85%
Trafford Expected Standards and above	80%	83%	83%
National Expected Standards and above	70%	75%	76%
Bollin Greater Depth	37%	41%	56%
Trafford Greater Depth	27%	34%	36%
National Greater Depth	17%	23%	24%

Year 6 Combined Percentage (Reading + Writing + Maths)	2016	2017	2018
Bollin Expected Standards and above	78%	79%	80%
Trafford Expected Standards and above	66%	70%	75%
National Expected Standards and above	53%	61%	64%
Bollin Greater Depth	10%	14%	20%
Trafford Greater Depth	9%	12%	16%
National Greater Depth	5%	9%	10%

YEAR 6 PROGRESS	2016	2017	2018
Reading	Bollin +1.4 Trafford +1.2 National 0.0	Bollin +1.5 Trafford +1.0 National 0.0	Bollin +0.8 Trafford +1.1 National 0.0
Writing	Bollin -0.2 Trafford +0.1 National 0.0	Bollin -0.8 Trafford 0.0 National 0.0	Bollin +0.1 Trafford +0.6 National 0.0
Maths	Bollin +1.2 Trafford +1.3 National 0.0	Bollin +1.0 Trafford +1.2 National 0.0	Bollin +1.3 Trafford +1.3 National 0.0

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Strategic Report

Going Concern

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

Financial Review

The trust financial position for the period to 31 August 2018 demonstrates a total income of £1,842,540 (including transfers on conversion of £240,858) with a combined surplus at 31 August of £429,939 held within both the restricted and unrestricted general funds.

The trust is predominantly funded by the ESFA General Annual Grant and other government grants. The funding is predominantly restricted for the purposes of education. The trust is driven to use all of its resources for the provision (directly or indirectly) for this restricted purpose in order to provide the best quality education for its pupils.

The reserves will be utilised for continuous improvements and to ensure financial stability in the coming year.

In addition, the net liability due to the trust's participation in the Local Government Pension scheme (Greater Manchester Pension Fund – GMPF) amounts to £415,000. It should be noted, however, that an immediate liability for this amount is not crystallised at the financial year end. Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department of Education. The guarantee came into force on 18th July 2013. This guarantee provides comfort to the trustees in the unlikely event of an academy closure.

Reserves Policy

The trust's current level of free reserves (total reserves less the amounts held in fixed asset reserve and restricted pension fund reserve) is £429,939.

Trustees review the level of reserves on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitment and the nature of reserves. Any reserves left over will provide a cushion to cover delays between spending and receipt of grants and to deal with unexpected emergencies.

Investment Policy

The trust has in place an investment policy but there are currently no investments.

Principal Risks and Uncertainties

Inspiring Learners Multi Academy Trust has adopted a risk management process including the creation of a risk register and risk review process. The objective of this is to regularly review and, where it is considered necessary, put in place measures of control and mitigation in order to manage risk.

The principle risks are seen as a loss of reputation through falling standards, falling pupil rolls and failure to safeguard our pupils.

Key controls in place are:

- An organisational structure with defined roles, responsibilities and authorisation levels;
- Terms of reference for the committees of the governing body;
- Financial planning, budgeting and regular management reporting highlighting areas of financial risk;
- Formal written and published policies for employees; and
- Vetting procedures as required by law for the protection of the vulnerable

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

The academy trust has recognised its share of the local government pension scheme (LGPS) assets and liabilities in accordance with Financial Reporting Standard no.102. A deficit has been recognised at 31 August 2018.

Plans for Future Periods

The trust plans for future periods include:

- Further embed the vision and values of the trust so that they sit at the heart of the trust work.
- Continue to build upon its good name and current success and the results of its schools will continue to improve.
- The strong performance of the teaching school will continue to develop and the teaching school will apply for re-designation in 2019.
- Bollin Primary School will continue the rapid rate of progress and continue to grow the strong reputation of the school.
- Bollin Primary School to be prepared for a future Ofsted inspection.
- The trust board to regularly revisit the growth strategy in light of the changing education sector landscape and strive to secure a strong financial footing for the future.
- Continue to prioritise professional development of staff to ensure our teaching and curriculum continues to be innovative, collaborative and inspiring and enabling staff and pupils to achieve their best.
- Further develop governance structures including the new joint local governing body across Tyntesfield and Bollin Primary Schools.
- Maximise the opportunities afforded by the multi academy trust allocation of strategic capital funding to the trust in order to improve the trust's facilities.
- Further develop the Risk Management Framework as a key governance and management tool.
- Continue to update medium to long term financial forecasts to provide clarity on future financial health of the trust, particularly in the context of the National Funding Formula.
- Continue to develop robust and sustainable plans to align the operational cost of the trust with available funding streams.
- Further the drive for greater efficiencies and general alignment across the trust.

Funds Held as Custodian Trustee on Behalf of Others

Tyntesfield Primary School is the named lead school and designated budget holder for the teaching school (Trafford Teaching School Alliance – TTSA).

Auditor

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18 December 2018 and signed on the board's behalf by:



J A Whyte
Trustee

Inspiring Learners Multi Academy Trust

Governance Statement

Scope of Responsibility

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

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

Trustees and governors are well trained and are committed to attending training that enhances understanding of their responsibilities and legal function. This equips them with the knowledge to provide both challenge and support for the senior leadership teams at both academies in the trust. Trustees and governors completed a skills audit the outcome of which identified key competencies required in future appointments to both boards. The scheme of delegation balances the need for control with empowering the local governing body to be accountable for the performance of the academy they govern.

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 7 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
J Whyte (Chair)	6	7
C Brindley	6	7
K Cleary	7	7
K Eccles	6	7
T Gardner	4	7
K Spark (CEO)	7	7

The governing body of Tyntesfield Primary School met 5 times during the period as follows:

Governor	Meetings attended	Out of a possible
J Arnold	6	6
S Bateman	0	5
J Bowhay	4	5
K Eccles	2	2
T Gardner	1	1
J Holden	1	5
H Johnson	6	6
K Manion	7	7
J Pope	5	5
M Savege	6	7
K Spark	1	1
C Stockton	5	5
D Turner	3	5
J Whyte	1	1
J Wilkinson	6	6

Inspiring Learners Multi Academy Trust

Governance Statement (continued)

Review of Value for Money

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

Raising student achievement

This is demonstrated by the continued upward trend in the trust's key performance indicators such as those outlined above. The Inspiring Learners Multi Academy Trust also tracks the attendance and behaviour of all pupils, with attendance being consistently above national expectations.

Inspiring Learners Multi Academy Trust will ensure that where possible additional needs of individual pupils will be met and appropriate resources (staff and equipment) will be made available such as one to one support or stretch and challenge for the more able pupils

Robust governance and financial oversight

The trustees of Inspiring Learners Multi Academy Trust are responsible for determining the trust's financial priorities linking this to the long term vision, the trust's improvement plans and directions given by the full governing body of each member school.

Items for discussion and action by this board, the full governing bodies and committees include:

1. To approve the budget at the start of the financial year.
2. To establish and maintain an up to date 3 year plan.
3. To consider a budget position statement including virement decisions at least termly and to report significant anomalies to the Governing Body.
4. To ensure that the trust operates within the financial regulations set out in the Academies Financial Handbook.
5. To annually review and appoint the independent examiner (internal auditor) and the external accountants, in line with ESFA guidelines.
6. To ensure that ring fenced funding streams, such as Pupil Premium, will be used as directed and to maximum effect.
7. To make decisions on expenditure following recommendations from other committees.
8. To ensure, as far as is practical, that health and safety issues are appropriately prioritised.
9. To determine whether sufficient funds are available to pay for staff pay increments and increases.
10. To assess the possibility of further collaborative work with other education providers and business links that will allow for increased sharing of good practice.
11. To ensure that the academy is a going concern and will remain viable for the foreseeable future.

The accounting officer for Inspiring Learners Multi Academy Trust is aware of their personal responsibility to Parliament for regularity (spending money for the purposes intended by Parliament), propriety (handling money honestly and avoiding conflicts of interest) and 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 Inspiring Learners Multi Academy Trust for the period 8 December 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Inspiring Learners Multi Academy Trust

Governance Statement (continued)

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 8 December 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- Regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines delegation of authority and segregation of duties.
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Hallidays as internal auditor

The 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 purchase systems
- testing of bank reconciliations
- testing of purchases
- testing of bank payments
- testing of expense claims
- testing of contract tendering
- testing of DfE returns

On a quarterly basis, Hallidays the auditor reports to the board of trustees, through the Chief Executive Officer on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Inspiring Learners Multi Academy Trust

Governance Statement (continued)


Review of Effectiveness


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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 18 December 2018 and signed on its behalf by:


.....
T Gardner
Trustee


.....
J A Whyte
Trustee

Inspiring Learners Multi Academy Trust

Statement of Regularity, Propriety and Compliance

As accounting officer of Inspiring Learners Multi Academy 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 2017.

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 2017.

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. Spark', written over a dotted line.

K. Spark
Accounting Officer

18 December 2018

Inspiring Learners Multi Academy Trust

Statement of Trustees' Responsibilities

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 Annual Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 on 18 December 2018 and signed on its behalf by:


.....
T Gardner
Trustee


.....
J A Whyte
Trustee

Inspiring Learners Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Inspiring Learners Multi Academy Trust

Opinion

We have audited the financial statements of Inspiring Learners Multi Academy Trust (the 'Academy') for the period from 8 December 2017 to 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018.

Basis for opinion

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

Conclusions relating to going concern

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

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

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Inspiring Learners Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Inspiring Learners Multi Academy Trust (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 13], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

Inspiring Learners Multi Academy Trust

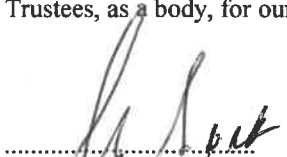
Independent Auditor's Report on the Financial Statements to the Members of Inspiring Learners Multi Academy Trust (continued)

- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's trustees 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 and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.


.....
Anna Bennett (Senior Statutory Auditor)
For and on behalf of Hallidays, Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 19/12/17.....

Inspiring Learners Multi Academy Trust

Independent Reporting Accountant's Report on Regularity to Inspiring Learners Multi Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 20 March 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspiring Learners Multi Academy Trust during the period 8 December 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 1 February 2018 and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 8 December 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the trust are within the trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the trust and extended the procedures required for financial statements to include regularity.


Inspiring Learners Multi Academy Trust

Independent Reporting Accountant's Report on Regularity to Inspiring Learners Multi Academy Trust and the Education & Skills Funding Agency (continued)

- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the trust's delegated authorities and that the internal delegations have been approved by the Trust Board and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the trust's charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 8 December 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Halliday
Chartered Accountants
and
Registered Auditors

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 19/12/18

Inspiring Learners Multi Academy Trust

Statement of Financial Activities for the Period from 8 December 2017 to 31 August 2018

(including Income and Expenditure Account)


	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2017/18 Total £
Income and endowments from:						
Voluntary income						
Donations and capital grants	2	6,298	13,932	-	67,707	87,937
Transfer from local authority on conversion		168,302	72,556	(443,000)	8,918,276	8,716,134
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	1,478,263	-	-	1,478,263
Teaching schools		-	28,110	-	-	28,110
Other trading activities	4	49,314	25,695	-	-	75,009
Investments	5	70	-	-	-	70
Total		223,984	1,618,556	(443,000)	8,985,983	10,385,523
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	1,376,721	54,000	141,008	1,571,729
Teaching schools	24	-	38,972	-	-	38,972
Net income/(expenditure)		223,984	202,863	(497,000)	8,844,975	8,774,822
Transfers between funds		3,092	-	-	(3,092)	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	22	-	-	82,000	-	82,000
Net movement in funds/(deficit)		227,076	202,863	(415,000)	8,841,883	8,856,822
Reconciliation of funds						
Total funds/(deficit) carried forward at 31 August 2018		227,076	202,863	(415,000)	8,841,883	8,856,822

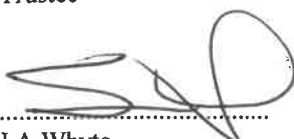
Inspiring Learners Multi Academy Trust

(Registration number: 11104150)
Balance Sheet as at 31 August 2018

	Note	31 August 2018 £
Fixed assets		
Tangible assets	12	8,771,284
Current assets		
Debtors	13	48,411
Cash at bank and in hand		<u>561,726</u>
		610,137
Creditors: Amounts falling due within one year	14	<u>(109,599)</u>
Net current assets		<u>500,538</u>
Total assets less current liabilities		<u>9,271,822</u>
Net assets excluding pension liability		9,271,822
Defined benefit pension scheme liability	22	<u>(415,000)</u>
Net assets including pension liability		<u>8,856,822</u>
Funds of the Academy Trust:		
Restricted funds		
Restricted general fund	15	202,863
Restricted fixed asset fund	15	8,841,883
Restricted pension fund	15	<u>(415,000)</u>
		8,629,746
Unrestricted funds		
Unrestricted general fund	15	<u>227,076</u>
Total funds		<u>8,856,822</u>

The financial statements on pages 24 to 47 were approved by the Trustees, and authorised for issue on 18 December 2018 and signed on their behalf by:


.....
T Gardner
Trustee


.....
J A Whyte
Trustee

Inspiring Learners Multi Academy Trust

Statement of Cash Flows for the Period from 8 December 2017 to 31 August 2018

	Note	31 August 2018 £
Cash flows from operating activities		
Net cash provided by operating activities	18	247,107
Cash transferred on conversion to an academy trust		240,858
Cash flows from investing activities	19	<u>73,761</u>
Change in cash and cash equivalents in the period		561,726
Cash and cash equivalents at 8 December		<u>-</u>
Cash and cash equivalents at 31 August	20	<u><u>561,726</u></u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Conversion to an academy trust

The conversion from state maintained schools to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in the notes.

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 company 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.

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.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

1 Accounting policies (continued)

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 period is deducted from income and recognised as a liability.

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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 period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Transfer on conversion

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

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

1 Accounting policies (continued)

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets

Assets costing £5,000 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, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Asset class	Depreciation method and rate
Leasehold Buildings	4% straight line
Furniture & Equipment	20% straight line
Computer Equipment & Software	33.3% straight line
Motor vehicles	20% straight line
Leasehold Land	125 years

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

1 Accounting policies (continued)

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

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

Liabilities

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

Provisions

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

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

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity'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 notes 14. 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 charity's wholly owned subsidiary are held at face value less any impairment.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

1 Accounting policies (continued)

Taxation

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

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

Pension benefits

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

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

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education & Skills Funding Agency/Department for Education.

Critical accounting estimates and areas of judgement

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

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2018. 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.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2017/18 Total £
Other voluntary income				
Educational trips and visits	-	13,932	-	13,932
Capital grants	-	-	67,707	67,707
Other donations	6,298	-	-	6,298
	<u>6,298</u>	<u>13,932</u>	<u>67,707</u>	<u>87,937</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2017/18 Total £
DfE/ESFA revenue grants		
Start up grants	100,000	100,000
Other DfE/ESFA grants	138,965	138,965
General Annual Grant (GAG)	<u>1,070,537</u>	<u>1,070,537</u>
	1,309,502	1,309,502
Other government grants		
Local authority grants	<u>168,761</u>	<u>168,761</u>
Total grants	<u>1,478,263</u>	<u>1,478,263</u>

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2017/18 Total £
Hire of facilities	10,240	-	10,240
Catering income	304	-	304
Recharges and reimbursements	-	25,695	25,695
Other sales	<u>38,770</u>	<u>-</u>	<u>38,770</u>
	49,314	25,695	75,009

5 Investment income

	Unrestricted funds £	2017/18 Total £
Short term deposits	<u>70</u>	<u>70</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

6 Expenditure

	Non Pay Expenditure			2017/18
	Staff costs	Premises	Other costs	Total
	£	£	£	£
Academy's educational operations				
Direct costs	709,300	90,869	71,763	871,932
Allocated support costs	404,340	136,991	158,466	699,797
Teaching School	-	-	38,972	38,972
	<u>1,113,640</u>	<u>227,860</u>	<u>269,201</u>	<u>1,610,701</u>

Net income/(expenditure) for the period includes:

	2017/18
	£
Operating lease rentals	2,953
Depreciation	49,538
Fees payable to auditor - audit	9,535
- other audit services	<u>6,750</u>

7 Charitable activities

	Total
	2018
	£
Direct costs - educational operations	871,932
Support costs - educational operations	<u>699,797</u>
	<u>1,571,729</u>

	Educational operations	2017/18
	£	Total
		£
Analysis of support costs		
Support staff costs	404,340	404,340
Depreciation	50,139	50,139
Technology costs	15,497	15,497
Premises costs	86,852	86,852
Other support costs	104,046	104,046
Governance costs	<u>38,923</u>	<u>38,923</u>
Total support costs	<u>699,797</u>	<u>699,797</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

8 Staff

Staff costs

	2017/18
	£
Staff costs during the period were:	
Wages and salaries	884,288
Social security costs	75,867
Pension costs	197,566
	<u>1,157,721</u>
Agency staff costs	24,109
	<u><u>1,181,830</u></u>

Staff numbers

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

	2017/18
	No
Charitable Activities	
Teachers	31
Administration and support	36
Management	6
	<u><u>73</u></u>

9 Central services

No central services were provided by the academy trust to its academies during the period and no central charges arose.

10 Related party transactions - trustees' remuneration and expenses

The value of trustees' remuneration and other benefits was as follows:

K Spark (Chief Executive Officer):

Remuneration: £45,000 - £50,000

Employer's pension contributions: £5,000 - £10,000

Other related party transactions involving the trustees are set out in note 23.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

11 Trustees' and officers' insurance

The academy trust has opted into the Department for 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.

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and fixtures £	Computer Equipment £	Total £
Cost				
Additions	-	24,069	-	24,069
Inherited assets	8,475,000	357,856	55,367	8,888,223
At 31 August 2018	<u>8,475,000</u>	<u>381,925</u>	<u>55,367</u>	<u>8,912,292</u>
Depreciation				
Charge for the year	106,273	31,967	2,768	141,008
At 31 August 2018	<u>106,273</u>	<u>31,967</u>	<u>2,768</u>	<u>141,008</u>
Net book value				
At 31 August 2018	<u>8,368,727</u>	<u>349,958</u>	<u>52,599</u>	<u>8,771,284</u>

The transfer value on conversion to academy of leasehold land and buildings was provided by Trafford Council. These values had been ascertained by Amey and the basis of valuation was the "depreciated replacement cost method of valuation".

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

13 Debtors

	31 August 2018 £
Trade debtors	3,836
Other debtors	567
Prepayments	33,228
Accrued grant and other income	10,780
	<u>48,411</u>

14 Creditors: amounts falling due within one year

	31 August 2018 £
Accruals	68,195
Deferred income	41,404
	<u>109,599</u>

	31 August 2018 £
Deferred income	
Resources deferred in the period	<u>41,404</u>

At the balance sheet date the academy trust was holding funds received in advance for ESFA Rates Relief, trip income and Universal Infant Free School Meals.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

15 Funds

	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds				
General Annual Grant	1,070,537	(1,014,368)	-	56,169
Start up grant	100,000	(100,000)	-	-
Other DfE/ESFA grants	138,965	(53,965)	-	85,000
Local Authority Grants	168,761	(168,761)	-	-
Teaching School	100,666	(38,972)	-	61,694
Other Income	93,866	(93,866)	-	-
	<u>1,672,795</u>	<u>(1,469,932)</u>	<u>-</u>	<u>202,863</u>
Restricted fixed asset funds				
Devolved Formula Capital	27,707	-	30,053	57,760
DfE capital grants	40,000	(852)	(3,092)	36,056
Inherited on conversion	-	(140,156)	8,888,223	8,748,067
	<u>67,707</u>	<u>(141,008)</u>	<u>8,915,184</u>	<u>8,841,883</u>
Restricted pension funds				
Restricted pension fund	<u>(443,000)</u>	<u>(54,000)</u>	<u>82,000</u>	<u>(415,000)</u>
Total restricted funds	1,297,502	(1,664,940)	8,997,184	8,629,746
Unrestricted funds				
Unrestricted general funds	<u>223,984</u>	<u>-</u>	<u>3,092</u>	<u>227,076</u>
Total funds	<u>1,521,486</u>	<u>(1,664,940)</u>	<u>9,000,276</u>	<u>8,856,822</u>

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the trust.

Restricted fixed asset funds are those funds relating to the long term assets of the trust used in delivering the objects of the trust.

Unrestricted funds are funds which the trustees may use in the pursuance of the trust's objectives and are expendable at the discretion of the trustees.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

15 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2018 were allocated as follows:

	31 August 2018 £
Tyntesfield primary school	248,963
Bollin primary school	180,976
Total before fixed assets and pension reserve	429,939
Restricted fixed asset fund	8,841,883
Restricted pension fund	(415,000)
Total	8,856,822

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2018 £
Bollin primary school	227,968	95,917	2,502	82,917	409,304
Tyntesfield primary school	481,332	260,422	18,340	246,292	1,006,386
Academy Trust	709,300	356,339	20,842	329,209	1,415,690

16 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	8,771,284	8,771,284
Current assets	227,076	312,462	70,599	610,137
Current liabilities	-	(109,599)	-	(109,599)
Pension scheme liability	-	(415,000)	-	(415,000)
Total net assets	227,076	(212,137)	8,841,883	8,856,822

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

17 Commitments under operating leases

Operating leases

At 31 August 2018 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	31 August 2018 £
Amounts due within one year	1,105

18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2017/18 £
Net income	8,774,822
Depreciation	141,008
Capital grants from DfE and other capital income	(67,707)
Interest receivable	(70)
Donations - Inherited assets less pension liability	(8,716,134)
Defined benefit pension scheme cost less contributions payable	48,000
Defined benefit pension scheme finance cost	6,000
Increase in debtors	(48,411)
Increase in creditors	109,599
Net cash provided by Operating Activities	247,107

19 Cash flows from investing activities

	2017/18 £
Dividends, interest and rents from investments	70
Purchase of tangible fixed assets	(24,069)
Capital funding received from sponsors and others	67,707
Capital funding inherited on conversion	30,053
Net cash provided by investing activities	73,761

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

20 Analysis of cash and cash equivalents

	31 August 2018 £
Cash at bank and in hand	561,726
Total cash and cash equivalents	<u>561,726</u>

21 Members' liability

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

22 Pension and similar obligations

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 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:

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

22 Pension and similar obligations (continued)

- 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 April 2019.

The employer's pension costs paid to TPS in the period amounted to £95,781 .

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2018 was £67,000, of which employer's contributions totalled £52,000 and employees' contributions totalled £15,000. The agreed contribution rates for future years are 25% for employers and between 5.5% and 12.5% for employees.

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

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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

	31 August 2018 %
Rate of increase in salaries	3.20
Discount rate for scheme liabilities	2.80
Inflation assumptions (CPI)	2.40

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

22 Pension and similar obligations (continued)

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

	31 August 2018
Retiring today	
Males retiring today	21.50
Females retiring today	24.10
Retiring in 20 years	
Males retiring in 20 years	23.70
Females retiring in 20 years	<u>26.20</u>

Sensitivity analysis

	31 August 2018 £
Discount rate -0.1%	241,000.00
Mortality assumption – 1 year increase	40,000.00
CPI rate +0.1%	<u>199,000.00</u>

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

	31 August 2018 £
Equities	1,119,000
Government bonds	263,000
Property	115,000
Cash and other liquid assets	<u>148,000</u>
Total market value of assets	<u>1,645,000</u>

The actual return on scheme assets was £31,000.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

22 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2017/18 £
Current service cost (net of employee contributions)	(48,000)
Interest income	17,000
Interest cost	(23,000)
Total amount recognized in the SOFA	<u>(54,000)</u>

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

	2017/18 £
Conversion of academy trusts	1,973,000
Current service cost	100,000
Interest cost	23,000
Employee contributions	15,000
Actuarial (gains)/losses	(51,000)
At 31 August	<u>2,060,000</u>

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

	2017/18 £
Conversion of academy trusts	1,530,000
Interest income	17,000
Actuarial gains/(losses)	31,000
Employer contributions	52,000
Employee contributions	15,000
At 31 August	<u>1,645,000</u>

23 Related party transactions

Owing to the nature of the Academy Trust 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 the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

23 Related party transactions (continued)

Expenditure Related Party Transaction

PE & Sport Hub - an organisation in which L Manion, husband of K Manion (Head of School at Tyntesfield) is a director of PE & Sports Hub.

The organisation provides sports coaches and sports clubs for many schools in the Trafford area and have provided services to both schools for a few years. K Manion has no involvement in the selection of decision making process in relation to this service.

During the period the school paid £9,898 to The PE & Sports Hub. At the balance sheet date the amount owed to The PE & Sports Hub was £Nil.

Income related party transactions

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

PE & Sports Hub

(L Manion, husband of K Manion (Head of School at Tyntesfield) is a director of PE & Sports Hub.)

The school received £6,540.90 from The PE & Sports Hub. At the balance sheet date the amount owed from The PE & Sports Hub was £Nil..

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

24 Teaching school trading account

	2017/18 £
Income	
Direct Income	
Other income	14,300
Other Income	
Fundraising and other trading activities	13,810
Total Income	<u>28,110</u>
Expenditure	
Direct costs	
Other direct costs	30,050
Other costs	
Other support costs	8,922
Total Expenditure	<u>(38,972)</u>
Deficit from all sources	(10,862)
Teaching school balances at 1 February 2018	<u>72,556</u>
Teaching school balances at 31 August 2018	<u><u>61,694</u></u>

25 Conversion to an academy trust

On 1 February 2018 the Tyntesfield Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Inspiring Learners Multi Academy Trust from the Trafford Council Local Authority for £Nil consideration.

Bollin Primary School converted to academy status and joined the trust on 1 June 2018. All the operations and assets and liabilities were transferred from the Trafford Council Local Authority for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

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

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Period from 8 December 2017 to 31 August 2018 (continued)

25 Conversion to an academy trust (continued)

	Unrestricted fund £	Restricted general fund £	Restricted fixed asset fund £	Total £
Tangible fixed assets				
Leasehold land and buildings	-	-	8,475,000	8,475,000
Other tangible fixed assets	-	-	413,223	413,223
Budget surplus on LA funds	133,920	72,556	30,053	236,529
Budget surplus on other school funds	34,382	-	-	34,382
LGPS pension deficit	-	(443,000)	-	(443,000)
Net assets/(liabilities)	<u>168,302</u>	<u>(370,444)</u>	<u>8,918,276</u>	<u>8,716,134</u>

The transfer value on conversion to academy of land and buildings was provided by Trafford Council. These values had been ascertained by Amey and the basis of valuation was the "depreciated replacement cost method".

