

Company Registration No. 08006711 (England and Wales)

ASPIRE LEARNING TRUST (WHITTLESEY)

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

ASPIRE LEARNING TRUST (WHITTLESEY)

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

T Beebe
J Donnachie
J King (Chair)
J Digby (Accounting Officer)
V Read
J Phillips
J Comer (Resigned 31 August 2017)
R Cattermole
J Roberts (Appointed 1 May 2017)

Members

T Beebe (Chair)
D Barron
R Dickens
E Quigley
J Theobalds

Governors - Sir Harry Smith Community College (SHSCC)

- Parent	D Hyland
- Chair/Parent	J Donnachie
- Staff	E Pilkinton
- Parent	D Caplin
- Parent	C Hook
- Parent	F Seekins
- Parent	K Hopcraft
- Parent	S Anderson (Appointed 13 November 2017)
- Parent	C Lambert (Appointed 13 November 2017)
- Parent	J Hook (Appointed 13 November 2017)

Governors - Park Lane Primary School (Park Lane)

- Parent	H Goulbourne
- Community	S Collier
- Chair/Community	T Bennett-Tighe
- Staff	L Porter
- Staff	C Cornell
- Community	P Cornell
- Staff	S White
- Parent	D Agger
- Parent	C Johnson
- Parent	C Jordan
- Parent	A Roberts
- Parent	S Munns
- Parent	E Anthony (Appointed 9 November 2017)

ASPIRE LEARNING TRUST (WHITTLESEY)

REFERENCE AND ADMINISTRATIVE DETAILS

Governors - New Road Primary School (New Road)

- Parent	R Bartlett
- Parent	S Doherty
- Staff	S Standbridge
- Parent	M Philpott
- Chair/Community	C Whitehand
- Staff	M Baxter
- Parent	J Sayer
- Parent	S Weston (Appointed 11 September 2017)
- Community	B Beale (Appointed 11 September 2017)

Senior management team

- Chief Executive	J Digby
- Principal - SHSCC	D White
- Deputy Principal - SHSCC	R Potter
- Assistant Principal - SHSCC	H Norris
- Assistant Principal - SHSCC	J Roughley
- Assistant Principal - SHSCC	T Dolby
- Executive Primary Head	R Litten
- Deputy Executive Primary Head	R Bains

Company secretary L Bennett

Company registration number 08006711 (England and Wales)

Registered office

Sir Harry Smith Community College
Eastrea Road
Whittlesey
Peterborough
PE7 1XB

Academies operated	Location	Principal
New Road Primary School	Whittlesey	R Litten
Park Lane Primary School and Nursery	Whittlesey	R Litten
Sir Harry Smith Community College	Whittlesey	D White

Independent auditor RSM UK Audit LLP
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

Bankers Lloyds Bank
6 Queens Street
Whittlesey
Peterborough
PE7 1AY

ASPIRE LEARNING TRUST (WHITTLESEY)

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Buckles Solicitors LLP
Grant House
101 Bourges Boulevard
Peterborough
PE1 1NG

ASPIRE LEARNING TRUST (WHITTLESEY)

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's report of the Charitable Company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law. This report covers twelve months relating to the activity of Aspire Learning Trust (Whittlesey) (Aspire Learning Trust), following the conversion of Sir Harry Smith Academy Trust into a Multi Academy Trust on 1 July 2016, joining with the two primary schools that formally constituted the Whittlesea Learning Trust.

Aspire Learning Trust operates a Multi Academy Trust for pupils aged 4 to 18 serving a catchment area which comprises of the town of Whittlesey and the surrounding areas. SHSCC has a PAN (published admission number) of 180 with a capacity for 150 students in the sixth form and had a school role of 999 in the school census Autumn 2017. Park Lane Primary and Nursery School has a PAN of 60 and had a school role of 459 including 52 registered in the Nursery in the school census Autumn 2017. New Road Primary School has a PAN of 30 and had a school role of 110 in the school census Autumn 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Aspire Learning Trust is the legal entity which incorporates Sir Harry Smith Community College (SHSCC), Park Lane Primary and Nursery School and New Road Primary School. 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 Directors act as Trustees for the charitable activities of Aspire Learning Trust and are also the directors of the Charitable Company for the purpose of company law. Details of the Trustees who served during the year 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

Throughout the duration of the accounting period, Professional Indemnity Insurance, Governor's and Trustee's Liability Insurance and Fidelity Guarantee Insurance were in place.

Method of recruitment and appointment or election of Trustees

Trustees are appointed by the Board, based on their previous experiences and what expertise they would bring to the Trust. The present Board is made up of mostly former Governors and the aim is to develop a wider range of expertise in the future.

The Chief Executive of the Trust is a Director, and the Principal of SHSCC is treated for all purposes as an ex-officio Governor of the SHSCC Local Governing Body (LGB) which can include up to 12 Governors and the Executive Primary Head is treated for all purposes as an ex-officio Governor of both Primary School Local Governing Bodies, which can each also include up to 12 Governors.

Policies and procedures adopted for the induction and training of Trustees

Aspire Learning Trust subscribes to Cambridgeshire County Council's and Peterborough Governor Services professional service for induction, support, development and training of Directors and Governors. All new Governors receive a governing handbook and induction process that includes a tour of the school, opportunity to meet key staff, the Senior Management Team (SMT) and pupils/students. A new Trust Induction Policy was agreed by the Board in November 2016.

ASPIRE LEARNING TRUST (WHITTLESEY)

TRUSTEES' REPORT (CONTINUED)

Organisational structure

The Trust Board is made up of nine Directors, one of whom is the CEO and one of whom is the Chair of Members. Each Chair of the LGBs is entitled to attend each Board meeting.

The Trust Board meets six times per year and has two main Trust sub committees, which also meet six times per year. They are the HR Committee, which oversees all personnel and HR issues and the Finance and Infrastructure Committee, which oversees all finance, premises, ICT and Health and Safety. Sitting alongside them is the ACE (Audit, Challenge and Evaluation) Group which looks at all aspects of risk and audit, and is made up of Directors and members of the LGB.

All the schools have a Local Governing Body, with a maximum of 12 members. These meet six times per year and focus on school improvement matters.

The CEO is the Accounting Officer for the Trust.

Arrangements for setting pay and remuneration of key management personnel

The school leaders within the Trust will have their performance measured and pay levels set through the processes set out in the Aspire Learning Trust Performance Appraisal and Capability Policy and the Aspire Learning Trust Pay Policy, as do the rest of the teaching workforce. There are no remunerated non-executive roles in the Trust.

Related parties and co-operation with other organisations

The Trust is made up of three schools, two primary and one secondary. It has close links with partner primary schools and local secondary schools and Trusts within the Fenland area. The Trust has also developed informal links with two other small multi-academy Trusts in St Neots and Soham for mutual peer support and challenge. The Trust still has close links with the local authority, through the use of specialist services and the Locality Team.

ASPIRE LEARNING TRUST (WHITTLESEY)

TRUSTEES' REPORT (CONTINUED)

OBJECTIVES AND ACTIVITIES

Principal activities

The charitable purpose of Aspire Learning Trust is for the advancement of the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a Trust offering a broad and balanced curriculum and to promote the provision of recreation and leisure facilities for the inhabitants of Whittlesey and the surrounding area.

The principal activities of the Charitable Company are to provide a high quality comprehensive learning opportunity for the young people of Whittlesey and the surrounding areas by the provision of secondary education for 4-18 year olds.

Objects and aims

The object of the Academy Trust is to play a full and active role within the local community in relation to the provision of high quality education to the individuals and families in the areas served. The objectives and values of the Trust are set out below:

Our objectives are

- To provide the highest quality teaching and learning possible to enable all students to reach their full potential.
- To cater for 4 to 18 aged students providing a range of suitable learning opportunities.
- To be a safe, effective and friendly environment.
- To value, encourage and help develop the potential of all within our community.
- To strive to improve our performance and measure achievement against challenging standards.

Our values are

- To emphasise co-operation, tolerance, sensitivity and empathy towards others.
- To meet the needs of each individual.
- To develop students as responsible citizens.
- To welcome members of the community and visitors to the College.

Objectives, strategies and activities

The main objectives are delivered through the curriculum offered. The achievement aims are summarised below:

- To develop lively, enquiring minds with the ability to reason thoughtfully, to question carefully and to think creatively to argue rationally and to apply themselves to tasks;
- To develop the knowledge, understanding, skills and values they will need for adult life and for further education and employment in a fast-changing world;
- To have an understanding and respect for the religious and moral beliefs of others and for different cultural ways of life understanding that everyone has a right to equal opportunities;
- To take the responsibility for their own health, fitness and well-being;
- To become articulate, confident and self-disciplined adults, responsible for their own behaviour and to have a caring attitude which shows tolerance, sensitivity and empathy for others;
- To develop students as responsible citizens and acquire knowledge, skills and understanding to gain maximum benefit for adult life and employment;
- To raise the level of attainment achieved by students;
- To consolidate the financial position and secure a balanced budget in the context of Government funding;
- To develop and strengthen the college's existing partnerships with its partner primary schools and other local primary secondary schools.

The Mission Statement is:

"Aspire Learning Trust strives to provide outstanding all-round education and care for the children in our community, from nursery through to sixth form. Our schools work together to help every child achieve their full potential, to prepare them for their next educational steps, to teach them kindness and respect for all, and to equip them to play a full and satisfying role in society."

ASPIRE LEARNING TRUST (WHITTLESEY)

TRUSTEES' REPORT (CONTINUED)

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Aspire Learning Trust continues to provide a high quality education to the students. In addition it provides support to other primary schools in the area. The Trust facilities are available to the general public for hire and are in use outside of school hours in accordance with the agreed Community Use Scheme.

STRATEGIC REPORT

Achievements and performance

Sir Harry Smith Community College:

Context:

The College was last inspected by OFSTED in November 2014 and was graded as 'Good'.

Outcomes summer 2017

GCSE

English 4+	74%
English 5+	56%
Maths 4+	69%
Maths 5+	47%
Combined 4+	57%
Combined 5+	40%
% achieving EBAC	7%
% entering EBAC	13%
A8	44.8
P8	0.0

The results for summer 2017 were the second set under the new progress measures and show a considerable improvement in the headline Progress 8 figure to 0.0, which is deemed as being exactly average in comparison with all other secondary schools in the country. The gap between disadvantaged pupils and all others has closed rapidly since the summer 2016 result.

Post 16:

Overall, 41% of entries were awarded A* or A grades, an increase of 13% from last year. Furthermore, 63% of entries were awarded A*-B grades, an increase of 19% from last year, 84% were awarded A*-C grades and 98% were awarded A*-E grades. This is an incredible and very well deserved achievement and reflects the exceptional efforts of both our students and staff. For our vocational qualifications, 100% of entries were awarded a Distinction* (D*) to Merit grade, with 95% being awarded a Distinction* or Distinction.

85% of our students have accepted offers to study at university and 28% of these students will be attending Russell Group universities.

A Level. Level 3 Value Added: +0.14

Academic. Level 3 Value Added: +0.11

Applied General. Level 3 Value Added: +6.4

The above data shows that our students make better than expected progress in their post 16 studies, especially in the Applied General qualifications.

ASPIRE LEARNING TRUST (WHITTLESEY)

TRUSTEES' REPORT (CONTINUED)

Park Lane Primary and Nursery School

The school was inspected by OFSTED in October 2016 and graded at 'Requires Improvement'. Since then, the school has made rapid improvement towards the targets set and this was recognised in the March 2017 monitoring visit.

Outcomes summer 2017:

Actual results 2017: 58 pupils

YEAR	6:	Reading	N	Writing	N	Maths	N	GPS	N		N
58 pupils											
Working at ARE		64% (57%)	71%	62% (46%)	76%	67% (57%)	75%	65% (66%)	77%		
Working above ARE		% (10%)		10% (0%)		% (11%)		% (18%)			
Combined										53% (39%)	61% (52%)

Data in brackets= 2016 scores with a cohort of 61

N= National 2017

GPS= Grammar, punctuation and spelling

Last year no children achieved above ARE in writing.

For 2016, the national combined score was 52%

For 2017 above ARE levels are not yet known.

New Road Primary School

Context:

The school was judged as 'Inadequate' by OFSTED in September 2015 and a number of external reviews carried out by a School Improvement Partner engaged by the Trust over 2016-17, has shown that the school is making rapid improvement towards moving out of special measures to 'Good'.

Outcomes summer 2017

Actual results 2017: 10 pupils

YEAR	6:	Reading	N	Writing	N	Maths	N	GPS	N		N
10 pupils											
Working at ARE		50% (72%)	71%	40% (86%)	76%	40% (57%)	75%	60% (86%)	77%		
Working above ARE		% (14%)		% (0%)		% (0%)		% (0%)			
Combined										40% (57%)	61% (52%)

Data in brackets= 2016 scores with a cohort of 7 pupils

N= National 2017

GPS= Grammar, punctuation and spelling

Last year no children achieved above the Age Related Expectations (ARE) in writing or maths.

For 2016, the national combined score was 52%

The results are as expected with a high number of SEN pupils in this cohort.

ASPIRE LEARNING TRUST (WHITTLESEY)

TRUSTEES' REPORT (CONTINUED)

Financial review

The Academy Trust is in a positive financial position with a substantial proportion of its funding coming from the Education and Skills Funding Agency and the Local Authority. To a large extent government funding is driven by the number of students on roll. For SHSCC, the reputation of the College has resulted in students travelling from out of catchment to attend the college. Current internal forecasts demonstrate that the College was oversubscribed on entry in September 2017. Park Lane has been oversubscribed in the last number of years and New Road has increased its PAN from 15 to 30 to cope with an increased in demand for primary places within the town. The LA are also working with the Trust to further expand the school to two form entry in the next few years.

The Trustees are confident that, with continued and now sustained careful budget management and the robust system of internal control, the college will continue to be able to meet the costs of the objectives of the Academy Trust as a whole.

The Trust has carefully managed their funds over the last few years and have used the reserves to support curriculum development in the schools, particularly at SHSCC. This has been planned for in advance and is part of a three year strategy.

Net current assets at the end of the year were £1,445,700 (2016: £2,001,632). Of this, £557,658 (2016: £1,125,873) relates to amounts ring-fenced for specific activities (restricted) and therefore the 'free' funds amount to £888,042 (2016: £875,759) at period end.

Financial and risk management objectives and policies

The Academy Trust has put measures in place to monitor and manage the risks that have been identified on an on-going basis. Where possible, risks are eliminated, but where this is not possible, action will be taken to ensure that these risks are controlled and likelihood of them being realised will be reduced as far as is reasonably practical.

Reserves policy

Although there is currently a deficit under the Local Authority Pension Scheme, this is not a liability which has an immediate cash-flow impact and therefore we will continue to monitor the level of this liability once the employer's contribution rate is set at that which is required to reduce the deficit.

As at 31 August 2017, total reserves were £17,558,878 (2016: £16,879,822) of which £888,042 (2016: £875,759) were deemed to be 'free' reserves that is those unrestricted funds not invested in fixed assets restricted for a purpose, or otherwise committed. Within these unrestricted funds £Nil (2016: £54,971) has been designated against future expenditure on a managed IT service.

Investment policy

In response to the healthy financial position it will be our intention to invest when sufficient funds became available; this year the Academy Trust has made a short term investment after taking steps to ensure that the best rates of interests available are obtained on retained income.

Key performance indicators

- Unrestricted funds £888,042 (2016: £875,759).
- Restricted general funds (£3,483,342) (2016: (£4,514,127)) of which (£4,041,000) (2016: (£5,640,000)) relates to the pension deficit leaving £557,658 (2016: £1,125,873) as other restricted funds carried forward.
- Restricted fixed asset fund £20,154,178 (2016: £20,518,190).
- GAG spend in the year was £7,101,031 against GAG income of £6,623,994 and GAG funding brought forward of £1,121,658 which has meant that £nil was required to be transferred in from the unrestricted funds of the Academy Trust.
- SHSCC pupil numbers: 999 (2016: 999). Park Lane pupil numbers: 459 (2016: 459) and New Road pupil numbers: 110 (2016: 110).

Total staff costs were: £7,156,315 which as a % of GAG is 108% (2016: 95%). Some of these staff costs were supported by other grant funding, including Pupil Premium.

ASPIRE LEARNING TRUST (WHITTLESEY)

TRUSTEES' REPORT (CONTINUED)

Going concern

After making appropriate enquiries, the Trustees have 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.

Plans for future periods

The Trust plans and manages its continuing improvement through the production of a Trust Strategic Plan. The Trust will develop a Trust wide Infrastructure Improvement Plan which will identify the physical needs of all the facilities, upgrading them to meet the needs of individual schools.

Principal risks and uncertainties

A rag rated risk register, identifying the key risks to which the Aspire Learning Trust was exposed, was compiled by the ACE committee, who will carry out regular reviews of their areas of responsibility to ensure that the risks identified are monitored and managed by the Trust Board, LGBs and SMT on an on-going basis. The most recent review of this register was undertaken in the summer of 2017. The risk register will be reviewed by both Directors and the Local Governing Body of each school during the next academic year.

The Government steps to regularise the discrepancies in funding between Local Authorities to create a revised and fairer national funding formula for education has been delayed. This delay will have an impact on our income and we continue to work closely with the Local Authority and other secondary schools to ensure that we receive our share of the financial funds that are available. Cash flow is monitored regularly and while funds remain limited we will be restricted on our development.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust holds no funds as a Custodian Trustee on behalf of other charities. It does however act as agent, holding funds on behalf of the Whittlesey Locality team, Cambridgeshire Secondary Heads fund, Whittlesey cluster funding and Whittlesey Sea Cadets. At 31 August 2017 £71,880 (2016: £53,654) was held on behalf of these bodies.

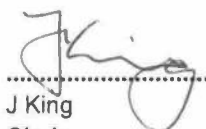
AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' report is approved by order of the Board of Trustees and the strategic report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on *4.2.17* and signed on its behalf by:


.....
J King
Chair

ASPIRE LEARNING TRUST (WHITTLESEY)

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Aspire Learning 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 Governance Document, including the scheme of delegation, was reviewed fully during 2017, through consultation with all stakeholders, with a updated version being in place for September 2017.

The Trust Board has formally met 6 times during the year 2016-17. Attendance during the year at meetings of the Trust Board was as follows:

Trustees	Meetings attended	Out of possible
T Beebe	6	6
J Donnachie	6	6
J King (Chair)	6	6
J Digby (Accounting Officer)	6	6
V Read	6	6
J Phillips	6	6
J Comer (Resigned 31 August 2017)	6	6
R Cattermole	6	6
J Roberts (Appointed 1 May 2017)	1	1

The Trust governance information is presented in a comprehensive Governance Document, which includes the formal scheme of delegation, the financial scheme of delegation, the roles and responsibilities of the Board and the LGBs as well as the code of conduct for all involved in governance. This document and its contents were comprehensively reviewed over the course of 2017 and an updated version was ratified in July 2017 to be in place from September 2017.

Governance reviews

The Trust has prioritised improving the governance at the two primary schools, as these were issues raised in both schools previous OFSTED reports. Her Majesty's Inspectors for the last Monitoring visit for Park Lane School wrote that governance had improved with the support of the Trust.

The Board runs two sub committees, one for Finance and Infrastructure and one for HR. The Local Governing Bodies for the three schools are also subcommittees of the Trust Board.

ASPIRE LEARNING TRUST (WHITTLESEY)

GOVERNANCE STATEMENT (CONTINUED)

The Finance and Infrastructure Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the Board, by enabling more detailed consideration to be given to the best means of fulfilling the Trust's responsibility to ensure sound management of the finance and resources, including proper planning, monitoring and probity. This committee has formally met 6 times during the year.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
T Beebe	6	6
J King (Chair)	5	6
J Digby (Accounting Officer)	6	6
V Read	1	6
J Phillips	1	6
J Comer (Resigned 31 August 2017)	6	6
J Roberts (Appointed 1 May 2017)	2	2

The HR Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the Board, by enabling more detailed consideration to be given to the best means of fulfilling the Trust's responsibility to ensure best practice in all aspects of HR, including the oversight of key policies such as pay, performance management, absence, disciplinary procedures and staff capability. The committee has formally met 6 times during the year.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
T Beebe	6	6
J Donnachie	6	6
J King (Chair)	5	6
J Digby (Accounting Officer)	6	6
V Read	5	6
J Phillips	3	6
J Comer (Resigned 31 August 2017)	3	6
R Cattermole	6	6
J Roberts (Appointed 1 May 2017)	2	2

Review of value for money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where available.

The Accounting Officer for the Academy Trust has delivered improved value for money during the year by ensuring that income and expenditure has been well managed and by setting up a central accounts team, upgrading the software systems and installing them in each of the three schools.

ASPIRE LEARNING TRUST (WHITTLESEY)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Aspire Learning Trust for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements. This system which involves monthly review meetings between the accounts team, the Principal of SHSCC, the Executive Head of the Primary Schools and the Chair of the Finance and Infrastructure Committee and regular inspections of the accounts processes by school Governors in all three schools.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Trustees have appointed Mr J Donnachie, a trustee, as responsible officer (RO) for the period under review.

Independent checking of procedures and accounts are undertaken at regular intervals by members of the Finance, and Infrastructure Committee in the year under review and a verbal report on their findings has been given to the Trust Board.

All reviews have shown that procedures are being followed and the work of the accounts team is being managed and monitored in a satisfactory manner.

ASPIRE LEARNING TRUST (WHITTLESEY)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the external auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the Responsible Officer.

The Trust governance information is presented in a comprehensive Governance Document, which includes the formal scheme of delegation, the financial scheme of delegation, the roles and responsibilities of the Board and the LGBSs as well as the code of conduct for all involved in governance. This document and its contents were comprehensively reviewed over the course of 2016-2017 and an updated version was ratified in July 2017 to be in place from September 2017.

All the Trust HR and financial policies were reviewed over the 2016-17 academic year.

The Accounting Officer is advised by the Finance and Infrastructure Committee of the result of the review of the system of internal control if any weakness is found and to enable changes to the system to be put in place to ensure there is continuous improvement.

Approved by order of the Board of Trustees on 4 Dec 2017 and signed on its behalf by:


J King
Chair

J Digby
Accounting Officer 

ASPIRE LEARNING TRUST (WHITTLESEY)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Aspire Learning Trust (Whittlesey) 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 ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that the following instances of material irregularity, impropriety and funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement they will be notified to the Board of Trustees and ESFA.

Financial Issues that have arisen in the financial year September 2016 to August 2017

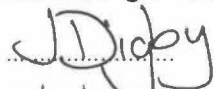
In February 2017, Sir Harry Smith Community College engaged with a third-party contractor to provide small group specialist help to enable a large number of students to gain an additional qualification.

The total extra costs for the help of specialist team amounted to £166,040 and an order was placed for this contract, without following the specified procedures for the procurement of services, and the required approval.

The Trustees instigated a formal investigation by an independent advisor into the alleged financial impropriety relating to mismanagement in the procurement of goods and services. After taking evidence from all the persons involved with the decision taken and the process of placing the order with the outside agency, the investigation conclusion was that, while procedures and agreed processes were not followed, there is no evidence that anyone set out to deliberately conceal the cost of the project from the CEO or the Board.

There were a number of failures to follow procedures that were identified, including a number of inconsistencies in the Trust procedures. Action has been taken by the Board to clarify the procedures, and no further instances were identified in the period under review.

J Digby
Accounting Officer


4/12/2017

ASPIRE LEARNING TRUST (WHITTLESEY)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of Aspire Learning Trust (Whittlesey) for the purposes of company law, are responsible for preparing the Trustees' Report (including the strategic report) and the financial statements in accordance with the Annual Accounts Direction issued 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 Aspire Learning Trust (Whittlesey) 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 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 4 Oct 2017 and signed on its behalf by:


J King
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASPIRE LEARNING TRUST (WHITTLESEY)

Opinion on financial statements

We have audited the financial statements of Aspire Learning Trust (Whittlesey) (the "academy trust") for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 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 Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matter 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 and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASPIRE LEARNING TRUST (WHITTLESEY) (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and 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 by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 16, the Trustees (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

RSM UK Audit LLP

Claire Sutherland (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk, IP32 7FA
...19/12/2017

ASPIRE LEARNING TRUST (WHITTLESEY)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 £
Income and endowments from:						
Donations and capital grants	4	7,999	55,215	10,000	73,214	21,956
Donations - schools transferred in		-	-	-	-	2,745,601
Charitable activities:						
- Funding for educational operations	5	425,320	7,718,009	-	8,143,329	6,215,313
Other trading activities	6	46,398	-	-	46,398	24,845
Investments	7	5,292	-	-	5,292	8,634
Other income		48,108	-	-	48,108	-
Total		533,117	7,773,224	10,000	8,316,341	9,016,349
Expenditure on:						
Raising funds	8	2,672	-	-	2,672	3,577
Charitable activities:						
- Educational operations	9	518,162	8,624,674	484,777	9,627,613	6,549,811
Total	8	520,834	8,624,674	484,777	9,630,285	6,553,388
Net income/(expenditure)		12,283	(851,450)	(474,777)	(1,313,944)	2,462,961
Transfers between funds	18	-	(110,765)	110,765	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	1,993,000	-	1,993,000	(1,304,667)
Net movement in funds		12,283	1,030,785	(364,012)	679,056	1,158,294
Reconciliation of funds						
Total funds brought forward		875,759	(4,514,127)	20,518,190	16,879,822	15,721,528
Total funds carried forward		888,042	(3,483,342)	20,154,178	17,558,878	16,879,822

ASPIRE LEARNING TRUST (WHITTLESEY)**BALANCE SHEET****AS AT 31 AUGUST 2017**

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	14		20,154,178		20,518,190
Current assets					
Stocks		500		438	
Debtors	15	211,198		166,683	
Cash at bank and in hand		1,789,162		2,447,875	
			<u>2,000,860</u>		<u>2,614,996</u>
Current liabilities					
Creditors: amounts falling due within one year	16	(555,160)		(613,364)	
Net current assets			<u>1,445,700</u>		<u>2,001,632</u>
Net assets excluding pension liability			<u>21,599,878</u>		<u>22,519,822</u>
Defined benefit pension scheme liability	23	(4,041,000)		(5,640,000)	
Net assets			<u><u>17,558,878</u></u>		<u><u>16,879,822</u></u>
Funds of the Academy Trust:					
Restricted funds	18				
- Restricted fixed asset funds			20,154,178		20,518,190
- Restricted income funds			557,658		1,125,873
- Pension reserve			(4,041,000)		(5,640,000)
Total restricted funds			<u>16,670,836</u>		<u>16,004,063</u>
Unrestricted income funds	18		<u>888,042</u>		<u>875,759</u>
Total funds			<u><u>17,558,878</u></u>		<u><u>16,879,822</u></u>

The financial statements on pages 19 to 43 were approved by the Board of Trustees and authorised for issue on 10/09/2017... and are signed on their behalf by:


 J. King
 Chair

ASPIRE LEARNING TRUST (WHITTLESEY)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017		2016	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by (used in) operating activities	21		(580,120)		294,099
Cash funds transferred on conversion			-		429,762
			<u>(580,120)</u>		<u>723,861</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		5,292		8,634	
Capital grants from DfE and ESFA		26,880		21,183	
Capital funding from sponsors and others		10,000		-	
Purchase of tangible fixed assets		(120,765)		(5,910)	
			<u>(78,593)</u>		<u>23,907</u>
Net cash (used in)/provided by investing activities					
			(78,593)		23,907
Net (decrease)/increase in cash and cash equivalents in the reporting period			<u>(658,713)</u>		<u>747,768</u>
Cash and cash equivalents at beginning of the year			2,447,875		1,700,107
Cash and cash equivalents at end of the year			<u>1,789,162</u>		<u>2,447,875</u>
Relating to:					
Bank and cash balances			779,306		1,392,345
Short term deposits			1,009,856		1,055,530
			<u>1,789,162</u>		<u>2,447,875</u>

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

General information

Aspire Learning Trust (Whittlesey) is a charitable company. The address of its principal place of business is given on page 2 and the nature of its operations are set out in the Trustees' report.

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

Basis of preparation

The financial statements of the Academy Trust 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust.

Monetary amounts in these financial statements are presented to the nearest £, except where otherwise stated.

Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable 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 income is 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 period 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.

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Donations

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

Other income

Other income, including the hire of facilities, is recognised at fair value of the consideration received or receivable in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

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 is 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 are 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 lettings activity undertaken.

Charitable activities

These are costs incurred on the Academy Trust's educational operations to further its charitable aims for the benefit of its beneficiaries, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when Academy Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

Assets or overall projects costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life.

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Buildings	50 years straight line
Fixtures, fittings and equipment	3 - 4 years straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

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.

Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Financial instruments

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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

Fund accounting

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

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

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

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the trust does not have control over the charitable application of the funds. The trust acts as agent in respect of the Whittlesey Locality, Whittlesey cluster funding, Whittlesey Sea Cadets and Cambridgeshire Secondary Heads banker fund. The funds received and paid and any balances held are disclosed in note 26.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.

Critical areas of judgement

The trustees do not consider there to be any critical areas of judgement that have a significant effect on the amounts recognised in the financial statements.

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

3 Comparative year information

Year ended 31 August 2016	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2016 £
Income and endowments from:				
Donations and capital grants	-	21,956	-	21,956
Donations - schools transferred in	257,510	(1,622,158)	4,110,249	2,745,601
Charitable activities:				
- Funding for educational operations	284,363	5,930,950	-	6,215,313
Other trading activities	24,845	-	-	24,845
Investments	8,634	-	-	8,634
Total	575,352	4,330,748	4,110,249	9,016,349
Expenditure on:				
Raising funds	3,577	-	-	3,577
Charitable activities:				
- Educational operations	306,784	5,852,690	390,337	6,549,811
Total	310,361	5,852,690	390,337	6,553,388
Net income/(expenditure)	264,991	(1,521,942)	3,719,912	2,462,961
Transfers between funds	15,666	(21,576)	5,910	-
Other recognised gains/(losses)				
Actuarial losses on defined benefit pension schemes	-	(1,304,667)	-	(1,304,667)
Net movement in funds	280,657	(2,848,185)	3,725,822	1,158,294

4 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Capital grants	-	26,880	26,880	21,183
Other donations	7,999	38,335	46,334	773
	7,999	65,215	73,214	21,956

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	6,623,994	6,623,994	5,176,330
Other DfE / ESFA grants	-	396,612	396,612	250,035
	-	7,020,606	7,020,606	5,426,365
Other government grants				
Local authority grants	-	695,208	695,208	479,127
Other incoming resources	425,320	2,195	427,515	309,821
	425,320	7,718,009	8,143,329	6,215,313

6 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Hire of facilities	30,101	-	30,101	23,620
Other income	16,297	-	16,297	1,225
	46,398	-	46,398	24,845

7 Investment income

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Interest from short term deposits	5,292	-	5,292	8,634

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

8 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2017 £	Total 2016 £
Expenditure on raising funds	-	-	2,672	2,672	3,577
Academy's educational operations					
- Direct costs	5,632,175	484,777	677,724	6,794,676	4,705,889
- Allocated support costs	1,524,140	535,552	773,245	2,832,937	1,843,922
Total support costs	<u>7,156,315</u>	<u>1,020,329</u>	<u>1,453,641</u>	<u>9,630,285</u>	<u>6,553,388</u>

Net income/(expenditure) for the year includes:

	2017 £	2016 £
Operating lease rentals	64,213	32,331
Depreciation of tangible fixed assets	484,777	390,337
Net interest on defined benefit pension liability	121,000	104,166
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	17,500	11,940
- Other services	11,750	5,091

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Direct costs - educational operations	153,905	6,640,771	6,794,676	4,705,889
Support costs - educational operations	364,257	2,468,680	2,832,937	1,843,922
	<u>518,162</u>	<u>9,109,451</u>	<u>9,627,613</u>	<u>6,549,811</u>

Analysis of support costs

	2017 £	2016 £
Support staff costs	1,524,140	939,155
Technology costs	205,146	192,610
Premises costs	468,777	297,888
Other support costs	584,949	380,324
Governance costs	49,925	33,945
	<u>2,832,937</u>	<u>1,843,922</u>

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

10 Staff

Staff costs

Staff costs during the year were:

	2017	2016
	£	£
Wages and salaries	5,241,217	3,802,938
Social security costs	436,567	284,586
Operating costs of defined benefit pension schemes	1,150,849	699,759
Total staff costs	6,828,633	4,787,283
Supply staff costs	226,541	75,317
Staff restructuring costs	26,330	9,430
Staff development and other staff costs	74,811	35,403
	<u>7,156,315</u>	<u>4,907,433</u>

Included in staff restructuring costs are non-contractual severance payments totalling £15,540 (2016: £6,375), and other restructuring costs of £570 (2016: £3,055). Individual the payments were £14,320 and £1,220. No specific funding was received to support the restructuring payments.

Staff numbers

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

	2017	2016
	Number	Number
Teachers	85	69
Administration and support	154	92
Management	12	6
	<u>251</u>	<u>167</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2017	2016
	Number	Number
Teachers	76	58
Administration and support	90	60
Management	12	6
	<u>178</u>	<u>124</u>

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

10 Staff (Continued)

Higher paid staff

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

	2017 Number	2016 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	2	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1 & 2. The total amount of employee benefits (including employer pension costs and employer national insurance) received by key management personnel for their services to the Academy Trust was £728,160 (2016: £546,975).

11 Central services

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

- financial services;
- legal services;
- human resources;
- others as arising.

The Academy Trust charges for these services on the following basis:

- flat percentage of GAG funding at 3%.

The amounts charged during the year were as follows:

	Total £
New Road Primary School	14,212
Park Lane Primary School and Nursery	41,967
Sir Harry Smith Community College	141,233
	<u>197,412</u>

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

12 Trustees' remuneration and expenses

During the year one trustee was paid remuneration from an employment with the Academy Trust. The Principal only receives remuneration in respect of services he provides undertaking the role of Principal under his contract of employment, and not in respect of services as trustee. Other trustees were not paid any remuneration nor received any other benefits from employment with the Academy Trust.

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

J Digby, the Principal, received remuneration of £111,421 in 2017 (2016 - £104,835) and pension contributions paid by the Academy Trust in the year of £18,162 (2016 - £17,255).

During the year ended 31 August 2017 two (2016: one) trustees claimed expenses or had their expenses met by the Academy Trust. The expenses incurred were in respect of subscriptions and an amount of £525 (2016 - £277) were reimbursed or paid by the Academy Trust.

13 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.

14 Tangible fixed assets

	Land and Buildings	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 September 2016	22,825,000	159,404	22,984,404
Additions	-	120,765	120,765
At 31 August 2017	22,825,000	280,169	23,105,169
Depreciation			
At 1 September 2016	2,389,547	76,667	2,466,214
Charge for the year	426,048	58,729	484,777
At 31 August 2017	2,815,595	135,396	2,950,991
Net book value			
At 31 August 2017	20,009,405	144,773	20,154,178
At 31 August 2016	20,435,453	82,737	20,518,190

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

15 Debtors	2017	2016
	£	£
Trade debtors	12,774	10,317
Other debtors	80,763	51,366
Prepayments and accrued income	117,661	105,000
	<u>211,198</u>	<u>166,683</u>
16 Creditors: amounts falling due within one year	2017	2016
	£	£
Trade creditors	69,025	187,072
Other taxation and social security	116,340	113,092
Other creditors	206,627	180,877
Accruals and deferred income (see note 17)	163,168	132,323
	<u>555,160</u>	<u>613,364</u>
17 Deferred income	2017	2016
	£	£
Deferred income is included within:		
Creditors due within one year	<u>68,768</u>	<u>61,477</u>
Deferred income at 1 September 2016	61,477	26,073
Released from previous years	(61,477)	(26,073)
Amounts deferred in the year	<u>68,768</u>	<u>61,477</u>
Deferred income at 31 August 2017	<u><u>68,768</u></u>	<u><u>61,477</u></u>

Deferred income relates to amounts received for future trips.

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	1,121,658	6,623,994	(7,101,031)	(107,773)	536,848
Other DfE / ESFA grants	-	423,492	(419,715)	(2,992)	785
Other government grants	-	695,208	(693,075)	-	2,133
Other restricted funds	4,215	30,530	(16,853)	-	17,892
Pension reserve	(5,640,000)	-	(394,000)	1,993,000	(4,041,000)
	<u>(4,514,127)</u>	<u>7,773,224</u>	<u>(8,624,674)</u>	<u>1,882,235</u>	<u>(3,483,342)</u>
Restricted fixed asset funds					
Transferred on conversion	20,494,584	-	(426,048)	-	20,068,536
Assets purchased post conversion	23,606	10,000	(58,729)	110,765	85,642
	<u>20,518,190</u>	<u>10,000</u>	<u>(484,777)</u>	<u>110,765</u>	<u>20,154,178</u>
Total restricted funds	<u>16,004,063</u>	<u>7,783,224</u>	<u>(9,109,451)</u>	<u>1,993,000</u>	<u>16,670,836</u>
Unrestricted funds					
General funds	820,788	533,117	(465,863)	-	888,042
Designated funds	54,971	-	(54,971)	-	-
	<u>875,759</u>	<u>533,117</u>	<u>(520,834)</u>	<u>-</u>	<u>888,042</u>
Total funds	<u>16,879,822</u>	<u>8,316,341</u>	<u>(9,630,285)</u>	<u>1,993,000</u>	<u>17,558,878</u>

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds (Continued)

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

General Annual Grant (GAG)

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the GAG that it could carry forward at 31 August 2017.

Other DfE/ESFA grants

Other DfE/ESFA grants include:

- Pupil Premium must be used to support the cost of providing free school meals to those children entitled to free school meals.
- Devolved formula capital grant received from the ESFA. During the period this grant was spent on costs to maintain the Academy buildings.
- Universal infant free school meals funding must be used to provide free school meals to infant school pupils.
- Early years funding received from the ESFA for funding for 3 and 4 year olds at Park Lane Nursery, to be spent on the running costs of the nursery.

Other government grants

Other government grants include:

- SEN funding which represents grants received in order to provide additional teaching resources for children with special learning needs. The cost of these teaching resources has been set against the income.
- BAIP funding which represents the delegation of funding to schools to provide an opportunity to make provision tailored to the needs of the students which was previously met by the Local Authority. The academy has developed its own behaviour support unit on-site in order to diminish the volume of EOTAS students.
- Growth funding which represents funding received from Cambridgeshire County Council based on continued and predicted growth at New Road Primary School.

Other restricted funds represent lower level grants and donations received for a particular purpose. Any relevant costs have been offset against this income.

The Pension reserve represents the Academy Trust's net liability in respect of the Local Government Pension Scheme.

Restricted fixed asset funds

Restricted fixed asset funds include:

Inherited funds of £20,068,536 relating to the leasehold land and buildings and other assets transferred from the predecessor schools upon becoming an academy and the subsequent BSF works undertaken. Expenditure during the period of £426,048 is in respect of depreciation on these transferred assets.

Assets purchased post conversion represents fixed assets purchased by the school following conversion to an Academy Trust. Income in the year relates to capital donations received from Fenland District Council and the Friends of Park Lane School. Resources expended allocated of £58,729 there are to represent depreciation charged on these assets.

Designated funds

The designated funds represented unrestricted income received to be used for the purchase of managed IT services. This expenditure has been incurred in the year.

Transfers

Transfers between funds during the year relate to fixed asset purchases from devolved formula capital grants and GAG funding.

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds (Continued)

Funds prior year

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	865,189	5,176,330	(4,898,285)	(21,576)	1,121,658
Other DfE / ESFA grants	1,869	271,218	(273,087)	-	-
Other government grants	-	479,127	(479,127)	-	-
Other restricted funds	-	35,406	(31,191)	-	4,215
Pension reserve	(2,533,000)	(1,631,333)	(171,000)	(1,304,667)	(5,640,000)
	<u>(1,665,942)</u>	<u>4,330,748</u>	<u>(5,852,690)</u>	<u>(1,326,243)</u>	<u>(4,514,127)</u>
Restricted fixed asset funds					
Transferred on conversion	16,758,712	4,110,249	(374,377)	-	20,494,584
Assets purchased post conversion	33,656	-	(15,960)	5,910	23,606
	<u>16,792,368</u>	<u>4,110,249</u>	<u>(390,337)</u>	<u>5,910</u>	<u>20,518,190</u>
Total restricted funds	<u>15,126,426</u>	<u>8,440,997</u>	<u>(6,243,027)</u>	<u>(1,320,333)</u>	<u>16,004,063</u>
Unrestricted funds					
General funds	540,131	575,352	(310,361)	15,666	820,788
Designated funds	54,971	-	-	-	54,971
	<u>595,102</u>	<u>575,352</u>	<u>(310,361)</u>	<u>15,666</u>	<u>875,759</u>
Total funds	<u>15,721,528</u>	<u>9,016,349</u>	<u>(6,553,388)</u>	<u>(1,304,667)</u>	<u>16,879,822</u>

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

18 Funds (Continued)

Total funds analysis by academy

Fund balances at 31 August were allocated as follows:	Total 2017 £	Total 2016 £
New Road Primary School	104,364	96,835
Park Lane Primary School and Nursery	43,672	84,315
Sir Harry Smith Community College	1,308,918	1,820,482
Central services	(11,254)	-
Total before fixed assets fund and pension reserve	1,445,700	2,001,632
Restricted fixed asset fund	20,154,178	20,518,190
Pension reserve	(4,041,000)	(5,640,000)
Total funds	17,558,878	16,879,822

Central services for the Academy Trust is carrying a net deficit of £11,254 on these funds because more has been spent on services provided than received from the charge to each academy of 3% of GAG. The Academy Trust has increased the percentage of GAG received to 3.4% to return the central services to surplus.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2017 £	Total 2016 £
New Road Primary School	403,313	83,756	25,496	123,983	636,548	84,339
Park Lane Primary School and Nursery	1,122,526	274,932	57,753	367,939	1,823,150	266,258
Sir Harry Smith Community College	3,958,036	882,909	167,657	1,074,531	6,083,133	5,812,454
Central services	421,300	9,543	30	171,804	602,677	-
	5,905,175	1,251,140	250,936	1,738,257	9,145,508	6,163,051

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	86,802	81,851
Carrying amount of financial liabilities		
Measured at amortised cost	370,052	438,795

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	20,154,178	20,154,178
Current assets	903,868	1,096,992	-	2,000,860
Creditors falling due within one year	(15,826)	(539,334)	-	(555,160)
Defined benefit pension scheme liability	-	(4,041,000)	-	(4,041,000)
Total net assets	888,042	(3,483,342)	20,154,178	17,558,878
	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	20,518,190	20,518,190
Current assets	1,075,410	1,539,586	-	2,614,996
Creditors falling due within one year	(199,651)	(413,713)	-	(613,364)
Defined benefit pension scheme liability	-	(5,640,000)	-	(5,640,000)
Total net assets	875,759	(4,514,127)	20,518,190	16,879,822

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

21 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2017	2016
	£	£
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(1,313,944)	2,462,961
Adjusted for:		
Net surplus on conversion to academy	-	(2,745,601)
Capital grants from DfE/ESFA and other capital income	(36,880)	(21,183)
Interest receivable	(5,292)	(8,634)
Defined benefit pension scheme cost less contributions payable	273,000	66,834
Defined benefit pension scheme finance cost	121,000	104,166
Depreciation of tangible fixed assets	484,777	390,337
Movements in working capital:		
(Increase) in stocks	(62)	(438)
(Increase) in debtors	(44,515)	(35,915)
(Decrease)/increase in creditors	(58,204)	244,649
Stocks, debtors and creditors transferred on conversion	-	(163,077)
Net cash used in operating activities	<u>(580,120)</u>	<u>294,099</u>

22 Commitments under operating leases

At 31 August 2017 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017	2016
	£	£
Amounts due within one year	64,035	68,040
Amounts due between one and five years	252,225	261,528
Amounts due after five years	439,335	498,533
	<u>755,595</u>	<u>828,101</u>

23 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 Cambridgeshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £110,931 (2016: £107,383) were payable to the schemes at 31 August 2017 and are included within creditors.

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

23 Pension and similar obligations (Continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2012 determined an employer rate of 16.48% (including a 0.08% administration fee), which was payable from September 2015. The next valuation of the TPS is currently underway based on March 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £514,873 (2016: £400,157).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 23% for employers and between 5.5% and 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 closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

23 Pension and similar obligations (Continued)

Total contributions made	2017 £	2016 £
Employer's contributions	360,000	228,333
Employees' contributions	90,000	58,667
Total contributions	450,000	287,000

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2013 updated to 31 August 2017 by a qualified independent actuary.

	2017 %	2016 %
Rate of increases in salaries	2.7	4.1
Rate of increase for pensions in payment/inflation	2.4	2.1
Discount rate for scheme liabilities	2.5	2.1

The assumed life expectations on retirement age 65 are:

	2017 Years	2016 Years
Retiring today		
- Males	22.4	22.5
- Females	24.4	24.5
Retiring in 20 years		
- Males	24.0	24.4
- Females	26.3	26.9

The Academy Trust's share of the assets in the scheme

	2017 Fair value £	2016 Fair value £
Equities	2,552,550	1,874,250
Bonds	430,950	374,850
Property	232,050	174,930
Other assets	99,450	74,970
Total fair value of assets	3,315,000	2,499,000

The actual return on scheme assets was £399,000 (2016: £256,000).

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

23 Pension and similar obligations (Continued)

Amount recognised in the statement of financial activities	2017	2016
	£	£
Current service cost	633,000	295,167
Net interest cost	121,000	104,166
	<hr/>	<hr/>
Total operating charge	754,000	399,333
	<hr/> <hr/>	<hr/> <hr/>

Changes in the present value of defined benefit obligations	2017
	£
At 1 September 2016	8,139,000
Current service cost	633,000
Interest cost	178,000
Employee contributions	90,000
Actuarial gain	(1,651,000)
Benefits paid	(33,000)
	<hr/>
At 31 August 2017	7,356,000
	<hr/> <hr/>

Changes in the fair value of the Academy Trust's share of scheme assets	2017
	£
At 1 September 2016	2,499,000
Interest income	57,000
Return on plan assets (excluding net interest on the net defined pension liability)	342,000
Employer contributions	360,000
Employee contributions	90,000
Benefits paid	(33,000)
	<hr/>
At 31 August 2017	3,315,000
	<hr/> <hr/>

24 Members' liability

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

ASPIRE LEARNING TRUST (WHITTLESEY)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

25 Related party transactions

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

During the year the Academy Trust procured consultancy services from the spouse of a member of the Senior Management Team, amounting to £4,750 (2016: £3,500). At the year end no balances were outstanding (2016: Nil).

26 Agency arrangements

The Academy Trust distributes 16-19 Bursary Funds to students as an agent for EFA. In the year it received £8,509 and disbursed £6,111, with an amount of £14,207 repayable by the Academy Trust at the 31 August 2017, included in other creditors (2016: £11,809). The Academy Trust has used 5% of the allocation received towards its own administration costs and this is recognised as income in the statement of financial activities of £448.

The Academy Trust also acts as agent in respect of the Whittlesey Locality, Whittlesey cluster funding, Whittlesey Sea Cadets and Cambridgeshire Secondary Heads banker fund. In the year it received £37,718 and disbursed £19,492 in respect of these funds. The amount held at year end was £71,880 (2016: £53,654). This balance is included within other creditors.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASPIRE LEARNING TRUST (WHITTLESEY) AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 13 October 2015 and further to the requirements of the Education and Skills Funding Agency ("ESFA") as included in the Academies Accounts Direction 2016 to 2017, to obtain limited assurance about whether the expenditure disbursed and income received by Aspire Learning Trust (Whittlesey) during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

As included in the Statement of Regularity, Propriety and Compliance during the year procurement policies were not followed at one of schools in the trust in relation to a procurement of specialist help. The total cost of the project not complying with the required procurement and tendering process, and therefore without appropriate approval was £166,040.

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2016 to 2017 Part 9: Regularity Reporting. We are independent of Aspire Learning Trust (Whittlesey) in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Aspire Learning Trust (Whittlesey)'s accounting officer and Trustees

The accounting officer is responsible, under the requirements of Aspire Learning Trust (Whittlesey)'s funding agreement with the Secretary of State for Education dated 11 July 2011 and the Academies Financial Handbook, extant from 1 September 2016, 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. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Aspire Learning Trust (Whittlesey) and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 2016 to 2017.

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 the procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

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 2016 to 31 August 2017 have not been applied to purposes identified by Parliament or that the financial transactions do not conform to the authorities which govern them.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASPIRE LEARNING TRUST (WHITTLESEY) AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2016 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2016 to 2017.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

This report is made solely to Aspire Learning Trust (Whittlesey) and the ESFA in accordance with the terms of our engagement letter dated 13 October 2015. Our work has been undertaken so that we might state to the Aspire Learning Trust (Whittlesey) and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Aspire Learning Trust (Whittlesey) and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Chartered accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

Dated: 19/12/2017...
