

Registration number: 10770148

AspirePlus Educational Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020



HALLIDAYS

MORE THAN JUST ACCOUNTANTS

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

AspirePlus Educational Trust

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AspirePlus Educational Trust

Reference and Administrative Details

Members	Mrs Carol Thomas Mrs Janet Lambert Mr Jonathan Reynolds Mr Kevin Taylor Mr Robert Berry
Trustees (Directors)	Mr Matthew Bowler (Resigned 30 th June 2020) Mr Barry Harwood Dr Janet Nevin Mrs Catherine Little Mrs Jane Barker
Company Secretary	Mrs Louise Ann Hoyle
Executive Team	Mr Matthew Bowler, CEO and Accounting Officer Mr Anton McGrath – Acting CEO and Accounting Officer (Appointed July 2020) Ms Fay Beach, Headteacher (Rayner Stephens) Mrs Natalie Harris, Finance and Resources Director Mrs Andrea Jones, Headteacher (Longdendale)
Company Name	AspirePlus Educational Trust
Registered Office	AspirePlus Educational Trust Spring Street, Hollingworth, Cheshire SK14 8LW
Company Registration Number	10770148
Auditors	Hallidays Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD
Bankers	Lloyds Bank PLC 16 Market Place Oldham OL1 1JG
Solicitors	Kennedys 56 Oxford Street Manchester M1 6EU United Kingdom

AspirePlus Educational Trust

Trustees' Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31st August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates two academies for pupils aged 11 to 16 in Tameside, Greater Manchester. Longdendale High School serves catchment areas surrounding Hollingworth and Rayner Stephens High School serves catchment areas surrounding Dukinfield. Longdendale has a pupil capacity of 900 and had a roll of 867 in the school census in January 2020. Rayner Stephens has a pupil capacity of 750/780 and had a roll of 622 in the school census in January 2020.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of AspirePlus Educational Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as the AspirePlus Educational 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 on page 1.

Members' Liability

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

Trustees' Indemnities

Professional Indemnity Insurance is in place to protect Directors / Trustees, and officers from claims arising from negligent acts, errors or omissions occurring on Trust business.

Method of Recruitment and Appointment or Election of Trustees

Directors / Trustees are recruited by invitation, dependent of their expertise, experience and skills. Founding members may appoint other Directors / Trustees in accordance with the Articles of Association and are appointed for a term of four years.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Directors / Trustees are inducted into the workings of the Academy, including policies and procedures, together with an appropriate training schedule depending upon their existing area of expertise.

AspirePlus Educational Trust

Trustees' Report (continued)

Organisational Structure

The purpose of the AspirePlus Trust Board is to ensure that the work of the Trust is effective in carrying out the vision, values and mission. Directors are responsible for an extensive range of functions as identified in the Scheme of Delegation. In overview this includes:

- Approval of the Trust's mission, strategy and long term plans
- Approval of agreed indicators to monitor Trust performance
- Review of strategic plans for educational improvement in Trust academies
- Monitoring of the Trust's performance against approved plans,
- Monitoring of individual member institutions performance data
- Approval of systems of control and accountability, including financial and operational controls and risk assessment; and procedures for handling internal grievances and managing conflicts of interest
- To agree constitutional matters, including procedures where the Board has discretion
- To hold at least six Board meetings a year
- To appoint, suspend or remove the Chair, Vice Chair and Board members as appropriate
- To establish, as appropriate, committees of the Board, appoint the Chairs and their terms of reference
- To decide which functions of the Board will be delegated to committees, groups and individuals, including the Chief Executive
- To receive reports and to consider whether any further action by the Board is necessary
- To approve the strategic budget plan and the formal budget plan of the financial year
- Approve and review all Trust-level policies
- To delegate appropriate functions to Local Governing Advisory Boards
- Making strategic decisions about capital expenditure
- To review all delegation arrangements annually
- Approving the Annual Report and Statements.

The CEO is the Accounting Officer for the Trust. The day-to-day management of the Trust is delegated to him and the Executive Team. The Executive Team consists of the CEO, Finance and Resources Director and school Headteachers. These leaders control the Trust at an executive level implementing the policies laid down by the Directors / Trustees and reporting back to them. As a group the Executive Team and school Senior Leadership Teams are responsible for the authorisation of spending within agreed budgets and the appointment of staff in line with the scheme of delegation. Some spending control is devolved to members of the school teams within agreed limits and protocols in accordance with the scheme of delegation.

AspirePlus Educational Trust

Trustees' Report (continued)

The roles and responsibilities of Directors / Trustees and senior leaders are clearly defined in the Trust Scheme of Delegation. The Directors / Trustees meet as a Full Trust Board at least once each term. The Board have specific focus on the performance and standards of the two academies and provide strategic direction, scrutiny, challenge and support for the educational standards of the trust's strategy. The Board also have a specific focus on Finance and Resources and regularly review the reports provided by the Finance and Resources Director on the effectiveness of financial procedures and controls, monitoring spending in the annual budget to ensure that students receive the best possible education in an appropriate environment. The Board also have a specific focus on Audit requirements and regularly review the reports provided by the appointed auditors and monitor appropriate and timely actions are taken. Trustees make visits to academies as required, attending and supporting calendared activities

Arrangements for setting pay and remuneration of key management personnel

The Board annually agree the pay policy. This policy states that all teachers pay will be set in line with the School Teachers Pay and Conditions Document (STPCD). The Chief Executive, Headteacher's, Deputies' and Assistant Heads' pay and remuneration are thus set in accordance with the STPCD and are also benchmarked against other schools in the Local Authority. The Finance and Resources Director pay and remuneration are also set in accordance with the Academy Trust's pay policy and are also benchmarked against other schools in the Local Authority.

Trade union facility time

The AspirePlus Educational Trust operates a traded service facilitated through Tameside Local Authority which provides facilities time when required. The cost of this traded service arrangement is £9,684. Facilities time is provided centrally by the unions as required in line with the service level agreement.

Related Parties and other Connected Charities and Organisations

Astley Sports Village is based at Rayner Stephens High School and is a leisure centre and gym wholly managed by the AspirePlus Educational Trust.

Rayner Stephens High School is co-located with Cromwell High School a special secondary school – linked by a corridor and operating a joint-use facility for lunchtime arrangements.

Objectives and Activities

Objects and Aims

The AspirePlus Educational Trust is totally committed to the local community and has been established to prioritise sustained educational improvement in this area. The vision is *"We support, challenge and collaborate in our endeavour to provide world-class education that allows our whole community to flourish."* Central to the Trust are the *ASPIRE* core values and belief that all learners must be given every opportunity to succeed in life, by developing their academic and vocational abilities, their creative talents and their wider interests.

Our trust is committed to offering inclusive support and high quality education to ensure the best possible progress for all our students, whatever their needs or abilities and regardless of their backgrounds. In order to do this we are developing systems and approaches that ensure the AspirePlus Trust has impact in improving performance and standards in our schools.

Our core purpose, led in schools by our Headteachers, is to make sure that all of our students receive fantastic opportunities achieving the very best that they can in supportive and vibrant school communities. We believe that with hard work, motivation and self-belief all our students can achieve their aspirations and enjoy success at school and beyond—

Trustees' Report (continued)

Objectives, Strategies and Activities

To focus this year has been to ensure capacity for improvement and to sustain impact on member schools. To support with this, options as to the future of the Trust whilst considering what was required for each of the member schools to bring about rapid improvement, began being explored earlier in the year. Formal commitment to accelerate progression in this area was provided by the Board back in November 2019. It has also been a particularly challenging and unprecedented year for the schools and the Trust as a whole in managing the impact of the pandemic. Navigating our way through the essential adaptations to our approach to teaching and learning in order to continue to effectively engage with our learners, mainly remotely since March 2020 has been a significant part of the work of the member schools this year. Managing this with well being of all staff and learners in mind has also been paramount. It must also be recognised that albeit everything was done in line with government guidance, managing the very essential, albeit sudden end to the educational journeys of our class of 2020 has been difficult for all parties not least our learners and their families. Whilst highly effective financial management has remained and governance structures have been retained, it must be noted that a lot of these functions have been completed remotely and as such addendums to policies and procedures during the pandemic have been necessary. Similarly the strategic aims of the Trust and indeed the member schools have continued to be centred around providing the best possible learning experiences whilst delivery of approach has had to be modified. The focus has also been around improving the schools in line with our priorities identified within the SIP and more recently following the school's Ofsted judgements, the post ofsted action plans in place for each school. However, whilst we have had a relentless focus on continued improvement our approach to this has understandably had to take a very different and unusual path. As much as this has been an interesting and at times difficult journey it has certainly helped shape our thinking as to what the landscape may look like for the future. It has however also been an equally demanding period of time to manage the impact of all of this and respond effectively to the ever changing restrictions and expectations we have been faced with over the latter part of the year.

Despite all of this we have still aimed to ensure we have never lost sight of our key objectives for 2019-20:

- To enhance the capacity of the Trust and to explore options for the future sustainability of the Trust and the member schools.
- To provide a relentless focus on performance and standards and supporting school improvement with clear and sustained impact in member schools.
- To further develop effective governance, communication and collaboration to ensure the Trust has impact.
- To recognise the impact of the pandemic on develop effective and efficient remote learning approaches to teaching and learning, with a coherent focus to dealing with any deficit learning.

The strategic plan provides detail on the key actions, intended outcomes, lead personnel and timescales for implementation and is monitored for impact by the Board throughout the year. A summary of some of the key actions are listed below:

- Trust Executive Team continuing to ensure all systems required to operate effectively in all aspects of governance, financial management and school performance and standards are fully embedded.
- Exploring the options for the future of the Trust in order to bring about rapid and sustained improvement.
- Full operation of LGABs for both schools to support strategic direction and operational management of the schools at a local level.

AspirePlus Educational Trust

Trustees' Report (continued)

- Review of all board meetings and structures to allow for school performance data and assess impact of actions taken at Trust and school level to be reviewed by the whole board. To include a similar structure for the Board to be able to scrutinise Trust and school finance data, and ensure compliance with the Academies Financial handbook and assess value for money of actions taken at Trust and school level
- Ongoing review of the curriculum modelling and the marking and assessment systems and processes across the two schools. Further development of consistent and streamlined data collection systems (Progress and Inclusion data) and use to inform Quality Assurance and improvement activities in member schools
- Continued development of consistent Curriculum Impact Review and Appraisal systems across member schools
- Continued development of consistent school improvement planning and self-evaluation strategy across member schools
- Ongoing development of strategies to support the development of middle leaders and high potential teachers to accelerate development and improve impact
- Continuation of the NPQSL training through partnership with Ambition School Leadership with AspirePlus Trust SLT trained as facilitators of the programme
- Ongoing Peer Reviews to support school level QA and improvement activities
- Continue to utilise existing partnerships to the benefit of AspirePlus Trust schools. Ensure that such relationships support improved provision
- Financial plans implemented to deliver stability and efficiency in financial planning and provision
- Identify opportunities for additional funding through DFE programmes
- Continued development of central approaches to development of Trust and school level policies and ensure approval and compliance at appropriate level.
- Explore options to bring about consistency and efficiency to enhance internal and external communications
- Review all partnerships and SLAs with a view to improving value for money. Re-negotiation and wider look at the market for key services.
- Work with the Executive Team to build on the vision, mission and values of the member schools to define a coherent shared vision proposal for the Trust and introduction of core competencies ensuring alignment with core values.

Public Benefit

The Trust's purpose is to advance, for public benefit, education as described in the principal activities above. The Directors / 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.

AspirePlus Educational Trust

Trustees' Report (continued)

Strategic Report

Achievements and Performance

The public examination results at GCSE achieved by learners at AspirePlus Trust academies are summarised in the table below.

Moving into the third year of the Trust and being in the repair/stabilise phase of our development has inevitably created challenges and at a time of ongoing changing frameworks for qualifications and examinations and then not least the impact of the pandemic and the changes to assessment have influenced some key academic performance statistics.

The Trust has undertaken a comprehensive and thorough review of performance in both academies and rigorous improvement plans as overseen by the monitoring boards are in place with a view to impacting positively on all year groups.

Headline Performance Targets	LHS 2020	RSHS 2020	Provisional National 2019	2020 Statistics
Average Attainment 8 score per pupil	47.1	37.9	46.7	50.2
Progress 8	0.08	-0.44	-0.03	-
% achieving grade 4 or above in English and maths	68%	47%	65%	-
% achieving grade 5 or above in English and maths	48%	28%	43%	49.9%
% of pupils entered for the EBacc	60%	47%	40%	39.8%
EBacc average points score	4.01	3.23	4.07	4.38
% attendance	94.6%	92.5%*	94.8%	
% persistent absence	10.2%	24.6%*	12.7%	

*Due to covid 19 the attendance data is not comparable

Other notable achievements across the Trust during this period include:

- The Trust has invested in SLE support in a number of subjects and at a senior level to support continued progress in individual subjects and in whole school structures
- Completion of comprehensive curriculum review In line with lost learning created by the first lockdown has been implemented.

Both schools have participated in the Ambition School's 'Transforming Teacher' Programme with £60,000 of funded training for teaching staff, Curriculum and Senior Leaders with a focus on the science of learning.

- Further capacity has been created for the Trust by the various partnerships which have been established, including with Teaching Schools Alliance.

Aligned operational systems to support with Data and Assessment Tracking, Target Setting, and CURA (safeguarding) and PARS (Fully integrated Management information system)

Trustees' Report (continued)

Continuing to ensure best practice in terms of the quality of teaching were created through Trust-wide use of teams of Trail Blazers, with varied programme of Open Door Days, Empowering Days and mentoring support programme.

Longdendale has been successfully reaccredited for the Inclusion Quality Mark Award and designated as a national flagship school for inclusion – centre of excellence.

Longdendale has been successful in securing £400k worth of CIF funding in order to significantly improve the fabric of the building with replacement of all external windows and doors.

At Rayner Stephens:

The English department is continuing to show steady improvements in both English Language and English Literature. A further increase of 4% at grade 4 or above in English Literature. English Language saw similar improvements with an increase of 3% at grade 4+ and 7% at grade 5+. There was also a shift at grade 7+ for both language and literature and total of 7 grade 8 and 9's awarded. This is a consistent trend of improvement with the increase at grade 4+ or above improving steadily by 12% over the last three years.

The average attainment in Maths has increased half a grade to 4.1. Maths have also seen an 11% increase in the amount of learners achieving both a grade 4+ and 5+. Maths continue to demonstrate their capacity to support learners in achieving top grades with a further increase of 6% of learners achieving a 7+ which is an increase of 14% over the last two years.

After the appointment of the Director of Learning in MFL and History, and a change to the profile of learners entered into these two subjects we have seen continuous improvements in both departments. French saw a 23% increase (up to 74%) in the number of students achieving Grade 4+ compared with the previous year. This is an increase of 38% in the last two years. Average attainment in French has also increased by 0.3. There were also increases in both Geography (up 11%) and History (up 11%) on the Class of 2019 results. History has continued to see steady improvements over the last three years in the same way that French has. Since the class of 2018, grades at 4+ have an increased by an overall 35% and grades at 5+ by 24%.

Out of the 25 GCSE/BTEC subjects delivered in 2019-20 academic year, 21 saw positive improvement in all key measures at Rayner.

Until March 20, Astley Sports Village was continuing to see many facility wide positive outcomes both in terms of gym member drive but also community club booking retention, player, team and sport development outcomes. Financially, the business was secure and staffing remained cost effective and day to day operations were meeting the service demand, footfall, and overall effective and efficient operation. The recently built 3G ATP was at booking capacity and the 2G ATP was seeing a positive increase in U10's junior football addition. Gym Membership was at the highest of 950 paying members. Plans are now in place for business recovery since we have been able to re-open again. Although there are challenges the plans allows us to secure financial viability linked to the very strong foundation of community club bookings and gym membership base, whilst also increasing our brand awareness to our community both local and further wide that will strongly support our recovery plans.

Trustees' Report (continued)

At Longdendale High School:

Thirteen of the subject areas achieving well above the national average at Longdendale.

Attainment 8 improved from 43.00 in 2019 to 47.10 in 2020 as a result of improvements in several subject areas.

The percentage of learners achieving English and maths at Grade 4+ improved from 55% in 2019 to 68% in 2020. In 2019, the percentage of learners with a Grade 4+ in maths was significantly below expectations. As a result of the ongoing focus on improving the quality of teaching, the curriculum offer and the use of data and assessment to inform intervention, the improvements in Grade 4+ in maths in 2020 are reflected in these overall outcomes.

The percentage of learners achieving English and maths at Grade 5+ improved from 41% in 2019 to 48% in 2020.

As a result of an ambitious and personalised curriculum pathway, the percentage of learners entered for the EBACC suite of subjects; 60% remains significantly above the national average 2019; 40%.

The percentage of learners achieving the EBacc improved between 2019 and 2020 for both the Grade 4+ and Grade 5+ levels (This is as a direct result of the ongoing improvements in both MFL and Humanities along with the improved alignment in the number of learners achieving in English, maths and science. As a result, the EBacc average points score improved from 3.62 in 2019 to 4.01 in 2020

The percentage of learners with one science at Grade 4 or above was 69% the same for Grade 5 or above was 49%. The percentage of learners achieving at least two grade 5s in science improved from 35% in 2019 to 39% in 2020.

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.

The repayment plan to cover the deficit inherited on conversion has been agreed and the level of repayments still allow the Trust to operate in a manner that allows us to have comfort that the trust will continue to operate as a going concern for a period of at least 12 months from the date of this report.

Financial Review

Most of the Trust income is obtained from the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA in the year ending 31 August 2020 and associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also received grants from ESFA and other organisations. In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the SOFA as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

AspirePlus Educational Trust

Trustees' Report (continued)

During the period ending 31st August 2020, total expenditure of £9,230,802 was incurred (which excludes depreciation of £802,334 and FRS 102 service costs of £488,000), which was covered by recurrent grant income from the ESFA, together with other incoming resources which totalled £9,603,505.

Unrestricted income in the period ending 31 August 2020 amounted to £549,465. Unrestricted expenditure for the period amount to £370,739.

At 31st August 2020 the net book value of fixed assets amounts to £23,071,421. Movements in fixed assets are shown in note 12 to the financial statements. The cost of fixed asset additions in the year amounted to £22,690.

Reserves Policy

The Directors/Trustees review the level of reserves on an annual basis. The review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Trust's current level of free reserves (total reserves less the amounts held in the fixed asset reserve and restricted pension reserve) is £880,326.

It is the Directors/Trustees intention to adopt a prudent approach to reserves and aim to build a reserve of designated funds to safeguard against unforeseen circumstances, capital improvements or developments, late ESFA payments, emergencies or other catastrophes. This is sound commercial practice designed to safeguard the Trust's business interests and quality of education within the Trust.

In addition the net liability due to the Trust's participation in the Local Government scheme (L-GPS) amounts to £3,887,000. Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of Academy closure, outstanding LGPS liabilities would be met by the Department for Education. This guarantee provides comfort to the Directors/Trustees in the unlikely event of Academy closure.

Investment Policy

For selection, assets will only be considered with banking institutions which have credit ratings assessed as appropriate to show good credit quality.

To manage the risk of default, deposits should be spread by banking institution and be subject to maximum exposure of £500,000 with any PRA (Prudential Regulation Authority) authorised institution by the Bank of England. (refer to Financial Conduct Authority (FCA)). Whilst this exceeds the protection limit of £75,000 provided by the FCA it is accepted that this is not always practicable to find a sufficient number of investments of this size meet the prudent criteria outlined in this policy.

Decisions on how much to invest and how long to invest for, will be based on operational requirements, demonstrated by cash flow forecasts produced by the Finance Managers and Finance and Resources Director. The cash flow forecasts will take account of the annual budget and spending plans approved by the Board.

The aim must be that a sufficient balance must be held in the current account so that the Trust's financial commitments can always be met without the bank account going overdrawn. The size of the balance will be determined by the forecast of the future need and kept under review.

AspirePlus Educational Trust

Trustees' Report (continued)

Investments for a fixed term should not normally exceed one year in order to provide flexibility for the following year's plans, unless a clear rationale is provided for exceeding one year to the benefit of the Trust.

Principal Risks and Uncertainties

The principal risks to the Trust are documented and managed using a Risk Management Policy and a Risk register which is regularly reviewed.

The main risks are seen as the loss of reputation through failing standards at the academy, falling student numbers, failure to safeguard our students, financial impact of the outstanding deficit.

Key controls to mitigate these risks are:

- An organisational structure with clearly defined roles, responsibilities and authorisation levels.
- Documents terms of reference for the Board meetings
- Financial planning, budgeting and regular management reporting highlighting the key areas of financial risk
- Formal written and published policies for employees
- Vetting procedures as required by legislation for the protection of the vulnerable
- Robust due diligence procedures for new contracts and commissions

The main financial risks relates to pupil numbers and assurances from the LA that demand is set to rise and that we will reach the recently increased PAN in the coming years.

Bank and cash reconciliations are carried out routinely and signed by authorised officers of the Trust's finance team. All orders and payments are signed off by the Finance Team with appropriate segregation of duties in place. Fixed asset registers are in place and there are processes in place for the acquisition and disposal of assets. Payroll is outsourced and checked by more than one individual each month. The appropriateness and integrity of internal controls is assessed and report to the Directors/Trustees by the Responsible Officer and external auditors.

The security of data is administered by an in house team of IT professionals.

Remaining risks are mitigated to a large extent through the purchasing of commercial insurance.

Fundraising

The trust does not use any external fundraisers. All fundraising undertaken during the period to March 2020 was monitored by the Trustees and through the income and expenditure reporting.

AspirePlus Educational Trust

Trustees' Report (continued)

Trustees may also find it helpful to refer to the Charity Commission publication "Charity fundraising:

- a guide to trustee duties (CC20)" which has been updated to reflect new requirements.

Streamlined Energy and Carbon Reporting

As the Trust has not consumed more than 40,000 kWh of energy in this reporting period and is not deemed as a large company, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Plans for Future Periods

The key purpose of the AspirePlus Educational Trust is to impact positively on performance and standards in member academies. To support with achieving this and to further strengthen the work of the member schools it has been collectively and unanimously agreed that the direction of travel for the Trust is to transfer to another Multi-Academy Trust. The work of the member schools will further be supported through the imminent appointment of the Executive Principal. Subject to the formal secretary state approval the move to another Multi-academy Trust will be with effect from 1st January 21. Clear evidence of improvement in Trust schools and highly effective governance and financial management will remain central to the work of the schools. The main focus however will be to continue to ensure sustained impact on member schools and increased development of capacity in order to perform strongly in all measures of performance. Although the move to another Multi-Academy Trust is imminent, the Local Authority are still committing to provide additional funding to support the modification of key areas of Rayner Stephens High School, including new Science laboratories and catering spaces.

Funds Held as Custodian Trustee on Behalf of Others

AspirePlus Educational Trust does not currently hold funds on behalf of others.

Auditor

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2020 and signed on the board's behalf by:

... 

Carol Thomas
Trustee

17 December 2020

AspirePlus Educational Trust

Governance Statement

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that AspirePlus Educational 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 as accounting officer, and from 15th May 20 this has passed to the interim CEO, 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 AspirePlus Educational Trust and the Secretary of State for Education. The Chief Executive is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. The new structure of the scheduled meetings was trialled this year so that each and every meeting has a focus on both education and standards and finance and resources, with audit responsibilities being a standard agenda item at least three times a year. Attendance at the meetings of the board of trustees was as follows:

Trustees	Possible	Actual
C Thomas (Chair)	6	6
J Lambert	6	5
J Reynolds	6	3
M Bowler	6	2
B Harwood	6	2
J Nevin	6	5
K Taylor	6	3
J Barker	6	6
Catherine Little	6	3
Robert Berry	6	6

Governance reviews

During the year, reviews have taken place of the membership of the Board of Trustees. The skills audit has been completed and did not highlight any areas of concern in terms of essential skills, knowledge and experience but it is something that is regularly reviewed.

The **finance and resources element of the** main board of trustees. The purpose is to: review and scrutinise the annual budget and monitor spending, to ensure that students receive the best possible education in an appropriate environment. The Board meets at least 6 times a year. Further details on the function of this element of the Board can be found in the terms of reference.

The main responsibility of the Finance and Resources aspect of the Trusts work is to monitor and review progress in areas including:

- The initial review and scrutiny of the annual budget
- The regular monitoring and scrutiny of the trust's accounts

Governance Statement (continued)

- Ensuring the annual accounts are produced in accordance with the requirements of the companies act 2006 and the ESFA guidance issued to academies
- Reviewing and checking details of contracts and purchases
- Authorising the award of contracts and purchases
- Reviewing the reports of the chief financial officer on the effectiveness of the financial procedures and controls.

The education and standards element of the main board of trustees. Its purpose is to: provide strategic direction, scrutiny, challenge and support for the educational standards of the trust's strategy to ensure that students receive the best possible education. The Board meets at least six times a year. Further details on the function of this element of the Board can be found in the terms of reference.

The main business of the ESC is to review educational standards and school improvement actions supported by the evidence base from the internal Raising Achievement Board (RAB) meetings that take place in each school led by the CEO and under the scrutiny of the Chair of the Local Governing Advisory Board. The main responsibility of the Education and Standards function of the Board is to monitor and review progress in each of the following areas:

- Achievement and Progress
- Inclusion and School Culture
- Curriculum issues
- School Improvement Planning and Self Evaluation
- Quality of learning, teaching and leadership

Review of Value for Money

As accounting officer the Chief Executive 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 effectively using staffing resources across the two schools with a number of appointments being made which has allowed for costs to be shared and skills and expertise to be useful effectively for the benefit of the Trust. Effective alignment of operational support teams and functions has also allowed for more effective use of resources. Due to the impact of the pandemic there has been additional and rising costs that have been incurred and whilst not ideal it is accepted these have been essential items of expenditure in order to meet with government and local guidance.

Governance Statement (continued)

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 AspirePlus Educational Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st September 2019 – 31st August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the Board 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 continued to consider the need for a specific internal audit function and has decided:

- to appoint Hallidays as internal auditor to complete Responsible Officer works.

AspirePlus Educational Trust

Governance Statement (continued)

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of fixed asset systems
- testing of School fund systems
- testing of Income and Parent Pay systems

Responsible officer visits have taken place at least quarterly in line with planned schedule of works, albeit remotely due to the current landscape and these have provided details of any material control issues and appropriate action was taken. The findings of the reports were presented to the Board and the recommendation were reviewed and acted upon.

There were no material control of other issues reported by the Responsible Officer to date.

Review of Effectiveness

As accounting officer the **chief executive** 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 and 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 Trust Board 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 17 December 2020 and signed on its behalf by:



Carol Thomas
Trustee



Anton McGrath
Accounting Officer

AspirePlus Educational Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of AspirePlus Educational Trust I have considered my responsibility to notify the academy trust Governing Body and the Education and 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 2019.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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 Governing Body and ESFA.



Mr Anton McGrath
Accounting officer

17 December 2020

AspirePlus Educational 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 Academies Accounts Direction published by the Education and 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 2019 to 2020;
- 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 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 17 December 2020 and signed on its behalf by:



.....
Mrs Carol Thomas
Trustee

AspirePlus Educational Trust

Independent Auditor's Report on the Financial Statements to the Members of AspirePlus Educational Trust

Opinion

We have audited the financial statements of AspirePlus Educational Trust (the 'Academy') for the year ended 31 August 2020, 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 at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

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 (covers the Reference and Administrative Details, the Trustees' Report and the Governance Statement)

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.

AspirePlus Educational Trust

Independent Auditor's Report on the Financial Statements to the Members of AspirePlus Educational Trust (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report 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 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 18], 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:

AspirePlus Educational Trust

Independent Auditor's Report on the Financial Statements to the Members of AspirePlus Educational Trust (continued)

- 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.
- 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.

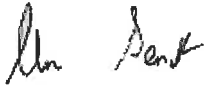
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

AspirePlus Educational Trust

Independent Auditor's Report on the Financial Statements to the Members of AspirePlus Educational Trust (continued)



.....
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:..... 17/12/2020

AspirePlus Educational Trust

Independent Reporting Accountant's Report on Regularity to AspirePlus Educational Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 3 April 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by AspirePlus Educational Trust during the period 1 September 2019 to 31 August 2020 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 AspirePlus Educational Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to AspirePlus Educational 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 AspirePlus Educational 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 and the Academies Financial Handbook extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 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 2019 to 2020 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.

AspirePlus Educational Trust

Independent Reporting Accountant's Report on Regularity to AspirePlus Educational Trust and the Education and 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.
- 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 Trust Board 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.

Conclusion

In the course of our work, except for the matter listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- During the year, the academy trust has not prepared monthly management accounts in accordance with the requirements of the Academies Financial Handbook 2019.

AspirePlus Educational Trust

Independent Reporting Accountant's Report on Regularity to AspirePlus Educational Trust and the Education and Skills Funding Agency (continued)



.....
Reporting Accountant

Hallidays
Chartered Accountants
and
Registered Auditors

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

Date: 17/12/2020
.....

AspirePlus Educational Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:						
Donations and capital grants	2	-	86,708	-	399,918	486,626
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	8,967,332	-	-	8,967,332
Other trading activities	4	548,530	-	-	-	548,530
Investments	5	935	-	-	-	935
Total		549,465	9,054,040	-	399,918	10,003,423
Expenditure on:						
Raising funds	6	973	161	-	-	1,134
<i>Charitable activities:</i>						
Academy trust educational operations	7	369,766	8,859,902	488,000	802,334	10,520,002
Total		370,739	8,860,063	488,000	802,334	10,521,136
Net income/(expenditure)		178,726	193,977	(488,000)	(402,416)	(517,713)
Transfers between funds		-	10,066	-	(10,066)	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	27	-	-	(660,000)	-	(660,000)
Net movement in funds/(deficit)		178,726	204,043	(1,148,000)	(412,482)	(1,177,713)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2019		611,486	(113,929)	(2,739,000)	23,851,065	21,609,622
Total funds/(deficit) carried forward at 31 August 2020		<u>790,212</u>	<u>90,114</u>	<u>(3,887,000)</u>	<u>23,438,583</u>	<u>20,431,909</u>

AspirePlus Educational Trust

Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2018/19 Total £
Income and endowments from:						
Donations and capital grants	2	-	133,235	-	131,489	264,724
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	8,405,602	-	-	8,405,602
Other trading activities	4	736,808	273	-	-	737,081
Investments	5	652	-	-	-	652
Total		<u>737,460</u>	<u>8,539,110</u>	<u>-</u>	<u>131,489</u>	<u>9,408,059</u>
Expenditure on:						
Raising funds	6	2,269	1,082	-	-	3,351
<i>Charitable activities:</i>						
Academy trust educational operations	7	<u>358,600</u>	<u>8,501,784</u>	<u>403,000</u>	<u>828,119</u>	<u>10,091,503</u>
Total		<u>360,869</u>	<u>8,502,866</u>	<u>403,000</u>	<u>828,119</u>	<u>10,094,854</u>
Net income/(expenditure)		376,591	36,244	(403,000)	(696,630)	(686,795)
Transfers between funds		(31,571)	(18,962)	-	50,533	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	27	-	-	(1,120,000)	-	(1,120,000)
Net movement in funds/(deficit)		345,020	17,282	(1,523,000)	(646,097)	(1,806,795)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2018		<u>266,466</u>	<u>(131,211)</u>	<u>(1,216,000)</u>	<u>24,497,162</u>	<u>23,416,417</u>
Total funds/(deficit) carried forward at 31 August 2019		<u>611,486</u>	<u>(113,929)</u>	<u>(2,739,000)</u>	<u>23,851,065</u>	<u>21,609,622</u>

AspirePlus Educational Trust
(Registration number: 10770148)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	23,071,421	23,851,065
Current assets			
Debtors	13	547,168	144,014
Cash at bank and in hand		<u>1,255,463</u>	<u>1,254,077</u>
		1,802,631	1,398,091
Creditors: Amounts falling due within one year	14	<u>(439,860)</u>	<u>(690,902)</u>
Net current assets		<u>1,362,771</u>	<u>707,189</u>
Total assets less current liabilities		24,434,192	24,558,254
Creditors: Amounts falling due after more than one year	15	<u>(115,283)</u>	<u>(209,632)</u>
Net assets excluding pension liability		24,318,909	24,348,622
Defined benefit pension scheme liability	27	<u>(3,887,000)</u>	<u>(2,739,000)</u>
Net assets including pension liability		<u>20,431,909</u>	<u>21,609,622</u>
Funds of the Academy Trust:			
Restricted funds			
Restricted general fund	16	90,114	(113,929)
Restricted fixed asset fund	16	23,438,583	23,851,065
Restricted pension fund	16	<u>(3,887,000)</u>	<u>(2,739,000)</u>
		19,641,697	20,998,136
Unrestricted funds			
Unrestricted general fund	16	<u>790,212</u>	<u>611,486</u>
Total funds		<u>20,431,909</u>	<u>21,609,622</u>

The financial statements on pages 26 to 55 were approved by the Trustees, and authorised for issue on 17 December 2020 and signed on their behalf by:

C. Thomas

Mrs Carol Thomas
Trustee

AspirePlus Educational Trust

Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(250,501)	680,158
Cash flows from investing activities	22	378,163	(49,882)
Cash flows from financing activities	21	<u>(126,276)</u>	<u>(50,092)</u>
Change in cash and cash equivalents in the year		1,386	580,184
Cash and cash equivalents at 1 September		<u>1,254,077</u>	<u>673,893</u>
Cash and cash equivalents at 31 August	23	<u><u>1,255,463</u></u>	<u><u>1,254,077</u></u>

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

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.

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value; unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (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 £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 on a [straight-line/reducing balance] basis over its expected useful lives, per the table below.

Asset class	Depreciation method and rate
Leasehold Land	125 years straight line
Leasehold Buildings	2% straight line
Furniture & equipment	10% straight line
Computer equipment	33 1/3% straight line

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (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 and reclassified to freehold or leasehold land and buildings.

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 and 15. 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.

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (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 Part 11, Chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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 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 based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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.

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Fund accounting

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

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

Restricted pension funds comprise all income, costs and actuarial valuations associated with the Local Government pension scheme (LGPS).

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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

	Restricted funds £	Restricted fixed asset funds £	2019/20 Total £	2018/19 Total £
Educational trips and visits	86,708	-	86,708	133,235
Capital grants	-	399,918	399,918	131,489
	<u>86,708</u>	<u>399,918</u>	<u>486,626</u>	<u>264,724</u>

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2019/20 Total £	2018/19 Total £
DfE/ESFA revenue grants			
General Annual Grant	7,865,706	7,865,706	7,615,503
Other DfE Group grants	928,386	928,386	629,548
	<u>8,794,092</u>	<u>8,794,092</u>	<u>8,245,051</u>
Other government grants			
Local authority grants	133,313	133,313	136,751
Coronavirus Job Retention Scheme Grant	16,127	16,127	-
	<u>149,440</u>	<u>149,440</u>	<u>136,751</u>
Non-government grants and other income			
Non-government grants	23,800	23,800	23,800
	<u>23,800</u>	<u>23,800</u>	<u>23,800</u>
Total grants	<u>8,967,332</u>	<u>8,967,332</u>	<u>8,405,602</u>

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "Coronavirus Job Retention Scheme Grant"

- The academy furloughed some of its sports centre staff under the government's CJRS. The funding received of £16,127 relates to staff costs which are included within note 8 below as appropriate.

4 Other trading activities

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Catering income	238,439	238,439	350,597
Other sales	310,091	310,091	386,484
	<u>548,530</u>	<u>548,530</u>	<u>737,081</u>

5 Investment income

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Short term deposits	935	935	652

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

6 Expenditure

	Non Pay Expenditure			2019/20 Total £	2018/19 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	-	-	1,134	1,134	3,351
Academy's educational operations					
Direct costs	6,312,467	666,429	485,855	7,464,751	6,965,203
Allocated support costs	1,719,019	710,142	626,090	3,055,251	3,126,300
	<u>8,031,486</u>	<u>1,376,571</u>	<u>1,113,079</u>	<u>10,521,136</u>	<u>10,094,854</u>

Net income/(expenditure) for the year includes:

	2019/20 £	2018/19 £
Operating lease rentals	10,790	10,269
Depreciation	802,334	828,119
Fees payable to auditor - audit	8,850	8,250
- other audit services	<u>10,550</u>	<u>5,750</u>

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

7 Charitable activities

		Total 2020 £	Total 2019 £
Direct costs - educational operations		7,464,751	6,965,203
Support costs - educational operations		<u>3,055,251</u>	<u>3,126,300</u>
		10,520,002	10,091,503
	Educational operations £	2019/20 Total £	2018/19 Total £
Analysis of support costs			
Support staff costs	1,719,019	1,719,019	1,646,703
Depreciation	135,905	135,905	151,943
Technology costs	34,697	34,697	32,888
Premises costs	574,237	574,237	558,474
Legal costs - other	9,810	9,810	2,081
Other support costs	562,214	562,214	719,802
Governance costs	<u>19,369</u>	<u>19,369</u>	<u>14,409</u>
Total support costs	3,055,251	3,055,251	3,126,300

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff

Staff costs

	2019/20 £	2018/19 £
Staff costs during the year were:		
Wages and salaries	5,517,642	5,296,280
Social security costs	554,692	522,660
Pension costs	1,619,603	1,219,820
	<u>7,691,937</u>	<u>7,038,760</u>
Agency staff costs	306,003	318,628
Staff restructuring costs	33,546	28,050
	<u>8,031,486</u>	<u>7,385,438</u>
	2020 £	2019 £
Staff restructuring costs comprise:		
Severance payments	<u>33,546</u>	<u>28,050</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £33,546 (2019: £28,050).

Non-contractual payments £2,436

Non-contractual payments £8,500

Non-contractual payments £2,610

Non-contractual payments £20,000

Staff numbers

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

	2019/20 No	2018/19 No
Teachers	103	89
Administration and support	133	111
Management	4	4
	<u>240</u>	<u>204</u>

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff (continued)

Higher paid staff

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

	2020 No	2019 No
£60,001 - £70,000	4	3
£70,001 - £80,000	2	2
£100,001 - £110,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £461,109 (2019: £409,538).

9 Central services

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

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

Mr Matthew Bowler (CEO):

Remuneration: £120,000 - £125,000 (2019 - £100,000 - £105,000)

Employer's pension contributions: £20,000 - £25,000 (2019 - £15,000 - £20,000)

Other related party transactions involving the trustees are set out in note 28.

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 is included in the total insurance cost.

As of August 2020, 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.

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Total £
Cost				
At 1 September 2019	22,782,149	2,015,663	769,865	25,567,677
Additions	-	18,860	3,830	22,690
At 31 August 2020	22,782,149	2,034,523	773,695	25,590,367
Depreciation				
At 1 September 2019	806,008	372,517	538,087	1,716,612
Charge for the year	369,987	202,724	229,623	802,334
At 31 August 2020	1,175,995	575,241	767,710	2,518,946
Net book value				
At 31 August 2020	21,606,154	1,459,282	5,985	23,071,421
At 31 August 2019	21,976,141	1,643,146	231,778	23,851,065

13 Debtors

	2020 £	2019 £
VAT recoverable	17,996	20,520
Other debtors	31,927	-
Prepayments	24,992	33,521
Accrued grant and other income	472,253	89,973
	<u>547,168</u>	<u>144,014</u>

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,388	7,906
Other taxation and social security	133,363	131,952
Other creditors	125,870	172,811
Accruals	47,860	253,579
Deferred income	131,379	124,654
	<u>439,860</u>	<u>690,902</u>
	2020 £	2019 £
Deferred income		
Deferred income at 1 September 2019	124,654	74,541
Resources deferred in the period	131,379	124,654
Amounts released from previous periods	(124,654)	(74,541)
Deferred income at 31 August 2020	<u>131,379</u>	<u>124,654</u>

At the balance sheet date the Academy Trust was holding funds received in advance for ESFA rates relief, and schools trips taking place in 2020/21.

15 Creditors: amounts falling due after one year

	2020 £	2019 £
CIF Loan	24,087	-
SALIX loan	7,840	-
Deficit on conversion	83,356	209,632
	<u>115,283</u>	<u>209,632</u>

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16. Funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General annual grant	(113,929)	7,865,706	(7,671,729)	10,066	90,114
Other DfE/ESFA grants	-	928,386	(928,386)	-	-
Donations	-	86,708	(86,708)	-	-
Other grants	-	173,240	(173,240)	-	-
	<u>(113,929)</u>	<u>9,054,040</u>	<u>(8,860,063)</u>	<u>10,066</u>	<u>90,114</u>
Restricted fixed asset funds					
Inherited on conversion	23,138,988	-	(776,985)	-	22,362,003
DfE Group capital grants	618,930	399,918	(21,883)	-	996,965
Capital expenditure from unrestricted funds	93,147	-	(3,466)	(10,066)	79,615
	<u>23,851,065</u>	<u>399,918</u>	<u>(802,334)</u>	<u>(10,066)</u>	<u>23,438,583</u>
Restricted pension funds					
Pension Reserve	(2,739,000)	-	(488,000)	(660,000)	(3,887,000)
Total restricted funds	<u>20,998,136</u>	<u>9,453,958</u>	<u>(10,150,397)</u>	<u>(660,000)</u>	<u>19,641,697</u>
Unrestricted funds					
Unrestricted general funds	611,486	549,465	(370,739)	-	790,212

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Total funds	21,609,622	10,003,423	(10,521,136)	(660,000)	20,431,909

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

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General annual grant	(131,211)	7,615,503	(7,579,259)	(18,962)	(113,929)
Other DfE/ESFA grants	-	629,548	(629,548)	-	-
Donations	-	133,235	(133,235)	-	-
Other grants	-	160,824	(160,824)	-	-
	(131,211)	8,539,110	(8,502,866)	(18,962)	(113,929)

Restricted fixed asset funds

Inherited on conversion	23,942,384	-	(803,396)	-	23,138,988
DfE Group capital grants	508,930	131,489	(21,489)	-	618,930
Capital expenditure from unrestricted funds	45,848	-	(3,234)	50,533	93,147
	24,497,162	131,489	(828,119)	50,533	23,851,065

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted pension funds					
Pension Reserve	(1,216,000)	-	(403,000)	(1,120,000)	(2,739,000)
Total restricted funds	23,149,951	8,670,599	(9,733,985)	(1,088,429)	20,998,136
Unrestricted funds					
Unrestricted general funds	266,466	737,460	(360,869)	(31,571)	611,486
Total funds	23,416,417	9,408,059	(10,094,854)	(1,120,000)	21,609,622

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

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

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

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

Restricted pension funds comprise all income, costs and actuarial valuations associated with the Local Government pension scheme (LGPS).

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Longdendale High School		
Rayner Stephens High School		
Total before fixed assets and pension reserve	880,326	497,557
Restricted Fixed Asset Fund	23,438,583	23,851,065
Pension Reserve	(3,887,000)	(2,739,000)
Total	20,431,909	21,609,622

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 2020 £	Total 2019 £
Longdendale High School	3,366,441	605,709	110,871	799,628	4,882,649	4,734,728
Rayner Stephens High School	2,946,027	682,311	80,730	637,952	4,347,020	4,129,003
Academy Trust	6,312,468	1,288,020	191,601	1,437,580	9,229,669	8,863,731

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	23,071,421	23,071,421
Current assets	790,212	645,257	367,162	1,802,631
Current liabilities	-	(439,860)	-	(439,860)
Creditors over 1 year	-	(115,283)	-	(115,283)
Pension scheme liability	-	(3,887,000)	-	(3,887,000)
Total net assets	790,212	(3,796,886)	23,438,583	20,431,909

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	23,851,065	23,851,065
Current assets	611,486	786,605	-	1,398,091
Current liabilities	-	(690,902)	-	(690,902)
Creditors over 1 year	-	(209,632)	-	(209,632)
Pension scheme liability	-	(2,739,000)	-	(2,739,000)
Total net assets	611,486	(2,852,929)	23,851,065	21,609,622

18 Capital commitments

	2020 £
Contracted for, but not provided in the financial statements	399,089

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

19 Commitments under operating leases

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	8,699	10,164
Amounts due between one and five years	3,944	7,071
	<u>12,643</u>	<u>17,235</u>

20 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2019/20 £	2018/19 £
Net expenditure for the reporting period (as per the statement of financial activities)	(517,713)	(686,795)
Depreciation	802,334	828,120
Capital grants from DfE and other capital income	(399,918)	(131,489)
Interest receivable	(935)	(652)
Defined benefit pension scheme cost less contributions payable	431,000	366,000
Defined benefit pension scheme finance cost	57,000	37,000
(Increase)/decrease in debtors	(403,154)	9,560
(Decrease)/increase in creditors	<u>(219,115)</u>	<u>258,414</u>
Net cash (used in)/provided by Operating Activities	<u>(250,501)</u>	<u>680,158</u>

21 Cash flows from financing activities

	2019/20 £	2018/19 £
Repayments of borrowing	<u>(126,276)</u>	<u>(50,092)</u>
Net cash used in financing activities	<u>(126,276)</u>	<u>(50,092)</u>

22 Cash flows from investing activities

	2019/20 £	2018/19 £
Dividends, interest and rents from investments	935	652
Purchase of tangible fixed assets	(22,690)	(182,023)
Capital funding received from sponsors and others	<u>399,918</u>	<u>131,489</u>
Net cash provided by/(used in) investing activities	<u>378,163</u>	<u>(49,882)</u>

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

23 Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	1,255,463	1,254,077
Total cash and cash equivalents	<u>1,255,463</u>	<u>1,254,077</u>

24 Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Other non-cash changes £	At 31 August 2020 £
Cash	1,254,077	1,386	-	1,255,463
Loans falling due within one year	(126,276)	-	-	(126,276)
Loans falling due after more than one year	<u>(209,632)</u>	<u>126,276</u>	<u>(31,927)</u>	<u>(115,283)</u>
	<u>(335,908)</u>	<u>126,276</u>	<u>(31,927)</u>	<u>(241,559)</u>
Total	<u>918,169</u>	<u>127,662</u>	<u>(31,927)</u>	<u>1,013,904</u>

25 Contingent liabilities

The Academy Trust is currently undergoing a review of the treatment of its input VAT claims through the S126 process. Whilst the work is not yet formally complete, the review has identified errors in how the Academy Trust has accounted for input VAT on certain categories of expenditure. The likely outcome once the review is complete will be an outflow of funds from the Academy. This amount cannot be estimated reliably at the time of approving the financial statements and accordingly no provision has been made. There is no possibility of any reimbursement of amounts payable following the result of the VAT review.

26 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.

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

27 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 Tameside Metropolitan Borough Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer makes contributions, as a percentage of salary - these contributions 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 every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £877,417 (2019: £574,666). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

27 Pension and similar obligations (continued)

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 year ended 31 August 2020 was £417,000 (2019 - £384,000), of which employer's contributions totalled £307,000 (2019 - £279,000) and employees' contributions totalled £110,000 (2019 - £105,000). The agreed contribution rates for future years are 16.5 to 17.9 per cent for employers and 5.5 to 12.5 per cent for employees.

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

	2020 %	2019 %
Rate of increase in salaries	3.00	3.10
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.90</u>

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

	2020	2019
Retiring today		
Males retiring today	20.50	20.60
Females retiring today	23.10	23.10
Retiring in 20 years		
Males retiring in 20 years	22.00	22.00
Females retiring in 20 years	<u>25.00</u>	<u>24.80</u>

Sensitivity analysis

	2020 £	2019 £
Discount rate -0.5%	1,212,000.00	1,045,000.00
Salary increase rate +0.5%	163,000.00	196,000.00
Pension increase rate +0.5%	<u>1,023,000.00</u>	<u>825,000.00</u>

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

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

27 Pension and similar obligations (continued)

	2020	2019
	£	£
Equities	3,469,000	3,256,000
Government bonds	817,000	719,000
Property	357,000	383,000
Cash and other liquid assets	460,000	431,000
Total market value of assets	<u>5,103,000</u>	<u>4,789,000</u>

The actual return on scheme assets was (£54,000) (2019 - £210,000).

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Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

27 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2019/20 £	2018/19 £
Current service cost	(431,000)	(366,000)
Interest income	94,000	123,000
Interest cost	(151,000)	(160,000)
Total amount recognized in the SOFA	<u>(488,000)</u>	<u>(403,000)</u>

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

	2019/20 £	2018/19 £
At start of period	(7,528,000)	(5,411,000)
Current service cost	(738,000)	(645,000)
Interest cost	(151,000)	(160,000)
Employee contributions	(110,000)	(105,000)
Actuarial (gain)/loss	(512,000)	(1,207,000)
Benefits paid	49,000	-
At 31 August	<u>(8,990,000)</u>	<u>(7,528,000)</u>

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

	2019/20 £	2018/19 £
At start of period	4,789,000	4,195,000
Interest income	94,000	123,000
Actuarial gain/(loss)	(148,000)	87,000
Employer contributions	307,000	279,000
Employee contributions	110,000	105,000
Benefits paid	(49,000)	-
At 31 August	<u>5,103,000</u>	<u>4,789,000</u>

28 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 Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

AspirePlus Educational Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

28 Related party transactions (continued)

Expenditure related party transactions

Anton McGrath - Acting CEO

During the year, Anton McGrath acted as CEO from May 2020 for which £9,000 (2019: £nil) was charged. There were no amounts outstanding at 31 August 2020 (2019: £nil).