



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

Annual Report and Financial Statements

Year ended 31 August 2022

Company Registration Number:
08287012 (England and Wales)

Inspire Multi Academy Trust

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Inspire Multi Academy Trust

Reference and Administrative Details

Members	C Dumighan J Chadd M Foster S Ruffell S Winfield	
Trustees	A Parr C Graham E Bolton E Scribbins (resigned 26 September 2022) H Brown J Ord J West (Chief Executive Headteacher and Accounting Officer) S Ruffell (Chairman)	
Company Secretary	S Allan	
Senior Management Team	Chief Executive Headteacher and Accounting Officer Executive Bursar and Chief Financial Officer Lead Headteacher	J West A McCully T Pizl
Company Name	Inspire Multi Academy Trust	
Principal and Registered Office	Archer Road Farringdon Sunderland SR3 3DJ	
Company Registration Number	08287012 (England and Wales)	
Independent Auditor	Azets Audit Services Wynyard Park House Wynyard Avenue Wynyard TS22 5TB	
Bankers	Lloyds Bank Fawcett Street Sunderland Tyne & Wear SR1 1SF	
Solicitors	Womble Bond Dickinson The Spark Draymans Way Newcastle Helix Newcastle Upon Tyne NE4 5DE	

Inspire Multi Academy Trust

Trustees' Report

For The Period Ended 31 August 2022

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The academy trust operates five academies in Sunderland, Tyne and Wear, admitting pupils aged 3 to 11 years. Our academies are Burnside Academy, Farringdon Academy, Fatfield Academy, New Penshaw Academy and Plains Farm Academy.

Our academies are situated in areas of deprivation across the City of Sunderland. The trust has an overall pupil capacity of 1,440. In the school census from May 2022 the actual number on roll within each academy was:

- Burnside - 150
- Farringdon - 408
- Fatfield - 215
- New Penshaw - 175
- Plains Farm – 196

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 Inspire Multi Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Inspire Multi Academy Trust.

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Every trustee of the charitable company shall be indemnified out of the assets of the trust against any liability incurred by them in that capacity. This will include defending any proceedings, whether civil or criminal, in which judgment is given in favor or in which they are acquitted. The indemnity covers any application in which relief is granted to them by the court from negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust.

Method of Recruitment and Appointment or Election of Trustees

Each trustee is assigned a lead area of responsibility linked to the trust's core business, for example EYFS, human resources, finance, health and safety, risk management, IT; these roles are assigned based upon skills and expertise and align with the Department for Education (DfE) Governance Competency Framework.

Recruitment of trustees is administered and managed through recruitment and selection processes, which includes the formation of role profiles and role specifications. Vacancies on the Board of Trustees are advertised externally, through recruitment partners, which include Governors for Schools or Inspiring Governance Service as well as the academy trust website.

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Trustees' Report (continued)

Candidates are assessed through a recruitment and selection process administered by a selection panel. This process helps to ensure the strongest candidates are considered for vacant posts.

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

Subject to the Articles of Association, the Company shall have the following trustees:

- up to nine trustees appointed by ordinary resolution by members.
- the members may appoint staff trustees through such process as they may determine.
- the total number of trustees including the Chief Executive Headteacher (CEH) who are employees of the company shall not exceed one third of the total number of trustees.
- the academy trust will ensure parent participation, utilising Parent Governors on our Local Governing Bodies.
- we will ensure a minimum of two Parent Governor positions will be included within the constitution for each Local Governing Body and that suitable procedures are in place to conduct Parent Governor elections.

Policies and Procedures Adopted for the Induction and Training of Trustees

Following their appointment, all new trustees receive an introduction to their role delivered by the Chair of trustees and the CEH; this includes a visit to our academies and the opportunity to meet members of the Central Team and Senior Leadership Teams, staff and pupils. Newly appointed trustees or local governors are assigned a mentor to support their induction into their role.

Training and induction for new trustees or local governors is bespoke and tailored against their existing skills or experience. Inspire Multi Academy Trust is committed to providing training opportunities to enable trustees and local governors to be effective in their roles. Trustees are furnished with a copy of Inspire policies, procedures, minutes, accounts, budget plans, management accounts and other relevant documentation to support them.

The academy trust subscribes to Sunderland City Council's governor training programme. This provides trustees and local governors with access to face-to-face and online training such as Safeguarding, school data analysis, Budget Management, SEN etc.

The trust also procures specialist training, for example safeguarding training via Pam Gartland Safeguarding First Ltd or Prevent from Safer Vision. We also deliver in house training as and when required, to strengthen governance i.e. data analysis, link governance etc.

An induction pack provides general information for newly appointed trustees and local governors, supporting them to understand their roles and responsibilities within the DfE governance competency framework and Scheme of Delegation.

Organisational Structure

The multi academy trust's governance structure consists of three levels:

- Members
- Trustees
- Academy Local Governing Bodies

A layered governance structure enables the Board of Trustees to devolve responsibility as appropriate and encourage involvement in decision making at all levels.

The members have overall responsibility and ultimate decision-making authority for the academy trust including the establishment and running of the academies.

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Trustees' Report (continued)

The trustees retain overall responsibility for strategic planning and setting the company's policy as well as responsibility for all matters relating to finance, human resources and personnel matters. The trustees have the power to direct change when required.

The overall responsibility for holding school leaders to account and driving forward improvements in performance, attainment and progress in each academy ultimately sits with the Board of Trustees however, some aspects are delegated to Local Governing Bodies, with their impact and effectiveness overseen, monitored and challenged by the Board of Trustees. Local Governing Bodies discharge their functions in-line with the Scheme of Delegation.

The trustees are responsible for ensuring that Local Governing Bodies fulfil their statutory obligations in a manner, which will allow the academy trust to fulfil its principal aims and objectives. They ensure procedures are in place to deliver regularity, propriety and value for money, setting general policy, adopting the Trust Improvement Plan, setting and monitoring the budgets, external and internal review reports and enabling them to make major decisions about the direction of the company, capital expenditure, leadership appointments etc.

Local Governing Bodies are responsible for adopting an annual School Improvement Plan and implementing policies laid down by the Board of Trustees. The Headteacher of each Academy reports to the Board of Trustees and Local Governing Bodies termly on the outcomes of work in their school.

The CEH, Executive Bursar and the Lead Headteacher oversee the leadership and management of the trust at an executive level, implementing policies laid down by the Board of Trustees and reporting to them.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The academy trust follows the School Teachers Pay and Conditions document in determination of pay policies, salary ranges and structures. At the beginning of each academic year, all leaders and teaching staff are set performance management objectives and non-teaching staff are supported through the appraisal process. Salary enhancements or progression is linked to performance for teaching staff. Performance is monitored throughout the year through the application of rigorous performance management procedures.

Performance managers and appraisers assess individual performance termly providing staff with the opportunity to present an evidence base; this includes assessment of training and CPD requirements. The appraiser will provide an indication as to whether the member of staff is on track to meet their performance management objectives and targets.

Trustees consider the performance of staff and any remuneration in relation to performance related pay on an annual basis within the Personnel and Performance Management Committee. This process is usually undertaken in the summer term where appraisers pay recommendations are considered.

Trade Union Facility Time

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time Equivalent Employee Number
0	0

Percentage of Time Spent on Facility Time

Percentage of Time	Number of Employees
0%	0
1%-50%	0
51%-99%	0
100%	0

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Trustees' Report (continued)

Percentage of Pay Bill Spent on Facility Time

Provide the total cost of facility time	£0
Provide the total pay bill	£5.9m
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0

Paid Trade Union Activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0
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An amount of £5,350 has been paid for the Trade Union Facility service level agreement (SLA) in 2021/22. This SLA is administered via Sunderland City Council to assist and support industrial relations within Inspire Multi Academy Trust.

Related Parties and other Connected Charities and Organisations

The academy trust consists of five primary academies in Sunderland, Tyne and Wear. The academy trust has no connected charities or organisations to disclose.

We continue to develop professional links with other MATs, schools, academies, colleges and other businesses where these partnerships assist in the academy trust's objectives. The CEH was deployed in 2021/22 to support a school in County Durham as part of the DfE Trust School Improvement offer and will be available to provide this support to DfE for 2022/23.

Objectives and Activities

The principal objective and activity of the charitable company, in accordance with the Articles of Association, is the strategic management, development, maintenance and operation of the trust's academies, Burnside Academy, Farringdon Academy, Fatfield Academy, New Penshaw Academy and Plains Farm Academy offering a broad and balanced education for pupils with a range of abilities aged 3 to 11 years.

Objects and Aims

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

- To ensure that the process of education is a partnership between the learner, the school and the parents, together with trustees, employers and the community.
- To keep the pupil at the centre of this process, knowing that they have various talents and aspirations that need encouragement to develop.
- To raise standards through a relentless focus on individual achievement/attainment, effective use of new technologies and a higher percentage of outstanding teaching and leadership and management, ensuring at least good progress.
- To challenge all in the academy trust's community to fulfil their responsibilities ensuring accountability and improvement.

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Trustees' Report (continued)

- To motivate and inspire all pupils and enable them to be confident, independent lifelong learners equipped to meet the challenges of the 21st century within an outstanding, safe and nurturing environment.
- To ensure all pupils and staff show regard and respect for each other and everyone in the academy trust's communities play a full part in creating a caring, respectful and supportive school environment.
- To foster pupils outstanding behaviour avoiding all forms of bullying, radicalisation and extremism.
- To ensure that no child or group of children is disadvantaged through 'lost learning' linked to the Covid-19 pandemic.

Objectives, Strategies and Activities

Inspire Multi Academy Trust Development Plan Priorities for 2022/23

Inspire Multi Academy Trust Development Plan Priorities for reporting period 2021/22

Priority 1: As a result of systematic and strategic challenge from the CEHT and strong teaching, Inspire MAT Trustees ensure that gaps in learning created by 'lost learning'/Covid-19 are narrowed, ensuring outcomes for pupils are at least in line with, or above National expectations for progress and attainment at all Key Stages.

- Achieve an Ofsted 'Good' rating for Farringdon when next inspected.
- Specifically improve progress rates in Reading and Maths within New Penshaw Academy (linked to 2019 data outcomes).
- Improve levels of progress across the academy trust from average to above average in all subjects.
- Ensure that combined attainment measure is consistently in line with or above National average attainment in each academy.
- Continue to improve the attainment and progress of disadvantaged pupils compared to their non-disadvantaged peers within identified cohorts and subjects.
- Ensure that all identified vulnerable groups make accelerated progress towards their targets linked to their identified gaps.
- Attendance improves across the Trust, closing the gap between school and National levels.
- Implement the school-led National Tutoring offer across the Trust.
- Fully implement the new EYFS framework expectations linked to curriculum and assessment from September 2021.

Inspire Multi Academy Trust

Trustees' Report (continued)

Priority 2: Inspire MAT Trustees effectively ensure that leadership capacity at all levels is developed through highly effective CPD, strong financial management and well-embedded succession planning, enabling improved outcomes for pupils.

- Implement trust wide CPD opportunities, both internal and external for: teaching assistants, early career teachers, newly qualified teachers, teachers, aspiring middle leaders, middle leaders, catch-up leaders, senior leaders and head teachers.
- Fully implement the Early Career Framework.
- Develop strong working partnership with Northern Lights Teaching School hub and continue to work with English Hub and DfE programmes e.g. Nuffield Early Language Intervention (NELI).
- Enable further School Resource Management deployments (Inspire HR/Finance Manager) to support the DfE School Resource Management Advisor (SRMA) programme.
- Enable the CEH to provide support to schools 'Requiring Improvement' in Durham through the DfE Trust School Improvement offer.
- Enable the Lead Head teacher to provide support to Local Authority maintained schools as requested by Together for Children (TfC).
- Enable the Business Relationships and Governance Manager to support schools buying in a contracted governor support and clerking service.
- Continue with strong financial management to work strategically to mitigate risk of any potential deficit within 3-5 year budget planning.

Priority 3: As part of the pandemic recovery, continue to develop and promote strategies which support the well-being and mental health of all stakeholders.

- Continue to develop staff and pupil well-being through specific strategies achieving the Mental Health Bronze/Silver Charter Mark within each academy.
- All academies achieve the Sunderland Healthy School award.
- Inspire Trust sign up to the DfE Education Staff Well-being Chartermark and implement associated strategies.
- SENDCo ensures that appropriate mental health support is available for identified children internally, through Fun Friends, Relax Kids and externally through Child and Adolescent Mental Health Services (CAMHS).

Priority 4: Inspire MAT trustees work strategically in collaboration with the DfE and Risk Protection Arrangement (RPA) to ensure Burnside Academy estate is restored and fit for educational purpose and that the quality of education remains good during this time.

Inspire Multi Academy Trust

Trustees' Report (continued)

- Agreed timescales on all building work are met.
- Burnside pupils and staff are being educated back on site in temporary accommodation by 1 November 2021.
- Strategic relations and planning continue within the DfE/RPA and Inspire MAT.
- Wider drainage issues work provides a resilient and long-term solution for the academy.

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

- Effective Board of Members and Trustees, with a wide strategic skill set that is compliant with DfE structures.
- Robust financial management and leadership within each academy as well as at Trust level, with a strong record of achieving substantial levels of assurance within both internal and external audits.
- Effective 3-5-year budget planning, incorporating the effective use of the ICFP (Integrated curriculum and financial planning - Interactive Financial Planning Tool) and financial benchmarking informs decisions around developing structures and growth, as well as off-setting the financial budgetary challenges from external funding streams. The HR/Finance Manager is a qualified SRMA and provides professional advice and support to the Trust. This whole process is supported and challenged by the Finance, Staffing, Audit and Risk Committee/Board of Trustees.
- High quality leadership at all levels and strong cycle of accountability for improvements to pupil progress and attainment outcomes at all levels.
- Effective use of pupil voice to support decision making within each academy.
- Agreed robust accountability and performance management procedures with swift action if non-compliance.
- Effective relationships between the DfE, the CEH and the Trust in terms of negotiating any planned growth. CEH is a member of the Regional Schools Commissioner (RSC) North CEO Network Group and a recognised System Leader who is supporting the DfE Trust and School Improvement offer in the Durham region.

Public Benefit

We acknowledge as trustees that the academy trust has complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers during the period, as detailed in L49 of the SORP.

Each of our academies open their premises to community groups and public lettings. The school premises are used for a variety of activities including community football, fitness classes, Karate, Brownies and Pilates. We also run adult and family learning training programmes.

Academy facilities are advertised via the academy websites and are available for use by community groups, the public and charities. Charges are in line with the agreed Lettings Policy and cover overheads, repair and maintenance.

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Trustees' Report (continued)

Strategic Report

Achievements and Performance

Farringdon was judged a good school with many strengths by Ofsted in their inspection from March 2022.

Progress and attainment at New Penshaw academy improved significantly. KS2 Progress rates in Reading and Maths within New Penshaw Academy improved to +2.1 and +1.1 respectively. Attainment at KS2 at the expected level was above national average in Reading at 82%, slightly below national average in writing at 64% and above national average in maths at 75%. Reading, writing and maths combined was above national average at 64%.

Provisional progress measures indicate average progress across the academy trust, this will be officially confirmed in January once weightings have been applied by the government.

The combined attainment measure is above national average in New Penshaw and Burnside, in line with national average in Fatfield, slightly below in Farringdon and below in Plains Farm. Further consistency is needed; however, some academies were adversely affected by Covid.

There is a need to continue to improve the attainment and progress of disadvantaged pupils and identified vulnerable groups within identified cohorts and subjects.

Attendance is well managed and attendance data for the trust is listed below under Key Performance Indicators.

The school-led National Tutoring offer was implemented across the Trust once issues with finding appropriate tutors was resolved. In general, the tutoring had a positive impact on both pupil progress and self-esteem.

The new EYFS framework expectations linked to curriculum and assessment were fully implemented from September 2021.

Trust wide CPD opportunities were fully implemented, both internally and externally for: teaching assistants, early career teachers, newly qualified teachers, teachers, aspiring middle leaders, middle leaders, catch-up leaders, senior leaders and head teachers.

A full suite of NPQs have been accessed across the Trust. The Early Career Framework for teachers has been successfully implemented across the Trust and the Lead Head teacher for Learning and teaching has effectively supported and enabled academies with ECTs.

Strong working partnerships with Northern Lights Teaching School hub and the English Hub and DfE programmes e.g. Nuffield Early Language Intervention (NELI), have enabled increases in pupil progress in targeted areas including phonics and language development within the EYFS.

The reputation of the Trust has continued to be developed through the Inspire HR/Finance Manager supporting the DfE School Resource Management Advisor (SRMA) programme and the CEHT completed a deployment for the DfE Trust School Improvement Offer to provide support to schools 'Requiring Improvement' in Durham. This will continue in the new academic year 2022/2023. Along with this the Lead Head teacher provided support to Local Authority maintained schools as requested by Together for Children (TfC) linked to CPD for Head teachers who are new to role. The Lead Head teacher is also supporting the governance of an academy within a neighbouring Trust as Chair of Governors. The Business Relationships and Governance Manager supports local schools through provision of governor support and clerking services contracted through a service level agreement.

The effective strategic and financial planning, systems and working relationships across the academy trust ensures that our capacity for further improvement is strong.

Inspire Multi Academy Trust

Trustees' Report (continued)

Mental Health and well-being work have been recognised through the Mental Health Charter Mark awards.

Burnside Academy is currently housed in a safe temporary building which is fit for purpose and internal and external reviews of education as well as data, evidences the academy is offering a good standard of education in challenging circumstances. We continue to work with the contractors and the RPA on a permanent solution for the permanent academy building.

Our Business Continuity Plans, external advice from Health and Safety and audit teams, consultation with union colleagues via JCC as well as effective agreed risk assessments have ensured that we were able to respond appropriately and continue to deliver a service that supported all of our staff and children well in unprecedented times, whilst complying with national expectations.

Key Performance Indicators

Four of our academies retain their previous 'Good' Ofsted judgement from 2019 and await a re-inspection in the next cycle of Ofsted inspections. Farringdon was inspected in March 2022 and received a good judgement. The report recognises the strong leadership and significant improvements to pupil outcomes and the curriculum, in particular for SEND pupils. These strengths can be seen in all of our academies and reflects our consistent and strategic approach to improvement.

Following two years where no external reporting of attainment and progress took place, government guidance confirmed that primary assessments would resume during the 2021/22 academic year. External data will not form published performance tables from the government but will be used by Ofsted as a starting point for discussion linked to pupil outcomes.

INSPIRE TRUST DATA OUTCOMES 2022

EYFS.

Academy Name	GLD %	Literacy %	Mathematics %
Farringdon	61	63	66
Plains Farm	52	57	62
New Penshaw	63	63	63
Burnside	64	64	71
Fatfield	68	72	76

Phonics.

Academy Name	Year 2 Pass % (December 2021)	Year 1 Pass % (June 2022)
Farringdon	80	69
Plains Farm	62	64
New Penshaw	85	70
Burnside	70	61
Fatfield	96	78

Inspire Multi Academy Trust

Trustees' Report (continued)

Multiplication Check- Year 4.

Academy Name	18+ Score %
Farringdon	40
Plains Farm	48
New Penshaw	75
Burnside	71
Fatfield	64

End of Key Stage 1.

Year 2	Reading EXS+ %	Reading GDS %	Writing EXS+ %	Writing GDS %	Maths EXS+ %	Maths GDS %	Combined EXS + %	Combined GD %
Farringdon	65	7	60	4	63	7	51	2
Plains Farm	60	27	50	5	55	23	45	5
New Penshaw	59	5	55	0	64	0	50	0
Burnside	64	14	64	9	74	18	57	10
Fatfield	73	20	66	13	77	20	66	13
Sunderland Average	67.5	16	60	8	70	14	56	6

End of Key Stage 2.

Year 6	Reading EXS+ %	Reading GDS %	EGPS EXS+ %	EGPS GDS %	Writing EXS+ %	Writing GDS %	Maths EXS+ %	Maths GDS %	Combined EXS + %	Combined GD %
Farringdon	71	27	73	22	65	6	64	7	53	0
Plains Farm	54	19	50	11	68	19	50	7	46	7
New Penshaw	82	39	68	7	64	4	75	11	64	0
Burnside	70	13	67	7	67	7	63	10	63	3
Fatfield	79	34	76	28	66	7	69	10	55	0
Provisional National	74	-	72	-	69	-	71	-	59	-

Provisional Progress Measures 2022

Subject	Burnside	Farringdon	Fatfield	New Penshaw	Plains Farm
Reading	-1.1	+1.1	+0.1	+2.1	-2.1
Writing	-0.1	+0.2	-1.9	-0.8	+1.1
Maths	-1.1	-0.5	-1.0	+1.1	-3.6

Inspire Multi Academy Trust

Trustees' Report (continued)

National Average progress is 0.

If a negative number e.g. -4 then pupils made on average 4 scaled score points less than other pupils nationally who shared prior attainment groups at KS1.

MAT average progress scores without any weighting applied: *

Reading +0.02

Writing -0.3

Maths -1.02

Progress for pupils across the MAT is broadly similar to other pupils nationally who shared the same prior attainment group at KS1.

*Official MAT progress measures are released in December and will include a weighting measure linked to the period of time the academy has been in the MAT.

Summer term assessments were completed in the usual cycle across each year group. Priorities for the trust continue to include the further development of writing attainment and progress, narrowing of the attainment gap between disadvantaged pupils and their non-disadvantaged peers, boys attainment and increasing the percentage of pupils attaining at the higher standard.

Data outcomes at Plains Farm are lower than across the rest of the trust and leaders will be supported by Trust Improvement Leads and the Lead Head teacher from September specifically linked to pupil outcomes and progress. An experienced senior leader who is a Trust Improvement Lead has been appointed as substantive Deputy Head teacher to Plains Farm from September 2022.

Attendance management remains robust across the Trust. Attendance across the Trust from September- July was 0.6% below the Sunderland average for primary schools. In line with national guidance, we are no longer using a separate code for Covid related absences. Despite the ongoing challenges of cases of childhood illnesses and the high numbers of Covid related absence, particularly in the autumn term, schools can evidence the impact of effective work with leaders on improving attendance outcomes for individual pupils and families. This was particularly noted by Ofsted during Farrington Academy's inspection in March 2022.

2021-22	Sept- Dec	Sept-April	Sept-July
Burnside	92.2%	92.3%	92.4%
Farrington	90.3%	90.5%	90.6%
Fatfield	95.5%	93.6%	94%
New Penshaw	91.3%	91.9%	91.4%
Plains Farm	92%	91.1%	91.4%
Trust Average	92.3%	91.9%	92%
Primary National average attendance on 21.10.21	90.6%	92.9% Sunderland local average Sept-April	92.6% Sunderland local average Sept-July

Improving attendance towards historic national average remains a key action for 2022/23 in order that attendance issues do not become a barrier to attainment and progress.

Inspire Multi Academy Trust

Trustees' Report (continued)

Financial systems continued to remain robust throughout the year enabling the Finance, Staffing, Audit and Risk Committee and the Board of Trustees to meet deadlines and ensure propriety. Internal termly audits have consistently found substantial levels of assurance in all areas. Strong financial management, bench marking and IFR analysis has been used along with strategic planning of staff and priorities with finance teams and Head teachers to work strategically to mitigate risk of any potential deficit within 3-5-year budget planning.

Key Performance Indicators	Farringdon Academy	New Penshaw Academy	Plains Farm Academy	Burnside Academy	Fatfield Academy
Percentage of Total Revenue Income Spent	99%	100%	100%	99%	100%
Teaching Staff % of Total Revenue Expenditure	45%	49%	46%	47%	50%
All Staff pay % of Total Revenue Expenditure	72%	72%	78%	74%	73%

Going Concern

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

Financial Review

Most of the academy trust's income is obtained from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants, including the General Annual Grant (GAG) received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities on page 33.

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

In 2021/22, the academy trust invested GAG surpluses to further support the following academy projects:

- £90,456 (including £34,051 reserve funding allocated in a previous year for CDC priorities at Burnside) was allocated to Burnside academy to support the reopening of the building, following structural and drainage works. This included:
 - Redecoration
 - Replacement flooring
 - Replacement Blinds
 - Installation of energy efficient lighting
 - Replacement suspended ceiling tile grids and tiles
 - Replacement external fire doors and frames
 - Refurbishment of the staff room kitchen
 - Asbestos refurbishment survey and associated professional fees
 - Project contingency

Inspire Multi Academy Trust

Trustees' Report (continued)

- £78,140 was awarded to Plains Farm Academy to support the following works:
 - Car park resurfacing
- £10,056 was awarded to New Penshaw Academy to support the following works:
 - Replacement main entrance gates
 - Replacement flooring
 - Pointing externally
- £35,365 was allocated to support academies enhance marketing and publicity, this included:
 - Facebook advertising subscription
 - Survey Monkey subscription
 - Banners
 - Stay and Play start up grant
 - Termly celebration events (x 3 per academy, per year)
 - Uniform costs
 - New starter books
 - Leaflets
 - Window vinyl
 - Replacement school signage
- £27,9370 was allocated to support the redesign of the Trust and academy websites. This was to be funded across 3-years as follows:
 - 2021/22 - £18,149 (annual website fees, web design fees and photography)
 - 2022/23 - £4,894 (annual website fees)
 - 2023/24 - £4,894 (annual website fees)
- £28,150 was allocated to Fatfield Academy to support the refurbishment of the EYFS outdoor play and learning environment.

During the period ending 31 August 2022 expenditure amounting to £10,571,477 was incurred or accrued, £9,621,286 excluding depreciation and LGPS expenses. This was offset entirely by grants receivable from the Education and Skills Funding Agency (ESFA), Local Authority grants and other funds.

In July 2022, £33,105 was received in respect of the Devolved Formula Capital (DFC) grants.

In accordance with the Charities SORP 2019, the DFC grants received are shown in the Statement of Financial Activities as restricted asset funds.

Pupil numbers have fallen this year and this continues to be monitored closely across the trust. Academies continue to provide full time nursery provision linked to the Government's 30-hour free childcare agenda. Academies continue their drive to promote the schools through targeted promotional campaigns and advertising opportunities, which included, Raring 2 Go magazine publication, Doctor Surgery Medical Cards and promotional banners.

Reserves Policy

Trustees review the level of trust reserves on a termly basis and have agreed that the academy trust should aim to hold a prudent level of reserves designed to provide:

- sufficient working capital to cover delays between spending and receipt of grants
- a contingency fund for any unexpected emergencies
- funding capacity for future estate maintenance and planned capital investment subject to conditions as set out by the ESFA
- funding to cover any future liabilities as outlined within the Financial Statements.

Inspire Multi Academy Trust

Trustees' Report (continued)

Trustees agree that expenditure of trust reserves is in line with the short and medium term Trust Improvement Plans that support academies in raising standards as described in our plans for the future defined within this report. Expenditure of reserves is reviewed by the Board of Trustees on a termly basis.

As of 31 August 2022 the level of trust reserves held in restricted funds not available for general purposes is £225,066 plus a balance of unrestricted general funds of £711,900 giving a net surplus of £936,966. The Board of Trustees have reviewed the reserve levels and believe that they should provide sufficient working capital to cover its aims and objectives.

The reserves policy confirms that a surplus or a deficit position for the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase or decrease of the employer's pension contributions over a period of years.

Investment Policy

The academy trust's investment powers are governed by the Articles of Association, which permits the Charitable Company to deposit or invest any funds not immediately required for the furtherance of its objectives. Trustees agreed a policy for investment, which would cover the running expenses of the largest academy as a contingency fund, which ensures that extra funds are available on a regular, timely basis to deal with any unforeseen emergencies.

Trustees have agreed a principal to invest when all academies are in a stable financial position. When an investment is made and the funds come to maturity, trustees will then make the decision to re-invest or if the funds will be required for urgent necessities or contingencies. Trustees have an approved investment policy in place.

Principal Risks and Uncertainties

The academy trust is subject to a number of risks and uncertainties in common with other academies. The Board of Trustees recognise that the principal risks and uncertainties are centred on the changes in the levels of funding from the DfE/ESFA and also the Local Government Pension Scheme (LGPS) deficit, which represents a significant liability. However, the trustees consider that the individual academies are able to meet their liabilities in respect of paying annual contributions for the foreseeable future, therefore the risk from this liability is minimised.

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

Trustees met with the Central Team and identified risks surrounding the Trust achieving the objects, aims and priorities, ensuring systems are in place to assess, manage and mitigate identified risks. The Trust has compiled a Risk Register and Business Continuity Plan, which are monitored and reviewed throughout the year by trustees.

The system of Risk Management is monitored and reviewed on a termly basis by the CEH, Headteachers, Executive Bursar and Risk and Assurance specialists from the Local Authority who are well versed in Risk Management Procedures.

A key strategic risk is the challenge of maintaining academic performance against national expectations. The performance of each academy is rigorously monitored through termly reviews, challenge meetings, and closely tracking pupil progress through assessment data tracking systems throughout the year to ensure positive outcomes.

Inspire Multi Academy Trust

Trustees' Report (continued)

In addition to this, another key area of risk to the trust is the potential of falling pupil roll. Pupil roll is monitored closely by academy Headteachers who are active in promoting links within the local press, community and businesses, collaborating and sharing initiatives across the Trust.

In 2021/22, we have continued to experience operating and financial turbulence linked to the Covid-19 pandemic. The ongoing risks to business continuity of the trust include financial risks linked to ensuring Covid secure premises for staff and pupils e.g. PPE, supply staff costs and the impact from ongoing staffing turbulence.

Trustees have ensured that 2021/22 budgets were effectively managed and met all of the school needs. Trustees have mitigated further risk through prudent budget planning and monitoring to ensure ongoing financial sustainability. Balanced budgets for 2022/23 were set, evidencing good financial planning.

Fundraising

All fundraising activity is administered via appropriate staff employed by each Academy and is overseen by the Head teacher. All funding raised from activities support the furtherance of school and academy trust objectives and the outcomes of fundraising are reported to Parents and other relevant stakeholders.

Fundraising activities this year have resumed face to face, as the year has progressed and Covid cases have decreased. All fundraising activities have taken place in line with academy risk assessments. This year our academies have worked proactively to fundraise to support in year budgets with identified projects, raise the profile of the academy within the community and to support local charities. This has been conducted with all staff, embracing pupil voice through the work of the School Council. The fundraising linked to charity work supports the academies work within the Mental Health Charter Mark Award, which all academies are engaging with. Academies are proactive in seeking out financial grants to support learning projects.

Examples of key fundraising activities this year have included:

- Seasonal Fayres
- Macmillan Bake sales
- Comic Relief
- Christmas events
- Halloween fancy dress and Halloween celebrations
- Non-uniform day
- Raffles
- Tuck shop

Grant funding has also supported specific projects linked to Academy Improvement as follows:

Burnside:

- £12,274 from DfE Resilience Fund to support the academy to upgrade the fire alarm panel and intruder alarm system, including detectors.
- £2,814 from Greggs Breakfast to support the provision of breakfast club.
- £4,620 from Sir Tom Cowie Foundation to support the provision of school counselling service.
- £2,814 from Westgarth English Hub to support the purchase of literacy resources.

Farringdon:

- £900 from Together for Children to support music provision in school.
- £765 from Greggs Breakfast to support the provision of breakfast club.

Inspire Multi Academy Trust

Trustees' Report (continued)

Fatfield:

- £1,250 from Washington East Community Chest to support the development of an outdoor learning shop.
- £3,000 from Tess Valley Motor (COP26 Legacy Award) to support the development of an outdoor composting area.
- £500 from Community Can Do Fund to support the development of a Nature Sensory Garden.
- £500 from Community Can Do Fund to support the development of an outdoor lending library.

New Penshaw:

- £5,000 from Foyle Foundation to support enhancements in reading across the school.
- £945 from Greggs Breakfast to support the provision of breakfast club.
- £2,775 from Westgarth English Hub to support enhancements in reading across the school.

Plains Farm:

- £1,000 from Mr E Dent as a donation to school to support the purchase of EYFS outdoor equipment.
- £1,000 from AK Teaching to support the development of the outdoor play area.

Each academy will proactively review areas of grant funding to support academy budgets in 2022/23.

Plans for Future Periods

Specific plans and priorities for 2022/23 are:

Priority 1:

Ensure gaps in learning for all pupils and identified groups, from 2022 data analysis, are narrowed, in order that outcomes for pupils are in line with, or above National expectations for progress and attainment at all Key Stages.

Priority 2:

Ensure that leadership capacity at all levels is highly effective and strategic succession planning supports the long-term development of the Trust.

Priority 3:

Deliver effective marketing and financial management strategies to support ongoing stability within 3-year financial budget setting

Priority 4:

Ensure Burnside Academy building is restored and fit for educational purpose maintaining the good quality of education during this time.

Inspire Multi Academy Trust

Trustees' Report (continued)

Our longer-term plans for further improvement to the Trust estate are to include:

- Rolling refurbishment programme across the Trust estate, responding to priorities identified in the CDC survey, asset management plans and encompassing emerging academy priorities, including:
 - Roof replacement
 - Pointing and masonry repairs
 - Hard standing repairs and replacement
 - Energy efficiency initiatives (LED lighting, insulation of ceilings/walls, boiler replacement, boiler management systems, window replacement)
 - Pupil and staff toilet refurbishment
 - Internal refurbishment (flooring, decoration, suspended ceilings, fixtures and fittings)
- Investment in IT systems to satisfy future business and curriculum needs, including:
 - VoIP telephony system
 - Network security
 - Computer and server hardware
 - Software
 - Network infrastructure
- Full or partial re-build of identified academy buildings across an ageing estate, in line with the DfE priority school building programme criteria. Any applications will be prioritised based upon need, with a view taken across the Inspire estate.

In line with the priorities identified above, to support the furtherance of the Trust objectives, we will seek investment through grant funding bids, for example the Trust Capacity Fund, Condition Improvement Fund, De-carbonisation Scheme or charitable grants.

Auditor

Insofar as the trustees are aware:

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

The trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 13 December 2022 and signed on the board's behalf by:



S Ruffell

Chair of Trustees

Date: 13/12/22

Inspire Multi Academy Trust

Governance Statement

Scope of Responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and Competency Framework for governance.

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met on 8 occasions during the year.

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

Trustee	Meetings attended	Out of a possible
A Parr	6	8
C Graham	7	8
E Scribbins	4	8
E Bolton	8	8
H Brown	5	8
J West	6	8
J Ord	6	8
S Ruffell (Chairman)	8	8

Conflicts of Interest

A register of business and pecuniary interests is in place, covering all layers of the governance structure, supporting us to manage any conflicts of interest which may be apparent. Members, Trustees and Local Governors also have an opportunity to declare any interests which arise within meetings.

Where a conflict of interest arises, the party concerned may be asked to withdraw from discussions. Any party with a conflict of interest will not be permitted to vote on any business relating to the area of conflict.

Governance Review

Following a review of governance in 2020/21, trustees agreed to adopt the DfE's preferred Governance model. This saw the reduction of Staff Trustees from three to one, with the CEH remaining as the only Staff Trustee. This approach would provide a greater level of independent scrutiny and challenge from the Board to the executive leadership team.

We currently have two trustee vacancies and will look to recruit to these posts in 2022/23.

Inspire Multi Academy Trust

Governance Statement (continued)

Members are independent of the Board of Trustees (with the exception of the Chair of Trustees) and this enables them to hold trustees to account for the operation of our academies. There are currently four Members in place, who have a breadth of experience across the private, public, community and education sectors.

We currently have no member vacancies.

The Board of Trustees take on focused, lead roles in line with the Governance Competency Framework from the DfE. The board deploy a business board approach, with expertise across HR, Finance, Education Leadership, Facilities Management and Health and Safety.

Throughout 2021/22, the senior leadership team have implemented a programme of training and development for trustees and local governors. As a result, they are now better equipped to support and challenge the Leadership Teams at school and trust level, offering highly effective challenge and are able to interpret school data, holding leaders to account for the performance, progress and attainment across each school.

Trustees will work with the CEH during September 2022 in the production of the Trust Improvement Plan for 2022/23.

Sub-committees of the main Board of Trustees

Finance, Staffing, Audit and Risk Committee

The Finance, Staffing, Audit and Risk Committee is a sub-committee of the main Board of Trustees. The aims and objectives of the committee, as outlined in the approved Scheme of Delegation, are to assist the decision making of trustees in consultation with the CEH, Executive Bursar and Headteachers to ensure sound management of academy finances, staffing and resources. This will include budget planning, budget monitoring and probity and to act as a critical friend providing strategic direction to offer support and challenge ensuring that all schools operate within Financial Regulations.

In relation to their audit function, the aims and objectives of the committee, as outlined in the approved Scheme of Delegation, is to advise trustees on the adequacy and effectiveness of the trust's system of internal control. This includes arrangements for risk management, control and governance processes and securing economic efficiency and effectiveness (value for money).

It has been agreed that the committee will meet to:

- review trust internal audit reports following termly audits of internal controls and governance arrangements
- meet with Azets, the external auditor.

Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
C Graham	4	4
E Bolton	3	4
H Brown	1	4
J West	3	3
S Ruffell	4	4
A Parr	1	1

Inspire Multi Academy Trust

Governance Statement (continued)

Personnel and Performance Management Committee

The Personnel and Performance Management Committee is a sub-committee of the main Board of Trustees. The aims and objectives of the committee, as outlined in the approved Scheme of Delegation, in consultation with the CEH and Academy Headteachers is to keep under review and advise the Board of Trustees on:

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

Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of a possible
E Bolton	3	3
H Brown	2	3
J West	1	1
S Ruffell	3	3
C Graham	1	1

Review of Value for Money

As accounting officer, the CEH 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:

- effective school development and financial planning
- continuous self-evaluation, reviewing the impact of CPD
- improving the quality of school leadership and governance through CPD and succession planning, drawing on the talents of our team
- effective use of financial benchmarking across the trust
- increased attainment and pupil progress through accurate data tracking
- increased skill base of trustees and governors
- increasing awareness across the trust of achieving Best Value and economies of scale
- rigorous performance management, which is monitored and reviewed throughout the year.

Examples of how value for money is being achieved are detailed below.

As a result of economy of scales achieved through the renegotiation of service level agreements on an annual basis the academy trust realised savings in the following areas:

- facilities management and grounds maintenance
- supply cover
- absence insurance
- human resources
- IT software, hardware and support.

Inspire Multi Academy Trust

Governance Statement (continued)

Other ways in which the Trust is successful in achieving efficiencies:

- training and sharing staff across the trust in particular areas of expertise, for example administration or repairs and maintenance of premises
- best value exercise carried out for annual training event securing significant savings
- tender exercise completed for tree/ground works and IT provision across the Trust
- benchmarking exercise carried out across the trust in respect to energy usage and charges
- School Business Managers meet regularly to share best practice and areas where economies of scale can be utilised to drive down costs i.e. stationery procurement, and continually challenge all financial transactions ensuring that they are in line with Trust objectives and for the benefit of the children
- premises supplies, particularly with regard to Covid-19 supplies
- Site staff working together across the estate to support premises management and key holding
- printing software installed on all computer devices to increase efficiencies in multi-function device printing and scanning costs and facility to monitor copy costs
- strategic plan across the Trust to install low energy light fittings, which will ensure long-term energy savings
- promoting an ethos of 'reuse, recycle and repair' attitude across the Trust
- sharing of resources
- being proactive in applying for and securing grant income to support the furtherance of the Trust objectives whilst also delivering efficiencies
- SRMA deployment
- governance service level agreement available for local schools and academies
- purchase Trust software licences.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Inspire Multi Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees and senior leadership team, in conjunction with trained Local Authority personnel, have 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 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. The Board of Trustees regularly reviews this process.

The Risk and Control Framework

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

Inspire Multi Academy Trust

Governance Statement (continued)

- the scheme of delegation is set and agreed by trustees and reviewed at least annually
- the finance policy is reviewed annually
- trustees receive financial management reports on a monthly basis for review and challenge
- comprehensive budgeting and monitoring systems with an annual budget and termly financial reports, which are reviewed and agreed by the Board of Trustees
- termly internal financial audit reviews by the commissioned provider
- half termly internal financial reviews are undertaken in each academy by HR and Finance Manager (SRMA qualified)
- regular reviews by the Finance, Audit, Staffing and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks
- Trust Arrears Policy to provide each Academy with a process in respect of debt recovery
- End of month financial reconciliations.

The Board of Trustees has considered the need for a specific internal audit function, understands the requirement of the FRC ethical standard, and has decided:

- to appoint Sunderland City Council Internal Audit personnel to carry out the Internal Audit Role.

The Internal Audit role includes giving advice on financial matters and performing a range of checks on the 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.

Internal Audit will carry out checks on a twice yearly basis and will provide reports after each visit along with an annual summary from September 2022 for the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and prepares an annual summary report to the committee outlining areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

All academies were subject to termly internal audits, which included governance arrangements, financial controls and systems. The objective of the audits was to provide assurance on whether the trust's governance and financial management arrangements are robust and operate effectively to safeguard public funds. The audit report and any recommendations are reported to the Chief Financial Officer and Accounting Officer and reported to the Finance, Audit and Staffing Committee on a termly basis.

The findings of the internal audit as at spring 2022 and summer 2022 gave substantial assurance that the Academy Trust has effective governance and financial management arrangements in place. Furthermore, the controls evaluated were judged to be well designed, appropriate in scope and applied consistently and effectively. No issues were identified which could prevent the objectives of the Trust being achieved.

Inspire Multi Academy Trust

Governance Statement (continued)

Review of Effectiveness

As accounting officer, Mrs J West has responsibility for reviewing the effectiveness of the system of internal control. During the period in question, the review has been informed by:

- the work of internal auditor
- the work of the external auditor
- the school resource management self-assessment tool
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework
- correspondence from ESFA e.g. FNI/Ntl and 'minded to' letters.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit, Staffing and Risk Committee and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 13 December 2022 and signed on its behalf by:



S Ruffell

Chair of Trustees



J West

Accounting Officer

Inspire Multi Academy Trust

Statement of Trustees' Responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education 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 then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 13 December 2022 and signed on its behalf by:



Mr S Ruffell

Chair of Trustees

Inspire Multi Academy Trust

Statement on Regularity, Propriety and Compliance

As accounting officer of Inspire Multi Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education 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 Academy Trust Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2021.

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



J West

Accounting Officer

Date: 13/12/22.

Inspire Multi Academy Trust

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

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Inspire Multi Academy Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 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 the Academies Accounts Direction 2021 to 2022.

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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Inspire Multi Academy Trust

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

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Inspire Multi Academy Trust

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Inspire Multi Academy Trust

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

Use of our report

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



Angela Ingham FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

13/12/2022

Chartered Accountants
Statutory Auditor

Wynyard Park House
Wynyard Avenue
Wynyard
United Kingdom
TS22 5TB

Inspire Multi Academy Trust

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

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 7 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspire Multi Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Inspire Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts 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.

Inspire Multi Academy Trust

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

The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of Internal Assurance reports
- review of trustee and committee meeting minutes
- review of finance and other relevant policies
- review of purchases, expenses and expense claims on a sample basis including the application of controls and tendering processes where applicable
- review of gifts and hospitality transactions including the application of controls
- review of credit and debit card transactions including the application of controls
- review of payroll transactions on a sample bases including the application of controls
- review of potential special payments to staff
- review of leases and consideration of areas where borrowing may have been incurred
- consideration of transactions with related and connected parties
- review of register of business interests for completeness and compliance with regulations
- enquiries into transactions that may require disclosure under ESFA delegated authority rules
- consideration of value for money and appropriateness of transactions

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Azets Audit Services

Dated: 13/12/2022

Inspire Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021/22 £000	Total 2020/21 £000
Income and endowments from:						
Donations and capital grants	2	7	25	83	115	137
Charitable activities:						
Funding for educational operations	3	48	9,495	52	9,595	6,919
Other trading activities	4	131	10	-	141	60
Investments	5	-	-	-	-	-
Total		186	9,530	135	9,851	7,116
Expenditure on:						
Raising funds	6	44	8	-	52	30
Charitable activities:						
Educational operations	7	95	10,066	358	10,519	7,634
Total		139	10,074	358	10,571	7,664
Net income / (expenditure)		47	(544)	(223)	(720)	(548)
Transfers between funds	18	(6)	(212)	218	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	18,27	-	5,403	-	5,403	(173)
Gains/ (losses) on revaluation of Fixed assets		-	-	-	-	-
Net movement in funds		41	4,647	(5)	4,683	(721)
Reconciliation of funds						
Total funds brought forward		671	(4,730)	9,448	5,389	6,110
Total funds carried forward		712	(83)	9,443	10,072	5,389

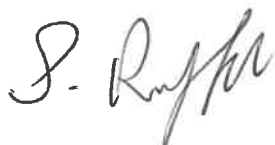
Inspire Multi Academy Trust

Balance Sheet as at 31 August 2022

Company Number 08287012

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed Assets					
Intangible assets	12		14		32
Tangible assets	13		9,429		9,416
Current Assets					
Stock	14	2		7	
Debtors	15	1,029		351	
Cash at bank and in hand		516		1,283	
		<u>1,547</u>		<u>1,641</u>	
Liabilities					
Creditors: Amounts falling due within one year	16	(610)		(581)	
Net current assets			<u>937</u>	<u>1,060</u>	
Total assets less current liabilities			<u>10,380</u>	<u>10,508</u>	
Creditors: Amounts falling due after more than one year	17		-	-	
Net assets excluding pension liability			<u>10,380</u>	<u>10,508</u>	
Defined benefit pension scheme liability	27		(308)	(5,119)	
Total net assets			<u>10,072</u>	<u>5,389</u>	
Funds of the academy trust:					
Restricted funds					
- Fixed asset fund	18	9,443		9,448	
- Restricted income fund	18	225		389	
- Pension reserve	18	(308)		(5,119)	
Total restricted funds			<u>9,360</u>	<u>4,718</u>	
Unrestricted income funds	18		<u>712</u>	<u>671</u>	
Total funds			<u>10,072</u>	<u>5,389</u>	

The financial statements on pages 33 to 56 were approved by the trustees and authorised for issue on 13 December 2022 and are signed on their behalf by:



Mr S Ruffell

Chair of Trustees

Inspire Multi Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	22	(502)	270
Cash flows from investing activities	24	(265)	(229)
Cash flows from financing activities	23	-	-
Change in cash and cash equivalents in the reporting period		<u>(767)</u>	<u>41</u>
Cash and cash equivalents at 1 September 2021		1,283	1,242
Cash and cash equivalents at 31 August 2022	25	<u>516</u>	<u>1,283</u>

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

1. Statement of 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 Inspire Multi 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 the Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Inspire Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

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 recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Sponsorship Income**

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

- **Donations**

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

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1. Statement of Accounting Policies (continued)

- **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 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'.
- **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.

Expenditure

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

- **Expenditure on Raising Funds**
This includes all expenditure incurred by the academy 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.

All resources expended are inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

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

Software licences – over the useful life of the individual licence.

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.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1. Statement of Accounting Policies (continued)

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

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

- | | |
|------------------------------------|-----------|
| • Land | 125 years |
| • Long leasehold buildings | 50 years |
| • Fixtures, fittings and equipment | 10 years |
| • ICT equipment | 4 years |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The basis of valuation has been disclosed within the fixed assets note.

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.

Lease Assets

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

Investments

None held.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1. Statement of Accounting Policies (continued)

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 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held as face value less any impairment.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditor, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

Stationery stocks are valued at the lower of cost or net realisable value.

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.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1. Statement of Accounting Policies (continued)

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

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

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.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 2022. 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.

Land and buildings

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The land and buildings are valued on the basis of valuations provided by the ESFA.

Depreciation

Depreciation is calculated as to write off the cost of an asset off over its useful economic life. The accounting policies are disclosed in the accounting policy above.

Inspire Multi Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2021/22 £000	Total 2020/21 £000
Capital grants	-	33	33	33
Donated fixed assets	-	50	50	85
Other donations	7	25	32	19
	<u>7</u>	<u>108</u>	<u>115</u>	<u>137</u>
2021 Total	<u>3</u>	<u>134</u>	<u>137</u>	

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2021/22 £000	Total 2020/21 £000
DfE / ESFA revenue grants				
- General Annual Grant (GAG)	-	5,013	5,013	4,716
- Other DfE / ESFA grants	-	987	987	1,074
	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>5,790</u>
Other Government Grants				
Local Authority Grants	-	804	804	669
Other Government Grants	-	-	-	-
	<u>-</u>	<u>804</u>	<u>804</u>	<u>669</u>
Covid-19 additional funding (DfE / ESFA)				
Catch-up premium	-	-	-	86
Other DfE / ESFA Covid-19 funding	-	-	-	4
Recovery Premium	-	65	65	-
	<u>-</u>	<u>65</u>	<u>65</u>	<u>90</u>
Covid-19 additional funding (non DfE / ESFA)				
Coronavirus Job Retention Scheme Grant	-	-	-	-
Other Covid-19 Funding	-	11	11	93
	<u>-</u>	<u>11</u>	<u>11</u>	<u>93</u>
Other income from the academy trust's educational operations				
Insurance Claims – RPA	-	2,608	2,608	146
Other Income	48	59	107	131
	<u>48</u>	<u>9,547</u>	<u>9,595</u>	<u>6,919</u>
2021 Total	<u>44</u>	<u>6,875</u>	<u>6,919</u>	

Included in Insurance Claims – RPA above is £2.589m relating to the RPA insurance claim for Burnside as explained in the trustees' report. An equal amount of expenditure is included in note 7 relating to investigation ground works, management consultancy and transport fees taking pupils to other schools.

Inspire Multi Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

Analysis of Other DfE / ESFA grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2021/22 £000	Total 2020/21 £000
Grants				
- Universal Infant Free School Meals	-	92	92	107
- Pupil Premium Grant	-	621	621	619
- Teacher Pay and Pension Grants	-	23	23	215
- Supplementary Grant	-	68	68	-
- PE and Sport Premium Grants	-	89	89	89
- School Led Tutoring	-	65	65	-
- Schools Direct Grant	-	-	-	9
- Rates Relief	-	23	23	23
- Other DfE Grants				
- Mental Health Lead / ECT Mentor / NQT / FSM Supplementary	-	6	6	12
	-	987	987	1,074

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2021/22 £000	Total 2020/21 £000
Hire of facilities	12	-	12	6
Catering income	1	-	1	1
Other income	118	10	128	53
	131	10	141	60
2021 Total	51	9	60	

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2021/22 £000	Total 2020/21 £000
Short term deposits	-	-	-	-
	-	-	-	-
2021 Total	-	-	-	

Inspire Multi Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

6 Expenditure

	Staff Costs £000	Non-Pay Expenditure		Total 2021/22 £000	Total 2020/21 £000
		Premises £000	Other £000		
Expenditure on raising funds:					
- Allocated support costs	34	-	18	52	30
Academy's educational operations:					
- Direct costs	4,453	-	845	5,298	5,002
- Allocated support costs	1,532	2,919	770	5,221	2,632
	<u>6,019</u>	<u>2,919</u>	<u>1,633</u>	<u>10,571</u>	<u>7,664</u>
2021 Total	<u>5,847</u>	<u>455</u>	<u>1,362</u>	<u>7,664</u>	

Net income / (expenditure) for the period includes:

	2021/22 £000	2020/21 £000
Operating leases rentals	8	11
Depreciation	340	316
Amortisation of intangible fixed assets (included within Charitable Activities – Academy trust educational operations)	18	18
Fees payable to auditor for:		
- Audit	13	14
	<u>379</u>	<u>359</u>

There are no individual transactions exceeding £5,000 included in resources expended in relation to ex-gratia / compensation payments, gifts made by the trust, fixed asset losses, stock losses, unrecoverable debts and cash losses.

7 Charitable Activities

	Total 2021/22 £000	Total 2020/21 £000
Direct costs – educational operations	5,298	5,002
Support costs – educational operations	5,221	2,632
	<u>10,519</u>	<u>7,634</u>
Analysis of support costs		
Support staff costs	1,532	1,491
Depreciation	5	5
Technology costs	75	38
Premises costs	462	387
Premises costs – Insurance claim Burnside	2,457	68
Legal costs - other	4	2
Other support costs	574	542
Governance costs	112	99
Total support costs	<u>5,221</u>	<u>2,632</u>

Inspire Multi Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

8 Staff

a. Staff costs

Staff costs during the period were:

	2021/22 £000	2020/21 £000
Wages and salaries	3,978	3,921
Social security costs	388	364
Pension costs	1,341	1,286
Apprenticeship Levy	5	5
	<u>5,712</u>	<u>5,576</u>
Agency staff costs	208	188
Staff restructuring costs	30	11
	<u>5,950</u>	<u>5,775</u>
Staff restructuring costs comprise:		
Severance payments	30	11
	<u>30</u>	<u>11</u>

b. Severance payments

The Academy Trust paid 3 severance payments in the year, disclosed in the following band:

£0 - £25,000 3

Included in staff restructuring costs are severance payments totalling £30,047. Individually these payments were for £24,223 (non contractual), £4,286 (non contractual) and £1,538 (contractual) (2021: £4,796 (non contractual) and £5,868 (contractual)).

c. Staff numbers

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

	2021/22 No.	2020/21 No.
Teachers	56	54
Administration and support	100	105
Management	9	9
	<u>165</u>	<u>168</u>

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

d. Higher paid staff

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

	2021/22 No.	2020/21 No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	3	3
In the band £90,001 - £100,000	1	1
In the band £130,001 - £140,000	-	1
In the band £140,001 - £150,000	1	-

The above employees participated in either the Teachers' Pension Scheme or Local Government Pension Scheme (LGPS).

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £420,100 (2021: £412,764).

9 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:

Mrs J West (Chief Executive Headteacher and trustee):

Remuneration	£140,000 - £145,000 (2021: £135,000 - £140,000)
Employer's pension contributions paid	£30,000 - £35,000 (2021: £30,000 - £35,000)

During the period ended 31 August 2022, no travel and subsistence expenses were reimbursed or paid directly to trustees (2021: £0).

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

10 Central Services

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

- Educational Support Services
- Financial Support Services
- HR Support Services
- Governance Support Services
- Estate Management Support
- IT Support

The central services contribution is reviewed by Trustees annually. Academy budgets for 2021/22 were based on a 7% contribution.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

(continued)

The actual amounts charged during the year were as follows:

	2021/22 £000
Farringdon Academy	144
New Penshaw Academy	64
Plains Farm Academy	75
Burnside Academy	65
Fatfield Academy	73
	<hr/> 421 <hr/>

11 Trustees' and Officers' Insurance

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

12 Intangible Fixed Assets

	Licences £000	Total 2021/22 £000
Cost		
At 1 September 2021	65	65
Additions	-	-
Disposals	(11)	(11)
At 31 August 2022	<hr/> 54	<hr/> 54
Amortisation		
At 1 September 2021	33	33
Disposals	(11)	(11)
Charged in year	18	18
At 31 August 2022	<hr/> 40	<hr/> 40
Carrying Amount		
At 31 August 2021	32	32
At 31 August 2022	<hr/> 14	<hr/> 14

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

(continued)

13 Tangible Fixed Assets

2021/22

	Leasehold Land and Buildings	Leasehold Improvements	Furniture and Equipment	Computer Equipment	Assets Under Construction	Total
	£000	£000	£000	£000	£000	£000
Cost						
At 1 September 2021	7,886	2,331	369	592	-	11,178
Additions	-	112	45	196	-	353
At 31 August 2022	7,886	2,443	414	788	-	11,531
Depreciation						
At 1 September 2021	1,059	143	141	419	-	1,762
Charged in year	154	47	38	101	-	340
At 31 August 2022	1,213	190	179	520	-	2,102
Net book values						
At 31 August 2021	6,827	2,188	228	173	-	9,416
At 31 August 2022	6,673	2,253	235	268	-	9,429

14 Stock

	2022 £000	2021 £000
Stationery	2	7
	<u>2</u>	<u>7</u>

15 Debtors

	2022 £000	2021 £000
Trade debtors	12	3
VAT recoverable	377	100
Other debtors	9	16
Prepayments and accrued income	631	232
	<u>1,029</u>	<u>351</u>

Included in other debtors above is an amount of £5,903 (2021 £11,472) relating to long term debtors greater than one year.

Inspire Multi Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

16 Creditors: amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	-	5
Other taxation and social security	188	176
Other Creditors	-	-
Accruals and deferred income	<u>422</u>	<u>400</u>
	<u>610</u>	<u>581</u>

Deferred income	2022	2021
	£000	£000
Deferred Income at 1 September 2021	76	72
Resources deferred in the year	55	76
Amounts released from previous years	<u>(76)</u>	<u>(72)</u>
Deferred Income at 31 August 2022	<u>55</u>	<u>76</u>

At the balance sheet date the multi academy trust was holding funds received in advance - Universal Infant free School Meals £54,494 (2021: £62,506 UIFSM and rates relief £13,335).

17 Creditors: amounts falling due in greater than one year

	2022	2021
	£000	£000
Other creditors	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Inspire Multi Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

18 Funds

	Balance at 1 September 2021	Income	Expenditure	Gains, Losses and Transfers	Balance at 31 August 2022
	£000	£000	£000	£000	£000
Restricted general funds					
General Annual Grant (GAG)	389	5,013	(4,965)	(212)	225
Pupil Premium	-	621	(621)	-	-
Catch up Premium	-	-	-	-	-
Other DfE/ESFA Covid-19 Funding	-	65	(65)	-	-
Other Covid-19 Funding	-	11	(11)	-	-
Other grants	-	1,170	(1,170)	-	-
Other income	-	2,650	(2,650)	-	-
Pension reserve	(5,119)	-	(592)	5,403	(308)
	(4,730)	9,530	(10,074)	5,191	(83)
Restricted fixed asset funds					
Transfer on conversion	6,839	-	(155)	-	6,684
DfE Group capital grants	1,769	33	(74)	-	1,728
Other Capital Grants	4	-	(3)	-	1
Capital expenditure from GAG	405	-	(86)	212	531
DfE Donated Assets	72	50	(29)	-	93
Other Income	359	52	(11)	6	406
	9,448	135	(358)	218	9,443
Total restricted funds	4,718	9,665	(10,432)	5,409	9,360
Total unrestricted funds	671	186	(139)	(6)	712
Total funds	5,389	9,851	(10,571)	5,403	10,072

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

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

Pupil Premium, other grants and other income which includes PE Grant, Teachers Pay and Pension Grants, Special Needs, School Led tutoring and Early Years Funding with the income being restricted to the terms of each funding stream.

The gross transfer from the restricted general to the restricted fixed asset fund of £211,822 represents the capital expenditure from the GAG and other grants during the period.

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

The academy's restricted general and unrestricted funds total £937k at 31 August 2022.

Inspire Multi Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£000	£000
Farringdon Academy	315	315
New Penshaw Academy	343	343
Plains Farm Academy	206	311
Burnside Academy	73	57
Fatfield Academy	-	30
Inspire Central Costs (excluding FRS102 pension transactions)	-	4
Total before fixed assets and pension reserve	<u>937</u>	<u>1,060</u>
Restricted fixed asset fund	<u>9,443</u>	<u>9,448</u>
Pension reserve	<u>(308)</u>	<u>(5,119)</u>
Total	<u>10,072</u>	<u>5,389</u>

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)	2021/22 Total	2020/21 Total
	£000	£000	£000	£000	£000	£000
Farringdon Academy	1,456	225	90	358	2,129	1,978
New Penshaw Academy	692	124	33	237	1,086	1,022
Plains Farm Academy	715	141	64	261	1,181	1,078
Burnside Academy	655	131	40	2,686	3,512	1,080
Fatfield Academy	755	121	43	281	1,200	1,111
Inspire central costs (includes FRS102 pension transactions)	179	755	2	168	1,104	1,061
Academy Trust	<u>4,452</u>	<u>1,497</u>	<u>272</u>	<u>3,991</u>	<u>10,212</u>	<u>7,330</u>

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

Comparative information in respect of the preceding period (to 31 August 2021) is as follows:

	Balance at 1 September 2020	Income	Expenditure	Gains, Losses and Transfers	Balance at 31 August 2021
	£000	£000	£000	£000	£000
Restricted general funds					
General Annual Grant (GAG)	271	4,715	(4,446)	(151)	389
Pupil Premium	-	619	(619)	-	-
Catch up Premium	-	86	(86)	-	-
Other DfE/ESFA Covid-19 Funding	-	4	(4)	-	-
Other Covid-19 Funding	-	93	(93)	-	-
Other grants	9	1,125	(1,134)	-	-
Other income	52	250	(302)	-	-
Pension reserve	(4,384)	-	(562)	(173)	(5,119)
	(4,052)	6,892	(7,246)	(324)	(4,730)
Restricted fixed asset funds					
Transfer on conversion	7,048	-	(170)	(39)	6,839
DfE Group capital grants	1,766	33	(69)	39	1,769
Other Capital Grants	8	-	(4)	-	4
Capital expenditure from GAG	322	-	(68)	151	405
DfE Donated Assets	-	85	(13)	-	72
Other Income	360	8	(9)	-	359
	9,504	126	(333)	151	9,448
Total restricted funds	5,452	7,018	(7,579)	(173)	4,718
Total unrestricted funds	658	98	(85)	-	671
Total funds	6,110	7,116	(7,664)	(173)	5,389

19 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	14	14
Tangible fixed assets	-	-	9,429	9,429
Current assets	715	715	117	1,547
Current liabilities	(3)	(490)	(117)	(610)
Pension scheme liability	-	(308)	-	(308)
Total net assets	712	(83)	9,443	10,072

Inspire Multi Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

Comparative information in respect of the preceding period (at 31 August 2021) is as follows:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	32	32
Tangible fixed assets	-	-	9,416	9,416
Current assets	673	906	62	1,641
Current liabilities	(2)	(517)	(62)	(581)
Pension scheme liability	-	(5,119)	-	(5,119)
Total net assets	671	(4,730)	9,448	5,389

20 Capital Commitments

	2022 £000	2021 £000
Contracted for, but not provided in the financial statements	-	-
	-	-

21 Operating Leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £000	2021 £000
Amounts due within one year	8	9
Amounts due between one and five years	9	16
	<u>17</u>	<u>25</u>

22 Reconciliation of Net Income/(expenditure) to net cash flow from operating activities

	2021/22 £000	2020/21 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(720)	(548)
Adjusted for:		
Amortisation (note 12)	18	18
Depreciation (note 13)	340	316
Capital grants from DfE and other capital income	(33)	(33)
Interest receivable (note 5)	-	-
Defined benefit pension scheme cost less contributions payable (note 27)	524	489
Defined benefit pension scheme finance cost (note 27)	85	73
Defined benefit pension scheme settlement cost (note 27)	(17)	-
(Increase)/decrease in stocks	5	(5)
(Increase)/decrease in debtors	(678)	(101)
Increase/(decrease) in creditors	(26)	61
Net cash provided by / (used in) Operating Activities	<u>(502)</u>	<u>270</u>

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

23 Cash flows from financing activities

	2021/22 £000	2020/21 £000
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash provided by / (used in) financing activities	-	-

24 Cash flows from investing activities

	2021/22 £000	2020/21 £000
Dividends, interest and rents from investments	-	-
Purchase of intangible fixed assets	-	(27)
Purchase of tangible fixed assets	(298)	(235)
Capital grants from DfE Group	33	33
Capital funding received from sponsors and others	-	-
Net cash provided by / (used in) investing activities	(265)	(229)

25 Analysis of cash and cash equivalents

	2022 £000	2021 £000
Cash in hand and at bank	516	1,283
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	516	1,283

26 Members' Liability

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

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 South Tyneside 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 the end of the financial year (2021: £0).

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 academy trusts. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the 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.

Inspire Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

(continued)

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 2024.

The employer's pension costs paid to TPS in the period amounted to £570,848 (2021: £558,864).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2022 was £321,523 (2021: £322,217), of which employer's contributions totalled £239,185 (2021: £240,299) and employees' contributions totalled £82,338 (2021: £81,917). The agreed contribution rates for future years is 18.1% for employers and 5.5% - 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy 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 (% per annum)

	2022	2021
Rate of increase in salaries	4.2%	4.1%
Rate of increase for pensions in payment/inflation	2.7%	2.6%
Discount rate for scheme liabilities	4.1%	1.7%
Inflation assumption (CPI)	2.7%	2.6%
Commutation of pensions to lump sums	75.0%	75.0%

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

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Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

<i>Retiring today</i>	2022	2021
Males	21.8	21.9
Females	25.0	25.1

<i>Retiring in 20 years</i>		
Males	23.5	23.6
Females	26.7	26.9

Sensitivity analysis	2022	2021
	£000	£000
Discount rate +0.1%	6,940	11,554
Discount rate -0.1%	7,333	12,208
Mortality assumption – 1 year increase	6,933	11,436
Mortality assumption – 1 year decrease	7,333	12,326
CPI rate +0.1%	7,169	11,934
CPI rate -0.1%	7,097	11,816

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

	2022	2021
	£000	£000
Equities	3,672	3,757
Corporate bonds	1,269	1,358
Property	758	540
Government bonds	109	142
Cash	123	270
Multi Asset Credit	300	-
Other	594	689
Total market value of assets	6,825	6,756

The actual loss on scheme assets was £109,000 (2021: £1,050,000 return).

Amount recognised in the Statement of Financial Activities

	2021/22	2020/21
	£000	£000
Current service cost	(764)	(767)
Past service cost	-	-
Settlement cost	17	-
Interest income	116	94
Interest cost	(201)	(167)
Total amount recognised in the SOFA	(832)	(840)

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

	2021/22	2020/21
	£000	£000
At 1 September	11,875	9,777
Current service cost	764	767
Interest cost	201	167
Employee contributions	83	95

Inspire Multi Academy Trust
Notes to the Financial Statements for the Year Ended 31 August 2022
(continued)

Actuarial (gain) / loss	(5,628)	1,129
Benefits paid	(125)	(60)
Past service cost	-	-
Settlements	(37)	-
At 31 August	7,133	11,875

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

	2021/22 £000	2020/21 £000
At 1 September	6,756	5,393
Interest income	116	94
Actuarial gain/(loss)	(225)	956
Employer contributions	240	278
Employee contributions	83	95
Benefits paid	(125)	(60)
Settlements	(20)	-
At 31 August	6,825	6,756

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 Academy Trust 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.

Expenditure Related Party Transaction

Miss M Brown (Chastney), daughter of Mr H Brown (a trustee), is employed by Inspire Multi Academy Trust and was employed at Fatfield Academy as a Teaching Assistant until 31 August 2022. Miss M Brown has recently been appointed from 1 September 2022 at Burnside Academy on a School Direct (salaried) placement in open competition through a competitive interview process by a recruitment panel. Mr Brown was not involved in the decision-making process regarding the appointment.