

Company Registration Number: 10155032 (England & Wales)

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

Feltons
Chartered Accountants
Birmingham
B1 3JR

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

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INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Ahmed Jamal Nasir Awan Elizabeth Pritchard Rosamunde Lee Zafar Ali Tanwir Hussain Christine Lane Jennie Webber
Trustees	Sabreen Marashli, Chair (appointed 11 December 2023) Edaris Gaibee, Chair (resigned 10 December 2023) Rosamunde Lee, Vice Chairperson Christine Lane, Trustee (resigned 31 August 2024) Shamsul Arifeen, Trustee Sabreen Marashli, Chairperson Bushra Khan, Trustee Irum Naz, Trustee Shaukat Islam, CEO/Accounting Officer Alison King-Harmes, Trustee Michelle Herbert, Trustee (appointed 30 June 2024) Sabina Khanam, Parent Trustee (appointed 1 September 2024) Jennie Webber, Trustee (appointed 1 September 2024) Sue Longhorne, Trustee (appointed 11 December 2023) Sohail Hussain, Trustee (appointed 30 June 2024)
Company registered number	10155032
Company name	Inspire Education Community Trust
Principal and registered office	c/o Yew Tree Community School Yew Tree Road Birmingham B6 6RX
Company secretary	Nazneen Alam
Chief executive officer	Shaukat Islam
Senior management team	Shaukat Islam, CEO/Executive Head Teacher Maureen Carroll, Executive Teaching Leader Julie Adams, Head of School - Yew Tree Community School Rashida Begum, Head of School - City Road Primary School Nasrin Ahmed, Assistant Head Teacher - Yew Tree Community School Stephanie Pettitt, Assistant Head Teacher - Yew Tree Community School Shereena Wynter, Assistant Head Teacher - Yew Tree Community School Elizabeth Phillips, Assistant Head Teacher - Yew Tree Community School Amarpal Sohal, Assistant Head Teacher - City Road Primary School Sarjjeet Jandu, Assistant Head Teacher - City Road Primary School Michael Rayner, Assistant Head Teacher - City Road Primary School Gemma Luna, Assistant Head Teacher - City Road Primary School

INSPIRE EDUCATION COMMUNITY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Independent auditors Feltons Chartered Accountants
8 Sovereign Court
8 Graham Street
Birmingham
B1 3JR

Bankers Lloyds Bank plc
Units 2/3 Caxton Gate
36/38 New Street
Birmingham
B2 4LP

Solicitors Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

INSPIRE EDUCATION COMMUNITY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report, and a directors' report and strategic report under company law.

The multi academy trust operates 2 primary schools serving catchment areas in the Aston Ward and the North Edgbaston Ward which are:

Yew Tree Community School
City Road Primary School

They have a combined pupil capacity of 840+ 156 p/t nursery places and had a roll of 820 in the school + 75 nursery places filled in the census on 3rd October 2024.

Structure, governance and management

a. Constitution

The multi 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 multi academy trust.

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

The charitable company operates as Inspire Education Community Trust.

Details of the Trustees who served during the , and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

Each member of the 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.

c. Trustees' indemnities

In accordance with normal commercial practice the multi academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on multi academy trust business. The insurance provides cover up to £10,000,000 on any one claim.

INSPIRE EDUCATION COMMUNITY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

Trustees are appointed by the MEMBERS of the Trust and may also be co-opted by the Trust board with the intention that the Board should comprise of an effective combination of experience, skills and knowledge to fully meet the accountability requirements outlined in the Academies Financial Handbook.

Individuals appointed as trustees must demonstrate:

- a set of competencies required by the TRUST board and which brings additionality
- a commitment to maintaining a rigorous strategic oversight of TRUST statutory, mandatory and regulatory responsibilities

Trustees are made up of non-employees of the Multi Academy Trust with the exception of the CEO.

The above selection procedures for Trustees includes local advertising, website, other social media technologies and word of mouth. Interested parties contact the school and have an initial interview with the Chair of the Trust or CEO and nominations will be taken to the Board, who will consider their application. The final decision will be left with the TRUST Board. The management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

e. Policies adopted for the induction and training of Trustees

The Board of Trustees had a service level agreement with School and Governor Support (a traded service of Birmingham Local Authority) to provide training, advice and support for all those involved in the governance of the academy (Trustees and members of the Local Governing Bodies).

Newly elected trustees and members of the local governing bodies attend induction training for new trustees and governors, and in addition select specific training provided by school and Governor Support in accordance with their needs.

The CEO is the leader for professional development in the MAT; the CEO ensures that governors are provided with opportunities to receive training in accordance with their role, and the schools' training plan.

INSPIRE EDUCATION COMMUNITY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

f. Organisational structure

The board of trustees has established a number of committees:

Pay Committee
Executive Headteacher Appraisal committee
Finance, Audit and Risk Committee
Staff Discipline Committee
Appeals Committee

The following committees are comprised of members of the local governing body:

The local governing body at the academy
Pupil discipline committee

In addition, local governing body members have individual roles e.g. safeguarding governor, SEND governor etc.

The written terms of reference of the committees include the monitoring of the preparation and management of the Academy's budget and implementation of the Academy's financial management policies, including risk assessment.

The Board of Trustees also appoints a responsible officer, and this role has been fully implemented in accordance with the academy trust's financial procedures.

Decisions relating to regularity, propriety and value for money of all aspects of Trust business are reserved for the Board of Trustees. The associated levels of delegated responsibility to the Executive Head Teacher and Local Governing Board are outlined in the TRUST Scheme of Delegation.

g. Arrangements for setting pay and remuneration of key management personnel

The teachers' pay and conditions document is the basis on which remuneration is decided by the pay committee.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	-

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
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Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

There were no related party transactions in the year.

Objectives and activities

a. Objects and aims

Objects and aims

The strategic goal of Inspire Education Community Trust is to provide a broad and balanced curriculum to all pupils in accordance with the funding agreement between the Academy Trust and the Department for Education.

Our Vision

We are committed to learning together in the best interests of our children.

Our Values

Inspire - We are passionate about children's education; we have the ability to transform lives and strongly improve the life chances of our children. We will inspire success!

INSPIRE EDUCATION COMMUNITY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities (continued)

Education - Education opens doors and is the key to success. In our schools, staff will 'go the extra mile' to ensure an excellent education for our children; staff will never accept disadvantage as an excuse for underachievement.

Community - Community is central to our moral purpose. We value all partners in the education of children; we will work in strong partnership with parents/carers and all those interested in the education of children and young people.

Trust - We will work collaboratively with honesty and integrity deeply rooted in our way of working.

b. Objectives, strategies and activities

INSPIRE, we work together as a community (staff, parents/carers, children, governors, trustees and members of the wider community) to inspire success for our pupils.

Our curriculum has been carefully planned and organised to ensure breadth, balance and depth of education for every child in our school. Our curriculum prepares our children for life in modern Britain.

Our curriculum is based on the National Curriculum; we have also adapted it to meet the needs of our children.

In the design of our curriculum, we have considered knowledge progression and sequencing of concepts that enable pupils to build on what they have learnt previously.

With a very high proportion of children who have English as an additional language, early English language acquisition and the learning of phonics are prioritised.

Reading throughout school is also prioritised. The teaching of reading and promoting reading for pleasure are highly organised.

The schools are highly ambitious for all children to be well-equipped with basic skills in reading, writing and maths needed across the curriculum and to prepare them for the next stage of their education.

Mathematical fluency and confidence in numeracy is regarded as preconditions of success across the school's curriculum.

We strive to ensure that our curriculum is accessible to all, including for those children who have special educational needs, in line with Special Educational Needs and Disability Regulations 2014. Children with special educational needs or disabilities also receive additional interventions e.g. speech and language.

INSPIRE EDUCATION COMMUNITY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities (continued)

Our curriculum has been designed to: activate children's prior knowledge, provide first-hand learning experiences, build resilience and become creative, critical thinkers.

We promote equal opportunities to all of our pupils in line with the Equality Act 2010 throughout our practice. We promote diversity, celebrate difference and encourage respect for all through our curriculum. This enables our pupils to embrace the world around them and encourages adherence with fundamental British values. The school values of 'Learn, Care, Respect and Be Safe' underpin the work of our school.

Our 'Wheel of Well-being' promotes the spiritual, moral, social, cultural, mental and physical development of pupils at our school.

Children's mental health and well-being are important aspects of our curriculum.

Our free extracurricular provision includes sport and physical activity. This is to promote the health and well-being of our pupils and to help towards reducing high levels of obesity.

Our improvement priorities for 2023 – 2024 were:

1. Continue to support and develop pupils' love of reading across the school
2. Ensure pupils make strong and sustained progress in Maths throughout the school
3. Continue to develop and strengthen leadership
4. To ensure all pupils benefit from the wider aspects of the school community through the enrichment opportunities and character development

Through the process of self-evaluation, the executive headteacher, supported by the Senior Leadership Team, analyses the school's performance, identifies strengths and areas for development, and sets annual priorities within the School Improvement Plans (SIP). The Board discuss and approve the School Improvement Plan (SIP) and approve the financial plan to support the implementation of the SIP. The SIP is reviewed each term and the Local Governing Bodies are updated on progress. In the following year, the head of school presents an evaluation of the impact of the SIP upon outcomes to the Local Governing Body.

c. Public benefit

In setting our objectives and planning our activities, the Board of Trustees has given careful consideration to the general guidance on public benefit published by the Charity Commission on their website at www.gov.uk/topic/running-charity/managing-charity in exercising their powers or duties.

Inspire Education Community Trust is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of their age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, race, religion or belief, sex, or sexual orientation.

The Academy Trust will continue to provide education to children that:

- Is balanced and broadly based;
- Provides the spiritual, moral, cultural, mental and physical development of all pupils
- Prepares students for the opportunities, responsibilities and experiences of later life;
- Promotes, sustains and increases individual and collective knowledge and understanding of study, skills and expertise.

INSPIRE EDUCATION COMMUNITY TRUST
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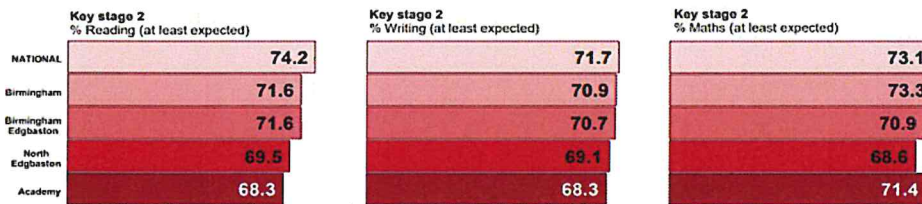
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report

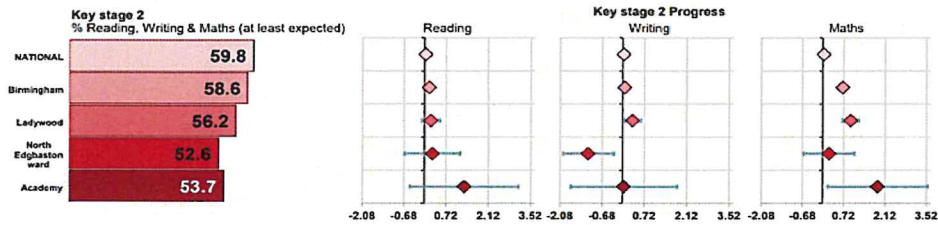
Achievements and performance

City Road Primary

2024 (provisional data)

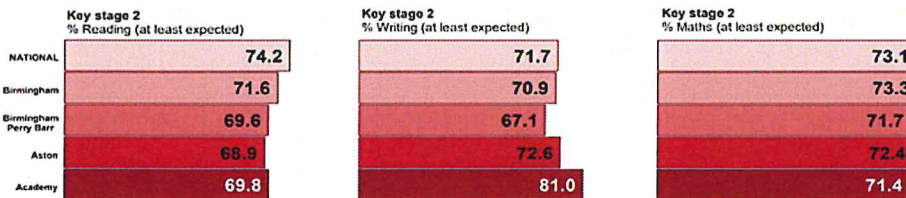


2023 (Final data)

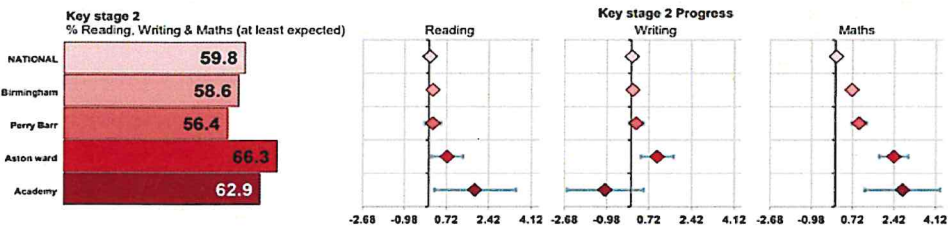


Yew Tree Community School

2024 (provisional data)



2023 (Final data)



INSPIRE EDUCATION COMMUNITY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

City Road Primary School

Ofsted	Good (January 2023)
Progress	In line with national averages
Pupil Attendance	Attendance is below the national average
Pupil Places	The school is full in most year groups

Yew Tree Community School

Ofsted	Good (January 2023)
Progress	In line with national averages
Pupil Attendance	Attendance is below the national average
Pupil Places	The school is full in most year groups

- Direct costs as a percentage of total costs were 61.4% (2023 : 65.8%)
- Support costs as a percentage of total costs were 38.6% (2023 : 34.2%)
- Total payroll costs as a percentage of recurring income were 70.8% (2023 : 75.0%)

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Financial review

The financial results of Inspire Education Community Trust are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Academy Trust Handbook published by the ESFA and requirements as laid down by the Multi Academy's Financial Handbook.

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the multi academy.

During the year ended 31 August 2024 total resources expended were £6,876,995 and the surplus of income over expenditure was £794,850 stated after depreciation of £252,339.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

a. Reserves policy

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves. It is the board of trustees' general policy to continue to build reserves which can be used for future educational purposes.

The multi academy trust had total funds at 31 August 2024 of £6,801,844 which included £836,687 restricted funds not available for general purposes of the multi academy trust, £nil of free reserves defined as unrestricted funds available for general purposes and £6,678,157 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £836,687.

In addition, the deficit on the restricted pension fund of £713,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary. This will result in a cash flow effect for the multi academy trust in the form of an increase in employers' pension contributions over a period of years.

The trustees regularly review the level of reserves and aim to maintain them at a minimum of one month of expenditure. Budgeted expenditure for 2024/25 is £7,164k and hence the minimum target is £597k.

b. Investment policy

Any surplus funds are invested with **Lloyds Bank Plc** in deposit accounts.

These investments are carried out in accordance with the powers vested in the board of trustees.

c. Principal risks and uncertainties

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focused on non-financial risks arising from fire, health and safety which includes consideration of those risks impacting on trustees' responsibilities to ensure the trust's estate is safe, well maintained and complies with relevant regulations. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas

Fundraising

The multi academy trust does not use any external fundraisers. All fundraising undertaken during the period was monitored by the Trustees.

Streamlined energy and carbon reporting

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

INSPIRE EDUCATION COMMUNITY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Plans for future periods

Inspire Education Community Trust is seeking to exploit the opportunities afforded by conversion to academy status and multi-academy status. Initially by utilising increased financial resources and governance freedoms to improve further the standard of teaching and learning but also, importantly, to improve the school estate.

Inspire Education Community Trust gained sponsor status and became the sponsor for City Road Primary School which joined the trust on 1/9/2018.

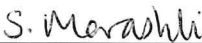
CPD and leadership capacity building are the key priorities in the development of the multi-academy trust.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 17 December 2024 and signed on its behalf by:



Sabreen Marashli
(Chair of Trustees)

INSPIRE EDUCATION COMMUNITY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Sabreen Marashli, Chair until 10/12/23	1	1
Edaris Gaibee, Chair	1	6
Rosamunde Lee, Vice Chairperson	4	6
Christine Lane, Trustee	3	6
Shamsul Arifeen, Trustee	5	6
Sabreen Marashli, Chair from 11/12/23	5	6
Bushra Khan, Trustee	4	6
Irum Naz, Trustee	2	6
Shaukat Islam, CEO/Accounting Officer	6	6
Alison King-Harmes, Trustee	1	1
Michelle Herbert, Trustee	1	1
Sabina Khanam, Parent Trustee	0	0
Jennie Webber, Trustee	0	0
Sue Longhorne, Trustee	3	5
Sohail Hussain, Trustee	0	0

INSPIRE EDUCATION COMMUNITY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The finance, risk and audit committee is a sub-committee of the main board of trustees. The purpose of the committee is to assist the decision making of the Trust, by enabling a more detailed consideration of the finances, HR and buildings related matters of schools within the Trust as well as to enable a more detailed consideration of the termly audit reports produced for each school. This meeting is conducted with the chief finance officer present so trustees can gain the information required. In addition, the committee reviews matters related to risk

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Alison King-Harmes (Chair of committee)	2	3
Sabreen Marashi	1	1
Shamsul Arifeen (Vice Chair)	3	3
Sue Longhorne	2	3

The board exercises its functions through TRUST Board meetings and finance, risk and audit committee meetings.

In addition, the LGBs of each school meet 3 times per year with additional link governor roles who visit schools on a termly basis.

Other committees such as pupil discipline, staff discipline or appeals committees meet as necessary.

Conflicts of interest

An up-to-date register of interests is maintained and is also published on the Trust's website; this is referred to at the beginning of the Trust meetings as well as trustees declaring interests at each meeting.

Meetings

The trustees consider that the board and its committees have met regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements.

Review of governance

A review of governance was undertaken during the year which found that the Trust could be run more efficiently and effectively with a larger board of trustees.

Subsequent to this the following actions were taken :

- Local governing bodies were disbanded with effect from 31/08/2024

The trust intends to conduct its next self-evaluation/external review by July 2025.

INSPIRE EDUCATION COMMUNITY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Shaukat Islam (the executive headteacher/chief executive officer) has responsibility for ensuring that the Academy 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

- A strong team culture and effective staff deployment including the use of pupil premium has a positive impact on pupil progress
- Efficient use of time and resources through collaborative planning and resourcing across the Trust schools
- CPD opportunities have been enhanced for all staff through Yew Tree Community School's role as a 'Talk for Writing' training school and involvement in the national Talk for Writing network.

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 policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Inspire Education Community Trust for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy 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's significant risks that has been in place for the year 1 September 2023 to 31 August 2024 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's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has decided to buy-in an internal audit service from S4S with a Service Level Agreement which provides 3 internal audits per year.

This option has been chosen because a strong system of internal control is vital to ensure our academy trust thrives. A robust system of internal control gives management and governance assurance over:

- Safeguarding of assets
- Delivery of value for money
- Risks of financial malpractice
- Risks of inappropriate use of funds

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

- Core transactional testing covering the following areas: Payroll
- Purchases Contracts Capital contracts Income Expense Claims Petty Cash
- Accounting System Reporting
- Purchasing including Tendering
- HR & Payroll (spot checks and process review spread over whole period) Cash Control including Bank Reconciliation
- Income
- Capital funding/projects Business Interests
- VAT & Taxations Budgeting
- Accounting records and systems Statutory Reporting
- Risk management
- Budget preparation processes and procedures Related party transactions
- ESFA returns

On a termly basis, the reviewer reports to the Board of Trustees through the finance, audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the reviewer prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

For the year ended 31st August 2024, S4S carried out three internal control reviews for Inspire Education Community Trust, which commenced during December 2023, March 2024 and June 2024.

The reviews focused on the following areas, as requested by the Trustees:

December 2023

- Business Interests
- VAT & Taxations
- Budgeting
- Accounting systems & Statutory Reporting

March 2024

- Recruitment

June 2024

- website compliance on all 3 sites. City Road Primary School Yew Tree Community Junior and Infant School Inspire Education Community Trust

INSPIRE EDUCATION COMMUNITY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, Shaukat Islam (the executive headteacher/chief executive officer) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal reviewer;
- the financial management and governance self-assessment process of the school resource management self-assessment tool;
- the work of the executive managers within the multi-academy trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 17 December 2024 and signed on their behalf by:

S. Marashli

Sabreen Marashli
Chair of Trustees



Shaukat Islam
Accounting Officer


INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Inspire Education Community Trust, I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Academy Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2023.

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



Shaukat Islam
Accounting Officer
Date: 17 December 2024

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 17 December 2024 and signed on its behalf by:

S. Marashli

Sabreen Marashli
(Chair of Trustees)

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INSPIRE EDUCATION COMMUNITY TRUST**

Opinion

We have audited the financial statements of Inspire Education Community Trust (the 'academy') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 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 Academy's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

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

Responsibilities of trustees

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

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

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We reviewed the multi academy trust's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquires of management and the multi academy trust's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

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

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

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



David W. Farnsworth (Senior Statutory Auditor)

for and on behalf of

Feltons

Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham
B1 3JR

17 December 2024

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 30 March 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspire Education Community Trust during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Inspire Education Community Trust's funding agreement with the Secretary of State for Education dated 26 May 2016 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

The work undertaken to draw our conclusion includes:

- Consideration of the applicable legislation and the multi academy trust's funding agreement
- Review and evaluation of the Multi Academy Trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



David W Farnsworth FCA (Reporting Accountant)
Feltons

Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham
B1 3JR

17 December 2024

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants	3	731	-	746,710	747,441	55,551
Other trading activities		14,550	-	-	14,550	9,450
Investments	6	10,464	-	-	10,464	817
Charitable activities		139,363	6,127,373	-	6,266,736	5,714,258
Total income		165,108	6,127,373	746,710	7,039,191	5,780,076
Expenditure on:						
Charitable activities	8	165,108	5,826,894	252,339	6,244,341	6,116,530
Total expenditure		165,108	5,826,894	252,339	6,244,341	6,116,530
Net income/(expenditure)		-	300,479	494,371	794,850	(336,454)
Transfers between funds	19	-	(45,769)	45,769	-	-
Net movement in funds before other recognised gains/(losses)		-	254,710	540,140	794,850	(336,454)
Other recognised gains/(losses):						
Other gains	27	-	174,000	-	174,000	1,589,000
Net movement in funds		-	428,710	540,140	968,850	1,252,546
Reconciliation of funds:						
Total funds brought forward		-	(305,023)	6,138,017	5,832,994	4,580,448
Net movement in funds		-	428,710	540,140	968,850	1,252,546
Total funds carried forward		-	123,687	6,678,157	6,801,844	5,832,994

The Statement of Financial Activities includes all gains and losses recognised in the year.

All of the multi academy trust's activities derive from continuing operations during the above two financial periods.

The notes on pages 29 to 54 form part of these financial statements.

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10155032

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	5,958,479	6,138,017
		<u>5,958,479</u>	<u>6,138,017</u>
Current assets			
Debtors	16	812,175	281,877
Cash at bank and in hand		1,313,373	992,455
		<u>2,125,548</u>	<u>1,274,332</u>
Creditors: falling due within one year	17	(551,262)	(537,451)
Net current assets		<u>1,574,286</u>	<u>736,881</u>
Total assets less current liabilities		<u>7,532,765</u>	<u>6,874,898</u>
Creditors: falling due over one year	18	(17,921)	(24,904)
Net assets excluding pension liability		<u>7,514,844</u>	<u>6,849,994</u>
Defined benefit pension scheme liability	27	(713,000)	(1,017,000)
Total net assets		<u><u>6,801,844</u></u>	<u><u>5,832,994</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	6,678,157	6,138,017
Restricted income funds	19	836,687	711,977
		<u>7,514,844</u>	<u>6,849,994</u>
Restricted funds excluding pension asset	19	7,514,844	6,849,994
Pension reserve	19	(713,000)	(1,017,000)
Total restricted funds	19	<u>6,801,844</u>	<u>5,832,994</u>
Unrestricted income funds	19	<u>-</u>	<u>-</u>
Total funds		<u><u>6,801,844</u></u>	<u><u>5,832,994</u></u>

The financial statements on pages 26 to 54 were approved by the Trustees, and authorised for issue on 17 December 2024 and are signed on their behalf, by:

Sabreen Marashli
(Chair of Trustees)

S. Marashli

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	201,884	(1,450,230)
Cash flows from investing activities	23	126,016	(11,269)
Cash flows from financing activities	22	(6,983)	(6,983)
Change in cash and cash equivalents in the year		320,917	(1,468,482)
Cash and cash equivalents at the beginning of the year		992,455	2,460,937
Cash and cash equivalents at the end of the year	24, 25	<u><u>1,313,372</u></u>	<u><u>992,455</u></u>

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

INSPIRE EDUCATION COMMUNITY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated goods, facilities and services**

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

• **Donated fixed assets (excluding transfers on conversion or into the Academy)**

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

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

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

1.6 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

INSPIRE EDUCATION COMMUNITY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Long-term leasehold property	-	2% straight line
Furniture and equipment	-	13% reducing balance
Computer equipment	-	25% straight line

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

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

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

INSPIRE EDUCATION COMMUNITY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.11 Operating leases

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

1.12 Pensions

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

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

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

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

1.13 Fund accounting

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

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

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

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2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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.

3. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Donations	731	-	731	-
Capital Grants	-	746,710	746,710	55,551
	<u>731</u>	<u>746,710</u>	<u>747,441</u>	<u>55,551</u>
<i>Total 2023</i>	<u>-</u>	<u>55,551</u>	<u>55,551</u>	

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4. Funding for the Academy's charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Educational operations				
DfE/ESFA grants				
General annual grant	-	4,363,130	4,363,130	4,160,359
Other DfE/ESFA grants				
Pupil premium	-	493,626	493,626	487,755
UIFSM	-	95,344	95,344	98,450
Mainstream schools grant	-	141,157	141,157	-
Others	-	218,680	218,680	344,509
	-	5,311,937	5,311,937	5,091,073
Other Government grants				
Local authority grants	-	788,477	788,477	539,702
	-	788,477	788,477	539,702
Other income from the Academy's educational operations	139,363	26,959	166,322	83,483
	139,363	6,127,373	6,266,736	5,714,258
	139,363	6,127,373	6,266,736	5,714,258
<i>Total 2023</i>	83,483	5,630,775	5,714,258	

5. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from ancillary trading activities	14,550	14,550	9,450
<i>Total 2023</i>	9,450	9,450	

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6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Short term deposits	10,464	10,464	817
<i>Total 2023</i>	<u>817</u>	<u>817</u>	

7. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	<i>Total 2023 £</i>
Educational operations:					
Direct costs	3,902,225	155,939	168,639	4,226,803	4,008,731
Allocated support costs	985,647	368,603	663,288	2,017,538	2,107,799
	<u>4,887,872</u>	<u>524,542</u>	<u>831,927</u>	<u>6,244,341</u>	<u>6,116,530</u>
<i>Total 2023</i>	<u>4,333,780</u>	<u>702,839</u>	<u>1,079,911</u>	<u>6,116,530</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	<i>Total 2023 £</i>
Educational operations	165,108	6,079,233	6,244,341	6,116,530
<i>Total 2023</i>	<u>102,712</u>	<u>6,013,818</u>	<u>6,116,530</u>	

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9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Educational operations	4,226,803	2,017,538	6,244,341	6,116,530
<i>Total 2023</i>	<u>4,008,731</u>	<u>2,107,799</u>	<u>6,116,530</u>	

Analysis of support costs

	Educational operations 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	936,960	936,960	927,910
Depreciation	96,404	96,404	89,437
Premises costs	343,611	343,611	430,774
Governance costs	25,490	25,490	19,805
Other support costs	615,073	615,073	639,873
	<u>2,017,538</u>	<u>2,017,538</u>	<u>2,107,799</u>
<i>Total 2023</i>	<u>2,107,799</u>	<u>2,107,799</u>	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024 £	2023 £
Operating lease rentals	6,000	2,475
Depreciation of tangible fixed assets	252,339	256,501
Fees paid to auditors for:		
- audit	11,900	11,347
- other services	2,100	2,003
	<u>262,339</u>	<u>272,326</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	3,690,787	3,206,798
Social security costs	340,065	288,147
Pension costs	743,601	776,257
	<u>4,774,453</u>	<u>4,271,202</u>
Agency staff costs	109,766	47,354
Staff restructuring costs	3,653	15,224
	<u><u>4,887,872</u></u>	<u><u>4,333,780</u></u>

Staff restructuring costs comprise:

	2024 £	2023 £
Severance payments	3,653	15,224
	<u>3,653</u>	<u>15,224</u>

b. Severance payments

The Academy paid 1 severance payments in the year (2023 - 2), disclosed in the following bands:

	2024 No.	2023 No.
£0 - £25,000	<u>1</u>	<u>2</u>

c. Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £3,653, (2023: £15,224). Individually, the payment was £3,653.

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NOTES TO THE FINANCIAL STATEMENTS
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11. Staff (continued)

d. Staff numbers

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

	2024	<i>2023</i>
	No.	<i>No.</i>
Teachers	47	41
Administration and support	120	97
Management	11	14
	<u>178</u>	<u>152</u>

e. Higher paid staff

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

	2024	<i>2023</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	-	1
	<u>-</u>	<u>1</u>

f. Key management personnel

The key management personnel of the multi academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £986,775 (2023 - £1,023,200)

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NOTES TO THE FINANCIAL STATEMENTS
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12. Central services

The multi academy trust provides central services to its academies on the basis of 1% of income.

The actual amounts charged during the year were as follows:

	2024	<i>2023</i>
	£	<i>£</i>
Yew Tree Community School	328,361	<i>36,348</i>
City Road Primary School	304,293	<i>35,255</i>
Total	<u>632,654</u>	<i><u>71,603</u></i>

13. Trustees' remuneration and expenses

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

		2024	<i>2023</i>
		£'000	<i>£'000</i>
Shaukat Islam, CEO/Accounting Officer	Remuneration	95 - 100	<i>95 - 100</i>
	Pension contributions paid	25 - 30	<i>20 - 25</i>

During the year ended 31 August 2024, no Trustee expenses have been incurred (*2023 - £NIL*).

14. Trustees' and Officers' insurance

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

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15. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2023	6,639,181	724,012	323,924	7,687,117
Additions	26,984	32,721	13,096	72,801
At 31 August 2024	<u>6,666,165</u>	<u>756,733</u>	<u>337,020</u>	<u>7,759,918</u>
Depreciation				
At 1 September 2023	843,508	435,581	270,011	1,549,100
Charge for the year	132,792	82,385	37,162	252,339
At 31 August 2024	<u>976,300</u>	<u>517,966</u>	<u>307,173</u>	<u>1,801,439</u>
Net book value				
At 31 August 2024	<u>5,689,865</u>	<u>238,767</u>	<u>29,847</u>	<u>5,958,479</u>
At 31 August 2023	<u>5,795,673</u>	<u>288,431</u>	<u>53,913</u>	<u>6,138,017</u>

16. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	574	-
Other debtors	20,670	-
Prepayments and accrued income	751,287	257,681
Other debtors	39,644	24,196
	<u>812,175</u>	<u>281,877</u>

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17. Creditors: Amounts falling due within one year

	2024 £	2023 £
Other loans	6,983	6,983
Other creditors	419,284	133,810
Accruals and deferred income	124,995	396,658
	551,262	537,451
	551,262	537,451
	2024 £	2023 £
Deferred income at 1 September 2023	60,290	53,157
Resources deferred during the year	67,156	60,290
Amounts released from previous periods	(60,290)	(53,157)
Deferred income at 31 August 2024	67,156	60,290
	67,156	60,290

At the balance sheet date the multi academy trust was holding ESFA funds received in advance for the provision of universal infant free school meals.

Other creditors due within one year are three Salix loans of £6,983 (2023: £6,983). Details in regards to repayment terms and interest payable are detailed in note 18.

18. Creditors: Amounts falling due after more than one year

	2024 £	2023 £
Bank loans	17,921	24,904
	17,921	24,904
	17,921	24,904

Other creditors due more than one year represent three Salix loans of £17,921 (2023: £24,904). One loan is to be repaid half yearly in 5 instalments over 3 years and the other two loans are to be repaid half yearly in 11 instalments over 6 years. The amount repayable over five years for these loans is £1,241 (2023: £3,723). None of these loans have any interest to pay.

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
Unrestricted other income	-	165,108	(165,108)	-	-	-
Restricted general funds						
General Annual Grant (GAG)	711,977	4,363,130	(4,219,610)	(18,810)	-	836,687
UIFSM	-	95,344	(95,344)	-	-	-
Pupil premium	-	493,627	(493,627)	-	-	-
Other grants	-	1,148,313	(1,148,313)	-	-	-
Restricted other income	-	26,959	-	(26,959)	-	-
Pension reserve	(1,017,000)	-	130,000	-	174,000	(713,000)
	<u>(305,023)</u>	<u>6,127,373</u>	<u>(5,826,894)</u>	<u>(45,769)</u>	<u>174,000</u>	<u>123,687</u>
Restricted fixed asset funds						
On conversion	2,206,710	-	(52,663)	-	-	2,154,047
Transfer into trust	3,364,502	-	(38,946)	-	-	3,325,556
DfE Group capital grants	338,514	746,710	(112,463)	17,959	-	990,720
Capital expenditure from GAG	214,391	-	(37,984)	27,810	-	204,217
Donations	13,900	-	(10,283)	-	-	3,617
	<u>6,138,017</u>	<u>746,710</u>	<u>(252,339)</u>	<u>45,769</u>	<u>-</u>	<u>6,678,157</u>
Total Restricted funds	<u>5,832,994</u>	<u>6,874,083</u>	<u>(6,079,233)</u>	<u>-</u>	<u>174,000</u>	<u>6,801,844</u>
Total funds	<u><u>5,832,994</u></u>	<u><u>7,039,191</u></u>	<u><u>(6,244,341)</u></u>	<u><u>-</u></u>	<u><u>174,000</u></u>	<u><u>6,801,844</u></u>

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

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

Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and Birmingham City Council.

Under the funding agreement with the Secretary of State, the multi academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2024.

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the multi academy trust at the discretion of the trustees.

Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by the ESFA and Birmingham City Council where the asset acquired or created is held for a specific purpose.

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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2023</i>
	£	£	£	£	£	£
Unrestricted funds						
Unrestricted other income	-	102,712	(102,712)	-	-	-
Restricted general funds						
General Annual Grant (GAG)	838,043	4,160,359	(4,276,863)	(9,562)	-	711,977
UIFSM	-	98,450	(98,450)	-	-	-
Pupil premium	-	487,755	(487,755)	-	-	-
Recovery premium	-	49,590	(49,590)	-	-	-
Other grants	-	825,659	(825,659)	-	-	-
Pension reserve	(2,587,000)	-	(19,000)	-	1,589,000	(1,017,000)
	<u>(1,748,957)</u>	<u>5,621,813</u>	<u>(5,757,317)</u>	<u>(9,562)</u>	<u>1,589,000</u>	<u>(305,023)</u>
Restricted fixed asset funds						
On conversion	2,270,409	-	(63,699)	-	-	2,206,710
Transfer into trust	3,402,919	-	(38,417)	-	-	3,364,502
DfE Group capital grants	390,699	55,551	(107,736)	-	-	338,514
Capital expenditure from GAG	241,203	-	(36,374)	9,562	-	214,391
Donations	24,175	-	(10,275)	-	-	13,900
	<u>6,329,405</u>	<u>55,551</u>	<u>(256,501)</u>	<u>9,562</u>	<u>-</u>	<u>6,138,017</u>
Total Restricted funds	<u>4,580,448</u>	<u>5,677,364</u>	<u>(6,013,818)</u>	<u>-</u>	<u>1,589,000</u>	<u>5,832,994</u>

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19. Statement of funds (continued)

Total funds	<u>4,580,448</u>	<u>5,780,076</u>	<u>(6,116,530)</u>	<u>-</u>	<u>1,589,000</u>	<u>5,832,994</u>
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Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:

	2024 £	2023 £
Yew Tree Community School	734,099	630,141
City Road Primary School	(6,558)	56,369
Trust	109,146	25,467
	836,687	711,977
Total before fixed asset funds and pension reserve		
Restricted fixed asset fund	6,678,157	6,138,017
Pension reserve	(713,000)	(1,017,000)
	6,801,844	5,832,994
Total	6,801,844	5,832,994

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 2024 £	Total 2023 £
Yew Tree Community School	2,151,935	499,867	283,568	611,122	3,546,492	3,239,845
City Road Primary School	1,750,290	485,780	169,828	590,500	2,996,398	2,614,424
Trust	-	-	-	(550,888)	(550,888)	5,760
	3,902,225	985,647	453,396	650,734	5,992,002	5,860,029
Academy	3,902,225	985,647	453,396	650,734	5,992,002	5,860,029

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20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	5,958,479	5,958,479
Current assets	1,405,870	719,678	2,125,548
Creditors due within one year	(551,262)	-	(551,262)
Creditors due in more than one year	(17,921)	-	(17,921)
Provisions for liabilities and charges	(713,000)	-	(713,000)
Total	123,687	6,678,157	6,801,844

Analysis of net assets between funds - prior period

	<i>Restricted funds 2023 £</i>	<i>Restricted fixed asset funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	-	6,138,017	6,138,017
Current assets	1,274,332	-	1,274,332
Creditors due within one year	(537,451)	-	(537,451)
Creditors due in more than one year	(24,904)	-	(24,904)
Provisions for liabilities and charges	(1,017,000)	-	(1,017,000)
Total	(305,023)	6,138,017	5,832,994

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

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

	2024	2023
	£	£
Net income/(expenditure) for the period (as per Statement of Financial Activities)	794,850	(336,454)
Adjustments for:		
Depreciation	252,339	256,501
Capital grants from DfE and other capital income	(188,354)	(55,551)
Interest receivable	(10,464)	(817)
Defined benefit pension scheme cost less contributions payable	(178,000)	(89,000)
Defined benefit pension scheme finance cost	48,000	108,000
(Increase)/Decrease in debtors	(530,298)	(123,713)
(Decrease)/Increase in creditors	13,811	(1,209,196)
Net cash provided by/(used in) operating activities	201,884	(1,450,230)

22. Cash flows from financing activities

	2024	2023
	£	£
Loan repayments in period	(6,983)	(6,983)
Net cash used in financing activities	(6,983)	(6,983)

23. Cash flows from investing activities

	2024	2023
	£	£
Interests received	10,464	817
Purchase of tangible fixed assets	(72,802)	(67,637)
Capital grants from DfE Group	188,354	55,551
Net cash provided by/(used in) investing activities	126,016	(11,269)

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FOR THE YEAR ENDED 31 AUGUST 2024

24. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	1,313,372	992,455
Total cash and cash equivalents	1,313,372	992,455

25. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	992,455	320,918	1,313,373
Debt due within 1 year	(6,983)	-	(6,983)
Debt due after 1 year	(24,904)	6,983	(17,921)
	960,568	327,901	1,288,469

26. Capital commitments

Contracted for but not provided in these financial statements

There were no capital commitments at 31 August 2024 or at 31 August 2023.

27. Pension commitments

The multi 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 West Midlands Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

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

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NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £445,597 (2023 - £394,661).

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

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

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27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £490,000 (2023 - £414,000), of which employer's contributions totalled £421,000 (2023 - £353,000) and employees' contributions totalled £69,000 (2023 - £61,000). The agreed contribution rates for future years are 35.1 per cent for employers and between 5.5 per cent and 6.5 per cent for employees.

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

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 23 years.

Principal actuarial assumptions

	2024	<i>2023</i>
	%	%
Rate of increase in salaries	3.65	4.00
Rate of increase for pensions in payment/inflation	2.65	3.00
Discount rate for scheme liabilities	5.00	5.20
Inflation assumption (CPI)	2.65	3.00
Commutation of pensions to lump sums	50.00	50.00

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

	2024	<i>2023</i>
	Years	Years
<i>Retiring today</i>		
Males	20.5	20.6
Females	22.9	23.6
<i>Retiring in 20 years</i>		
Males	20.4	20.5
Females	24.2	24.5

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27. Pension commitments (continued)

Sensitivity analysis

	2024	<i>2023</i>
	£000	<i>£000</i>
Discount rate +0.1%	(135)	(122)
Discount rate -0.1%	135	122
Mortality assumption - 1 year increase	130	105
Mortality assumption - 1 year decrease	(130)	(105)
CPI rate +0.1%	236	216
CPI rate -0.1%	(236)	(216)

Share of scheme assets

The Academy's share of the assets in the scheme was:

	At 31	<i>At 31 August</i>
	August 2024	<i>2023</i>
	£	<i>£</i>
Equities	2,687,000	2,972,000
Bonds	1,808,000	918,000
Property	310,000	306,000
Cash	362,000	175,000
Total market value of assets	5,167,000	<i>4,371,000</i>

The actual positive return on scheme assets was 8.6% (2023: negative 1.2%).

The amounts recognised in the Statement of Financial Activities are as follows:

	2024	<i>2023</i>
	£	<i>£</i>
Current service cost	243,000	264,000
Interest income	48,000	(62,000)
Interest cost	-	170,000
Total amount recognised in the Statement of Financial Activities	291,000	<i>372,000</i>

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27. Pension commitments (continued)

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

	2024 £	2023 £
At 1 September	5,455,000	6,794,000
Interest cost	286,000	294,000
Employee contributions	69,000	61,000
Benefits paid	(87,000)	(71,000)
Current service cost	243,000	264,000
Actuarial gains/(losses) - financial assumptions	(164,000)	(1,445,000)
Actuarial gains/(losses) - demographic assumptions	(12,000)	(442,000)
At 31 August	5,790,000	5,455,000

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

	2024 £	2023 £
At 1 September	4,371,000	4,207,000
Interest income	238,000	186,000
Return on assets less interest	155,000	(237,000)
Employer contributions	421,000	353,000
Employee contributions	69,000	61,000
Benefits paid net of transfers in	(87,000)	(71,000)
Actuarial gains/(losses) - experience gains/losses	-	(128,000)
At 31 August	5,167,000	4,371,000

28. Operating lease commitments

At 31 August 2024 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Amounts due within one year	6,000	6,000
Amounts due between one and five years	16,500	22,500
	22,500	28,500

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29. Members' liability

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

30. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

No related party transactions took place in the year of account other than certain trustees' remuneration and expenses already disclosed in note 13.