

**REGISTERED COMPANY NUMBER: 07698904 (England and Wales)**

**REPORT OF THE GOVERNORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015  
FOR**

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**



Landers Accountants Ltd  
Church View Chambers  
38 Market Square  
Toddington  
Bedfordshire  
LU5 6BS

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 AUGUST 2015**

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**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**MEMBERS**

G Payne (resigned 17/12/15)  
M Hubbard  
S Fulton  
G Swebston (appointed 17/12/15)

**GOVERNORS**

S Bennett (Head Teacher) \*  
J Blackhurst (Chair of Finance and Premises Committee) \*  
H Datto  
S Fulton \*  
S James  
G Payne (resigned 24/11/15) \*  
G Swebston  
M Turvey (resigned 22/10/15)  
M Hubbard (Chair of Governors) \*  
K Cursley  
T Williams (appointed 18/12/14)

\* members of the finance and premises committee

**REGISTERED OFFICE**

The High Street  
Two Mile Ash  
Milton Keynes  
Buckinghamshire  
MK8 8LH

**REGISTERED COMPANY NUMBER** 07698904 (England and Wales)

**AUDITORS**

Landers Accountants Ltd  
Church View Chambers  
38 Market Square  
Toddington  
Bedfordshire  
LU5 6BS

**SENIOR MANAGEMENT TEAM**

S Bennett - Headteacher  
L Eldridge - Deputy Headteacher  
K Cursley - Deputy Headteacher  
R Tite - Head of Finance and Operations

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**REFERENCE AND ADMINISTRATIVE DETAILS  
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**ADVISERS**

**Bankers**

Lloyds TSB  
28 Secklow Gate West  
Milton Keynes  
Buckinghamshire  
MK9 3EH

**Solicitors**

Stone King  
16 St John's Lane  
London  
EC1M 4BS

**Responsible Officer**

Landers Accountants Ltd  
38 Market Square  
Toddington  
Dunstable  
LU5 6BS

**TWO MILE ASH SCHOOL  
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**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

The governors who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2015. The governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The academy is constituted under a Memorandum of Association dated 8 July 2011. The board of governors are appointed as Directors to the charitable company for the purposes of company law. The company number is 07698904 (England and Wales).

**Members' liability**

The current members of the charitable company are:

- S Fulton
- M Hubbard
- G Payne (resigned 17/12/15)
- G Swepston (appointed 17/12/15)

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 but not exceeding £10 for the debts and liabilities contracted before they ceased to be a member.

**Governors' Indemnities**

Two Mile Ash School has purchased insurance to protect directors from claims arising from negligent acts, errors or omissions occurring whilst undertaking academy business. The insurance provides cover up to £5 million in any one claim.

**Principal activities**

The principal object of the academy is to provide primary education for the 7-11 age range and offers a broad and exciting curriculum.

The Academy Trust's object are specifically restricted to the advance for the public benefit of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

**Recruitment and appointment of new governors**

The management of the academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association. Recruitment and appointment is directed by the Full Governing Body taking into consideration the current and future needs of the organisation.

**External bodies allowed to appoint governors**

In line with the standard practice of Academies, included within the Articles of Association is limited situations where external authorities such as the Secretary of State would have the right to appoint Governors.

**Induction and training of new governors**

A comprehensive Induction programme is in place for all newly appointed governors (directors).

Governor training is also accessed and governors are encouraged to attend relevant training to meet their needs. Two Mile Ash School seeks to provide appropriate and up to date advice guidance and training for staff and governors as new policy dictates. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, and all other documentation they will need to undertake their role effectively.

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**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

Governing Body

The Governing Body has had responsibility for setting and monitoring the overall direction of the academy and meets at least six times each year.

Finance and Premises Committee

This committee meets termly and considers and discusses key initiatives and recommends decisions to the full board.

The Governing Body have delegated the following financial responsibilities to the Finance and Premises Committee:

- Recommendation of the annual budget to the Governing Body
- Monitoring income and expenditure against the budget and to revise forecasts for the year
- Awarding contracts to a specified limit
- Providing financial statements in accordance with the law and regulations.

Terms of Reference are in place for the committee and are reviewed and agreed annually during the autumn term to ensure they are fit for purpose.

The Governing Body have appointed an independent clerking service to ensure accurate recording of minutes and that decisions are recorded in an impartial manner. All minutes are reviewed and ratified at the next meeting of the Governing Body.

The Governing Body has established a register of pecuniary interest which is updated annually in the autumn term and is open to public examination.

A scheme of financial delegation has been approved by the Governing Body which highlights the authorisation limits for the Head Teacher and the Finance and Premises Committee.

The day to day running of the Two Mile Ash School Academy is delegated to the Head Teacher who has overall responsibility along with the Senior Leadership Team:

- Sarah Bennett - Head Teacher
- Lucy Eldridge - Deputy Head Teacher
- Kelly Cursley - Deputy Head Teacher (on maternity leave July 2015)
- Linda Kelly - Acting Deputy Head Teacher - from September 2015
- Robert Tite - Head of Finance and Operations.

The Articles of Association stipulate that the members can appoint up to 9 directors that include:

- Head Teacher
- 2 Staff Governors
- Parent Governors - a minimum of 3
- 3 Co-opted.

Staff Governors will be appointed by election from staff who are employed at the Academy. Parent Governors will be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time he/she is elected. All contested elections are held by secret ballot.

The members can appoint up to 3 co-opted Governors whose selection will be based on the skills and attributes they can bring to the Governing Body. These are non-voting positions.

**Connected organisations including related party relationships**

Owing to the nature of the Academy's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which a director of the Board of Governors may have an interest. Any transactions with Related Parties are disclosed within the accounts and published on our website.

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**REPORT OF THE GOVERNORS  
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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Risk Management**

The Governors have assessed the major risks to which the academy is exposed, in particular those related to the operations and finances of the academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

**OBJECTIVES AND ACTIVITIES**

**Objectives and Aims of Two Mile Ash School**

The academy has strived to embed a rich and broad curriculum offer placing a sharp focus on delivering outstanding teaching and learning. This reflects our core aim of raising standards of achievement and attainment to place the academy with the top 5-10% of statistically similar mainstream schools nationally.

The Two Mile Ash School Creed is an important part of school life. The creed is continually embedded throughout the school's daily practice and remains at the heart of everything the school does as a community, this is seen throughout the school from reception to the classrooms.

We aim to teach children how to grow into positive, responsible people, who can work and cooperate with others while developing knowledge and skills, so that they achieve their true potential.

See our website for our full creed.

**Objectives and Aims of Initial Teacher Training**

To provide a high quality programme of initial teacher training which delivers a comprehensive, inspirational and motivating training experience to support the future of our profession and the standards of education across Milton Keynes and the nearby area.

**Objectives and Aims of the Milton Keynes Teaching School Alliance**

To play an instrumental role in rising standards of education and 'closing the gap' at a whole school performance level; through exceptionally high quality school to school support.

To create a highly effective 'curriculum' for workforce development; from initial teacher training through to leadership roles - ensuring that robust plans for succession planning are in place for our schools.

To be informed by up to date research and development; ensuring we provide innovative learning experiences in stimulating environments for our children.

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**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**OBJECTIVES AND ACTIVITIES**

**Objectives, Strategies and Activities**

As an Outstanding Academy we are always striving to do better. We never rest on our laurels and through the many different accolades we have it is evident that we always respond to government initiatives, developing a real system led approach to school improvement to develop a high quality, sustainable model for not only our immediate locality but much more far reaching.

To that end we are creative in our approach, have a sharp focus on facilitating outstanding learning which is reflected in our core business of ensuring every child reaches their full potential, academically, emotionally, physically and socially. We have created a whole school curriculum offer which is innovative, is exciting, is re-defined by using technology, is based around real life experiences and prepares children for life in twenty first century Britain. We have a vision of teaching children in specialist, well equipped classrooms; a science lab in a primary school where children can be inquisitive, can become scientists and enjoy experimenting. A technology centre of excellence where the world can be discovered in the classroom, where film and broadcast can be fed to our link schools around the world. As an Arts Mark Gold School we want drama, music, art with specialised bespoke areas that will enhance our creativity and imagination, where we are not inhibited by formal classroom space. Above all, we want children to be secondary ready; to have a smoother transition when they leave for secondary school and the next stage of their development.

For the academic year 2014/15 the school identified 6 key strategic aims which would impact positively on its future direction. These were:

**1. Curriculum Provision for Children**

- To develop a creative and vibrant curriculum, which excites and motivates the children, enabling them to develop confidence in themselves as independent learners.
- The whole school curriculum consistently and unequivocally features all qualities outlined in the TMA offer.

**2. Leadership Qualities of Every Member of TMA Community**

- To develop and establish a shared vision for the TMA community of leadership qualities, where actions reflect the vision across all stakeholders.
- TMA is regarded as a preferred choice when selecting leaders for education across Milton Keynes and beyond.

**3. Raising expectations that our children are Responsible Citizens**

- All children have a clear understanding of the concepts of citizenship, identifying with British democracy and justice, identifying and fulfilling rights and responsibilities and connecting with identities and diversity through living together in the UK.

**4. Technology supporting education at TMA**

- To develop a whole school infrastructure which has the capacity to enable new technology to be used efficiently and effectively in every aspect of school life.
- To develop a school curriculum which provides pupils with opportunities and experiences of using new technology as a way to stimulate and redefine their learning.

**5. System Leadership**

- All staff will have a clear understanding of their role in enhancing and supporting a school led improvement model both locally and nationally
- To create leaders at every level who have the experience to support the TMA longer term vision of multi academy trust
- The teaching school will establish an identity as a beacon of highly effective school improvement which is sustainable and adds capacity to TMA School

**6. Internal Cohesion and External Communication**

- Internal Cohesion (Working together towards the same vision in an effective manner)
- That all stakeholders have a thorough understanding of our school vision and understand the importance of working together and giving clear communication across the school. That any approach to any activity considers the impact it has across school and that by being better informed we can all drive towards our shared vision.
- External Communications (Positive experience for Parents and Community)



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**OBJECTIVES AND ACTIVITIES**

**Objectives, Strategies and Activities**

- That Parents understand the school and its activities at all times during the course of the year and are aware of the schools vision that we drive to achieve. Our communication will be by a convenient method and will always be clear, appropriate and in a timely manner. In addition we aspire that our community is more actively part of the school and are proud of its development.

**Objectives, Strategies and Activities of Initial Teacher Training**

Our Outstanding ITT Partnership is fundamental to the sustainability of the teaching profession. Having been a provider since 2002, we have been responsible for the training of over 300 teachers into Milton Keynes and beyond. With over 40 schools within our consortium we ensure high quality mentoring and coaching in our partnership schools in addition to the training and development for the trainees themselves. This partnership is robust, it is challenging and that is why the trainees develop into excellent practitioners and future leaders in a very short space of time. Schools, in turn, are reflective; teachers are constantly analysing their practice and the very best provision is bestowed on the children. The development of the provision over the past three years to include a PGCE model, an Early Years aspect and a Special Schools enhanced programme will ensure that we continue to provide the 'Outstanding' provision that Ofsted recognised in April 2013.

We drive outstanding leadership and management within our partnership to provide outstanding teachers for local schools. We are achieving well over 90% of trainees successfully gaining employment and remaining in local schools.

We continue to develop and grow and are aiming to meet the local recruitment needs by doubling our provision to train 60 trainees across two cohorts for 2016. This year we have created an innovative Special Schools programme and are currently developing PE and Maths specialisms for next year.

**Objectives, Strategies and Activities of the Milton Keynes Teaching School Alliance**

As a Teaching School, we share excellence in leadership, pedagogy, training, development and support over the broadest possible geographical area; to maximise the positive impact on lives of the greatest number of young people.

As a centre of excellence, we feel it is our duty to support the continuing improvements to the education system. As one of only 500 national teaching schools (and the only primary in the immediate locality) we take our role very seriously. With an Alliance of over 100 schools we provide school-to-school support at every level. High quality Professional Development for staff is key. We have developed training that is relevant, motivating, innovative and designed to ensure teachers and school leaders receive the very best opportunities. Training, development and support offered by our Teaching School shows at all times, maximum, demonstrable and measurable correlated impact on the lives of young people.

In our Alliance the highest level of expertise must be utilised, to meet our current and evolving aim. Through synergy and playing to the strengths of individuals, groups and organisations, we believe our intelligently deployed, creative partnerships and pooled resources provides an unrivalled offering to support schools and individuals as well as the local authority to provide support to underperforming schools. All prospective teachers, existing teachers and leaders in education that the teaching school work with and support have the right to the highest standards of training, guidance, support, development and influence; to lead them to become the best that they can be.

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**OBJECTIVES AND ACTIVITIES**

**Public Benefit**

The directors have complied with the Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") in preparing their statements on public benefit contained within this report.

In accordance with its charitable objective Two Mile Ash School strives to:

- Advance the education of the children and young people attending its academy. The academy's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout our school.
- Promote for the benefit of the inhabitants of the wider community, and the surrounding areas, through the provision of facilities for recreation and leisure time activities during hours beyond the school day.

**Volunteers**

As a school we have several parents volunteer to support the learning in the classrooms. Although a contributory part of the school this has not been accounted for within income from generating activities.

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**OBJECTIVES AND ACTIVITIES**

**Activities for Achieving Objectives for Two Mile Ash School**

**1. Curriculum Provision for Children**

A creative and vibrant curriculum has been created that enables the children to develop confidence in themselves as independent, enthusiastic learners. Our curriculum meets the new requirements of the 2014 National Curriculum, providing rich cross-curricular and exciting learning experiences. Our Creative Curriculum aims to deliver a twenty-first century education that will equip our children with the skills required to be independent and responsible citizens. The school curriculum at TMA is underpinned by our common ethos and values that we hold dear as outlined in our 'TMA School Curriculum Offer'.

**Foundation Curriculum**

Encompassing the foundation subjects, the School's Learning Journeys are carefully planned thematic approach to teaching and learning designed to support the children's natural curiosity and stimulate their creativity. Learning Journeys offer the children the opportunity to work in depth, giving them time to consolidate and transfer their learning. In addition, the curriculum also promotes the importance of Physical Education and a healthy lifestyle to all children across the school. The school encourages participation in a wide range of opportunities, including extensive extra-curricular activities and also through the local and national competitions that the school partakes in throughout the year. The school offers a range of creative and exciting PE lessons delivered by specialist PE coaches giving the children opportunity to learn and try new activities, gain physical skills but also develop their skills of sportsmanship for future life. The school strives to offer as many experiences to the children as possible, to ensure they develop a passion for physical activity and a deep understanding of health and wellbeing. Personal, Social, Health and Economic (PSHE) Education is also a crucial aspect of the curriculum. The school ensures each child develops a deep understanding of not only themselves, but their peers and other members of society. The school strives to prepare children to become positive citizens of the community and try to ensure they understand the importance of a healthy and active lifestyle. Many different important concepts are taught during PSHE, which not only prepare children for the future, but also ensure at present they are healthy, positive and confident individuals. Children are encouraged to work towards their personal aspirations and goals to develop self-esteem, confidence and a love for learning.

**English Curriculum**

The curriculum is planned very well to meet pupils' needs in reading, writing, speaking and listening. Imaginative approaches, experience of a wide range of challenging texts, and clear focus on basic literacy skills ensure a rich curriculum that has enabled pupils to make very good progress across the different areas of English. The English curriculum is continuously reviewed during year group meetings and teaching and learning sessions to ensure it meets the requirements of the New National Curriculum 2014. Key aspects such as poetry and drama are integrated into the curriculum and help to provide a rich and varied programme for pupils. The curriculum builds systematically on technological developments in communications and pupils have regular opportunities to use ICT to analyse interactive media texts. The effective and imaginative use of literature, film and other resources promote creativity, reflection, collaboration and self-awareness particularly well.

**Mathematics Curriculum**

With the implementation of the New National Curriculum in years 3, 4 and 5, teachers were supported through the development of detailed medium term plans. These plans were designed to match to the full range of pupils' needs and interests and to ensure highly effective continuity and progression in their learning using engaging and stimulating contexts with a focus on problem solving and reasoning. Clear guidance for teachers on activities and approaches that promote conceptual understanding supported the teachers in ensuring all pupils benefited and experienced breadth and depth in learning across the mathematics curriculum. Across the school, with the support of new medium term plans, teaching is becoming rooted in the development of all pupils' conceptual understanding of important concepts and progression within the lesson. Teachers are spending time to ensure that the pupils have a deep understanding of the concepts taught which is enabling them to start to make connections between topics. Constant assessment of each pupil's understanding through questioning, listening and observing enables fine tuning of teaching.

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**OBJECTIVES AND ACTIVITIES**

**2. Leadership Qualities of Every Member of TMA Community**

A shared vision for the TMA community of leadership qualities has been established, where actions reflect the vision across all stakeholders. The success of leadership is recognised in our partner schools and beyond through the deployment of TMAs senior leaders as SLEs. As TMA is committed to school to school support the capacity of the Leadership Team is essential. The drive and ambition of the Team as a whole is dependent on high quality professional development to remain at the cutting edge of educational development. To that end, resources have been allocated to a variety of professional development mechanisms that not only develop the individual but impact on whole school improvement. In turn, it is the leadership team who have the responsibility to develop senior and middle leaders so that the capacity of the school is ready for its next chapter, the move to developing a Multi Academy Trust.

**3. Raising Expectations that our children are Responsible Citizens**

All children have a clear understanding of the concepts of citizenship, identifying with British democracy and justice. A shared vision and core ethos for Responsible Citizens has been established across the school. The creation of the 'Passport to Success' has ensured there is a consistent approach to Responsible Citizens and a new reward system has been implemented which ensures children see the value and characteristics of Responsible Citizenship. In addition, the creation of a new 'Positive Behaviour Policy' and 'Promoting British Values' policy, which involved all stakeholders, has created a universal understanding and expectation within this area. Overall, the children in the school speak knowledgeably about what is involved with being a responsible citizen and this has supported the development of their self-identity.

**4. Technology supporting education at TMA**

The capacity of the school infrastructure has been increased to enable new technology to be used efficiently and effectively in every aspect of school life. Digital Lead teachers have confidently showcased their expertise and experiences and have generated curiosity and enthusiasm amongst all staff members. This has been successfully achieved by open door observations, leading training sessions, team teaching and offering support in lesson planning. Children with SEN and newly arrived EAL pupils, have become confident and independent learners by using various iPad resources to help support their learning in a fun and interactive way.

The use of teachers' individual iPads has enhanced internal communication and supported our assessment process. Teachers are now able to gather instant information and evidence of children's work to plan appropriate teaching and learning strategies, including learners who are falling behind in their learning or who need additional support, enabling children and learners to make good progress and achieve well. All teachers can upload, track and record their class's data. They are able to analyse patterns and trends between groups and individuals in their class.

**5. System leadership**

All staff have a clear understanding of their role in enhancing and supporting a school led improvement model both locally and nationally. Strong foundations for MKTSA's values and beliefs have been set out unequivocally in the MKTSA offer document. A Whole staff INSET to instil the values of the teaching school and provide information so that TMA staff themselves become ambassadors of the 'offer' was received very positively. Foundations have been laid for a rigorous and robust external evaluation of the TMA 'brand'. Strides have been made in establishing a stronger online presence for provision - through Twitter, Facebook and YouTube. There has been a commitment to collaborate with Oxford Brookes University to establish a 'university teaching school' - where academics work alongside practitioners to capture the impact of research-informed practice. This will mean that there is potential for joint appointments so that a research culture is created and CPD opportunities for both practitioners and academics are plentiful. A closer collaboration has been achieved with the Local Authority through building new relationships with the new Early Years SIP and the SIP leading the workforce development group. Overall, provision that has been run over the year was evaluated as being highly effective. Plans for future provision are refined, more fit-for-purpose and will have a higher profile.

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**OBJECTIVES AND ACTIVITIES**

**6. Internal cohesion and External Communication**

Having a dedicated marketing and communication officer has meant that both internal and external communication has improved significantly this year. A whole school approach has been adopted to ensure that all stakeholders receive the most up to date information relevant to their positions and relationship with TMA School. This is communicated via our new website and a fortnightly newsletter which engages both parents and children and informs them of the highest quality provision. Our You Tube channel and videos created by The Box (our multi-media department) were commended by HMI in a recent pilot inspection as Outstanding. We are increasing our understanding of the benefits of social media to our organisation and have recently engaged a professional marketing company to provoke thought and develop further strategies to market the TMA Brand.

Internal communication between departments has been a priority this year. Structures within the leadership of support staff and an increased understanding of the necessity of working towards a shared vision among the education staff has led to far more effective day to day operations. There has been a drive to ensuring that our ITT and MKTSA Departments are also part of this ethos and now the SLT includes education staff, support staff and our Teaching School Lead so that all decisions made are informed, come from different perspectives and bought into by all.

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**REPORT OF THE GOVERNORS  
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**STRATEGIC REPORT**

**Achievement and performance**

*Review of activities*

**Achievement and Performance of Two Mile Ash School**

The RAISE online Summary Report for 2015 shows that the school has achieved outstanding attainment and progress compared to other schools nationally. At Level 4 and above all groups of pupils achieved significantly higher than the national average including male and female pupils, FSM and children whose first language is not English. Children with special educational needs also attained significantly higher than similar pupils nationally. 100% of pupils with SEN support achieved a Level 4 and above compared to 64% nationally in Mathematics. Disadvantaged pupils also attained significantly higher than similar pupils nationally. At Level 4B and above and Level 5 and above all pupils again achieved significantly higher than national percentages in all subject areas.

When considering prior attainment bands, the school successfully converted 20% of the 'Low Band' to a Level 5 in Mathematics. In maths the school performed well by ensuring 16% of pupils achieved a Level 6 compared to the national average of 9%. The 2015 average point score (APS) in 'all subjects' at 30.6, is significantly higher than the national average at 28.8. The Mathematics APS at 31.0 is 2.0 points above national figures and Writing APS at 30.4 compared to 28.2 nationally, is a significant achievement compared to national percentages. Children for whom English is not a first language, attained 31.7 in reading, writing and maths compared to 28.3 nationally. Pupils with SEN support had an APS of 29.5 which was 4.5 points higher than national figures (25.0 nationally). The APS in all subject areas has remained significantly above national figures for the past three consecutive years. The Value added Score for all subjects combined is 100.6 and is significantly above similar schools nationally.

**Achievement and Standards**

<b>English - Writing Targets and Actuals</b>	<b>Targets</b>	<b>Actuals</b>
Level 5 or above	65.0%	58.6%
Level 4 or above	97.0%	96.5%
Level 4b or above	94.0%	91.0%
<b>English - Reading Targets and Actuals</b>	<b>Targets</b>	<b>Actuals</b>
Level 5 or above	76.0%	60.4%
Level 4 or above	97.0%	95.9%
Level 4b or above	94.0%	89.4%
<b>Maths - Targets and Actuals</b>	<b>Targets</b>	<b>Actuals</b>
Level 5 or above	60.0%	53.9%
Level 4 or above	99.0%	97.6%
Level 4b or above	91.0%	87.6%

The following summary highlights the performance of the Year 6 pupils that achieved consistent levels of attainment. No target was set for this measure, the results highlight the strength across English and Maths.

<b>Year 6 Combined English and Maths</b>	<b>Actuals</b>
Level 6	-
Level 5	40.0%
Level 4	95.0%

**Achievement and Performance of the Initial Teacher Training**

**Achievement and performance**

*Review of activities*

Achievements of the ITT in 2014/15 are as follows:-

- Exceeded expectations for grade 1 by 12%
- Accounting only for completed trainees, grade 1s exceed 50%
- Two trainees were offered extended placements. One of these has subsequently completed and the other will be completing in the summer of 2016

The overall quality of ITT provision has been rated as follows:-

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**STRATEGIC REPORT**

<b>Outcomes for Trainees</b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Attainment	1*	2	2
How well trainees teach	1	2	2
Completion rates	2	1	1
Employment rates	1	1	1

<b>Quality of training across the Partnership</b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Overall consistency, coherence and quality of all aspects of the training	1	2	1
High quality training and support that prepares trainees with the skills they need	1	2	1
Quality and range of placements	1	1	1
Phase specific mentoring	2	2	1
Accuracy of assessment	1	2	1

<b>Leadership and management of the partnership</b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
Vision for excellence	1	1	1
Engagement of schools, colleges and/or other settings	1	1	1
Rigour of recruitment and selection process	1	2	1
Effective monitoring and evaluation	1	2	1
Compliance with ITT criteria and requirements	1	1	1
Capacity to improve further	1	1	1

Key : Grade 1 = Outstanding, Grade 2 = Good

**Achievement and Performance of the Milton Keynes Teaching School Alliance**

**Continuing Professional Development**

- 21 MKTSA events at which, 342 individuals from 79 Schools engaged
- Of those 79 schools, 3 were from outside of Milton Keynes while the rest came from the immediate locality
- Evaluations of sessions indicate 80% "Excellent" and 20% "Good"

**Early Years Project**

As Milton Keynes continues to expand, access to high quality Early Years provision across Milton Keynes is proving to be a challenge. The number of places for 2-5 year olds is not growing quickly enough to meet demand and greater capacity is needed to support the settings currently deemed 'good' by Ofsted.

The Early Years Project sets out to create sustainable, localised professional networks for early years colleagues, with a drive to increase the number of children assessed as 'school ready' at the end of FS1; hence the number exhibiting a 'good level of development' at the end of FS2.

To date, the project has analysed the distribution of Early Years setting by type, quality grade and context and has worked with Early Years SLEs closely with Nursery Heads to effectively divide Milton Keynes into local network groups, or 'Hubs'; prioritising areas where the greatest numbers of disadvantaged children reside.

**SLE Recruitment**

SLE Directory contains 16 SLEs offering support for:

Early Years, PE, ITT and NQT Development, Leadership and Management, Mathematics, Leadership of Curriculum, English, Assessment and moderation, Leadership of KS2 and Year 6, Phonics, SEN, Inclusion, Closing the gap, Safeguarding, Pupil Premium, Science, Pupil Achievement, Assessment for learning, Music, Attendance, Transition Y2-Y3

**School to School Support**

Support has been deployed to the following schools this year:

- Castle Academy
- Shepherdswell (Pre-inspection report)

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Achievement and performance**

*Review of activities*

- Caroline Haslett (Maths support)

"The entire support package was conducted very professionally from start to finish and the SLE demonstrated excellent presentation skills at the INSET."

"The effectiveness of the planning was evident in our recent round of Maths observations where the overall grade for teaching was assessed as 'Good'"

**Research and Development**

- Work carried out with Oxford Brookes University to more effectively weave together academic research with professional knowledge and skills through the PGCE.
- Impact of this collaboration was high, with a rise in 'outstanding' ratings for this aspect of provision to 72% of trainees.
- Promising work has taken place around a number of further collaborations with Oxford Brookes to introduce Master's Level study at all levels of the profession, so furthering the integration of theory and practice across the Alliance.
- PGCE 'Top-Up' agreed for previous trainees who completed the GTP and so were awarded QTS without the PGCE element
- 60 Master's credits to be awarded for both top-up and initial PGCE awards, bringing these in line with further Master's Level work
- A 'Pathway to Masters' is being devised for introduction to SLEs and through the network groups. This will allow Master's Level lectures and seminars, with a focus to be determined according to local need, to take place at Two Mile Ash.
- Early discussions around the potential for an undergraduate, school-based route for Milton Keynes are promising. This would allow schools to identify potential candidates at an earlier stage, and will allow school-leavers or mature students to remain in their local area while studying and working towards their degree; and ultimately, QTS.

*Going concern*

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

**Financial review**

*Reserves policy*

The governors review the reserves to ensure that the Academy has sufficient reserves in place to fund unexpected expenditure and to provide funding to recurrent expenditure should there be an unexpected delay in receiving money. Reserves are to be bolstered over the coming year.

*Funds in deficit*

**Local Government Pension Scheme**

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the Academy is recognising a significant pension fund deficit of £384,000 (2014: £308,000). This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. The recognition of this deficit has no direct impact on the free reserves of the Academy Trust.

*Principal funding sources*

The principal funding of the Academy is from the EFA for education of the pupils at Two Mile Ash. Other sources of income are derived from the National College for Teaching and Leadership (NCTL) for the provision for training teachers at Two Mile Ash and partnering schools. Further income is received from activities and services that enhance the standard of education at the school or local schools. Further funds are received from the NCTL and Local Authority for the MKTSA activities.



**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Principal risks and uncertainties**

The Governors have assessed the major risks to which the charitable company is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the School, and its finances. The Governors have implemented a number of systems, including the Risk Register, to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems including operational procedures (e.g. vetting of new staff and visitors) and internal financial controls in order to minimise risk. Where significant financial risks still remain they have ensured they have adequate insurance cover. They are satisfied that these systems are consistent with guidelines issued by the Charities Commission.

**Financial and risk management objectives and policies**

The School has undertaken work during the year to develop and embed the system of internal control, including financial, operational and risk management of the School which is designed to protect the School's assets and reputation.

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Future developments**

**School Improvement Priorities 2015-16**

**1. Curriculum Provision for Children**

- Whole school curriculum consistently and unequivocally features all qualities outlined in the TMA Offer.
- A broad, balanced, rich and vibrant curriculum excites and motivates the children enabling them to develop confidence in themselves as independent, enthusiastic, lifelong learners.
- Essential skills are embedded within the curriculum and there are planned opportunities to promote personal growth and development.
- Ideas of fixed ability are avoided through having a growth mind-set and emphasise the opportunity for all pupils to be challenged and succeed.
- All children have a clear understanding of the concepts of citizenship, identifying with British democracy and justice, identifying and fulfilling rights and responsibilities and connecting with identities and diversity through living together in the UK.
- Assessment principles and purposes are understood by all. Clear steps for embedding new approaches to assessment without levels through high quality professional development and support ensure that pupils are making progress which is appropriate for their age and ability and is sufficiently challenging.
- Two Mile Ash School is recognised locally and nationally as a model of excellence and is leading developments in the teaching of mathematics for mastery.

**2. Pupil Support**

- Documentation and approach across all vulnerable groups under the area of Pupil Support is consistent across the school.
- Raised awareness and high expectations of staff accountability and their roles and responsibilities for vulnerable groups within Pupil Support ensures high quality support and appropriate provision is in place.
- High quality professional development for all staff on meeting the needs of pupils from all vulnerable groups leads to excellent pupil outcomes.
- Evaluation of the quality of provision and its impact ensures continual rapid progress.
- Clear plans for succession are in place through restructuring and redefining of responsibilities within the Pupil Support Team.

**3. Leadership at Every Level**

- A strong sense of accountability is instilled in all staff for the impact of their work on pupil outcomes.
- In the pursuit for excellence, best practice is shared between teachers in the team and less good practice is challenged and improved.
- Teachers are inspired and motivated to develop their skills to perform at the highest level.
- Clear succession planning through identifying, supporting and coaching aspiring leaders.
- A professional learning culture has been created which generates opportunities for the continuous drive for improvement.
- Robust performance management systems lead to effective professional development opportunities.

**4. System Leadership/ Sponsorship/ Formation of a Multi Academy Trust**

To develop a system leadership strategy at TMA that will support the longer term vision of school sponsorship and the formation of a Multi Academy Trust through:

- Further embedding the ethos of an outward facing school in a climate of mutual challenge - championing best practice and securing excellent achievements for all pupils.
- Continuing to develop effective relationships with fellow professionals and organisations in other public services to improve academic and social outcomes for all pupils.
- Challenging educational thinking in the best interests of achieving excellence, harnessing the findings of well evidenced research to frame self-regulating and self-improving schools.
- Shaping the current and future quality of the teaching profession through high quality training and sustained professional development for all staff
- Modelling entrepreneurial and innovative approaches to school improvement, leadership and governance, confident of the vital contribution of internal and external accountability.
- Inspiring and influencing others - within and beyond school - to believe in the fundamental importance of education in young people's lives and promote the value of education.

**5. Digital Technology to Enhance Education**

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

- Whole school infrastructure has the capacity to enable new technology to be used efficiently and effectively in every aspect of school life.
- Short, medium and long term plans to be created to provide the school with the latest, most innovative resources to enhance learning both through the TMA experience and beyond.
- Technology at Two Mile Ash underpins our commitment to preparing our children to be Confident Individuals who are equipped with the skills to contribute to an ever changing world.
- Pupils with special educational needs independence has increased in all areas of the curriculum through the use of new technology
- All teaching and learning activities have reference to technology as a way to create, stimulate and redefine (SAMR)
- All staff are trained and confident in the use of today's technology, and are aware of its potential to complement as well as enhance teaching and learning outcomes for all pupils.
- All stakeholders are proactively engaged in the learning experience of the TMA community
- Pupils are fully conversant with current technologies and able to adapt their skills and learning style to accommodate change.
- TMA is regarded as a lead school for the development and use of innovative technology.

**6. Internal Cohesion and External Communication**

**Internal**

- A collaborative ethos is felt across all stakeholders
- All leaders under direct management have high aspirations and lead teams with energy, passion and genuine desire to do the very best they can.
- Whole school team building opportunities to create an ethos of a 'one team' approach.
- All lines of communication are effective.

**External**

- Positioning of TMA as a beacon of best practise.
- TMA is seen as a brand of excellence. Feedback from all stakeholders is extremely complimentary and reflects the high standards expected at TMA.
- Very strong links with our feeder schools at all levels.
- Parents are fully informed and engaged with the life of their child at TMA and are able to support them effectively in every aspect academically, socially and emotionally.
- All staff members are inspired by the vision of the organisation and can speak confidently and passionately about the opportunities within.

**Future Developments of Initial Training**

- Achieve 100% completion of programmes through
- Growing our support team for ITT trainees and SBTs to draw on
- Introduction of tutor groups
- Financial changes (liability for fees)
- Incentives (iPad)
- Develop new PE and Maths Specialist Programmes
- Maintain market presence and reputation in a time of increased competition and fewer applicants
- Raise trainee attainment so that 60% are assessed at Grade 1 with no more than 5% grade 3
- More personalised programmes through use of Blue Sky
- Grow support team for ITT trainees and SBTs to draw on
- Use of the new toolkit to guide SBTs in target setting and assessments
- Incentives for trainees (early employment opportunities, enhancement opportunities)
- Increase recruitment to allow for 2 cohorts (at least 45 to a maximum of 60 trainees)
- Build involvement with MK Workforce development group to support marketing of MK as a place to live
- Gain the support of a professional marketing company to evaluate and reposition the TMA brand
- Involve whole TMA community in marketing and recruitment
- Exploit opportunities to publish news and success stories in the media

**Future Developments of the Milton Keynes Teaching School Alliance**

**CPD/Leadership Development:**

- 100% positive feedback for impact on teaching and learning
- Exploit the USPs of a teaching school to a greater extent building a programme of CPD that is school based and school led

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

- Grow capacity for delivery of Teaching and Learning programmes
- Trends indicate overall increase in engagement to CPD offer and greater proportion of schools engaging at multiple levels so that stronger relationships are established
- Team restructure allowing for greater capacity to actively increase engagement
- Draw on professional marketing company and internal expertise to develop targeted marketing

**Succession Planning and Talent Management:**

- Local recruitment challenges are eased - fewer vacancies are advertised and greater numbers of applications are received for advertised posts.
- Increase number of trainees trained through TMA ITTP (See aims for ITT)
- Build involvement with MK Workforce development group to support marketing of MK as a place to live
- Involve whole community in marketing and recruitment
- Exploit opportunities to publish news and success stories in the media to attract people to the area
- Rate of career progression for 'internal' candidates is increased so that leadership positions are filled more readily.
- Ensure the CPD offer provides the necessary experiences and opportunities to support progression through leadership
- Collaborate with the Leadership and Training Centre to ensure a joined up approach across MK
- Track 'internal' candidate's progression and compare against those who do now come through the MKTSA pathway

**SLEs:**

- SLEs and 'lead professionals' engage with a cycle of professional development reviews so that CPD needs can be identified and training and development opportunities can be provided
- Increased capacity by investing in credibility, expertise and hence confidence.
- Professional development programme for SLEs ensures that they are supported in their career progression and are retained within the local community

**School to school support:**

- Engagement with Stimpson School through EMLC
- 100% of deployments are part of a strategic plan (overseen by NLE) and are contributing to improvements in quality of teaching and raising of standards
- Analyse needs of schools in detail so that properties are anticipated, capacity sourced and opportunities offered in good time
- Develop clear school improvement strategy and package that can be marketed privately to all schools nationwide
- Draw from a wider variety of sources to increase overall capacity
- Pool resources of expertise (NLGs, NLEs, LLEs, SLEs) across MK so that capacity is optimised
- Through CPD offer, identify new potential for SLEs etc.

**Research and Development:**

- Increase connections to HEIs throughout the teaching school offer resulting in increased capacity to engage and disseminate fully in evidence-based practice
- Create a pathway to Masters with OBU
- Plan the strategic collaboration for a university teaching school, e.g. joint appointments, researchers working alongside practitioners, teacher research groups etc.
- Continue to develop model for undergraduate, school-based route into teaching

**Leadership, Management and Governance:**

- Reconstruct the strategic governance model so that there is an increase in the teaching school's 'interdependence quotient'
- Review governance structure of MKTSA and prioritise way forward
- Re-structure and reassign MKTSA strategic board
- Establish a way forward for collaboration with the Local Authority and local Teaching Schools
- Develop and offer a suggested model for collaboration locally
- Establish a means of gathering information from schools so that data can inform provision and impact can be more accurately identified.
- Establish an efficient system of capturing and analysing internal QA data.

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE GOVERNORS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the governors are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each governor has taken all the steps that they ought to have taken as a governor in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information.

**AUDITORS**

The auditors, Landers Accountants Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the governors, incorporating a strategic report, approved by order of the board of governors, as the company directors, on 7/12/15 and signed on the board's behalf by:

M A Hubbard

M Hubbard - Chair of Governors

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

**Scope of Responsibility**

As governors, we acknowledge we have overall responsibility for ensuring that Two Mile Ash School (A company limited by Guarantee) 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 of loss.

The board of the governors has delegated the day-to-day responsibility to the Head Teacher, 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 Two Mile Ash School (A company limited by Guarantee) and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Report of the Governors and in the Statement of Governors Responsibilities. The board of governors has formally met 6 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governor	Meetings attended	Out of a possible
S Bennett (Head Teacher)	6	6
J Blackhurst	5	6
H Datto	5	6
S Fulton	5	6
M Hubbard (Chair)	6	6
S James	4	6
G Payne	2	6
G Swepston	5	6
M Turvey	3	6
K Cursley	6	6
T Williams	5	6

The Finance and Premises Committee is a sub-committee of the main governing body. Its purpose is to add value and to operate within its Terms of Reference.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
M Hubbard (Chair)	6	6
G Payne	3	6
S Bennett (Head Teacher)	6	6
S Fulton	5	6
J Blackhurst	5	6

**Review of Value for Money**

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

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

- Continuing to review the structure of the Teaching and Support staff to ensure that the school and its pupils receive the best value
- Developing a structure of reviewing intervention and expanding our monitoring to include provision mapping including financial costs

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

**Review of Value for Money**

- Consistently reviewing contracts to ensure that they provide value for money
- Utilising our experienced staff by generating additional income for deployment at other organisations, providing additional funds for our school and support at other schools.

In the future we plan to continue to review and develop both our teaching and support staff and in reviewing the involvement and investment in software and technologies.

**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Two Mile Ash School (A company limited by Guarantee) for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

**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 governing body;
- 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 (as set purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and have continued to appoint Landers Accountants Ltd, the external auditor, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial statements. On a termly basis, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**Review of Effectiveness**

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

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

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

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

**Review of Effectiveness**

The trust has not undertaken a self-evaluation or external review of governance within the current financial year but expects to do so in 2015/16.

Approved by order of the members of the board of trustees on 17/12/15 and signed on its behalf by:

M A Hubbard  
M Hubbard - Chair of Governors

S Bennett  
S Bennett - Accounting Officer



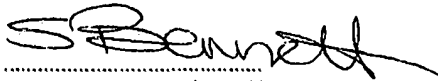
**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2015**

As accounting officer of Two Mile Ash School (A company limited by Guarantee) I have considered my responsibility to notify the academy trust board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that 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 governors and EFA.



S Bennett - Accounting Officer

Date: 17/12/15

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF GOVERNORS RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2015**

The governors (who act as trustees of Two Mile Ash School (A company limited by Guarantee) and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors 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 academy trust and of the incoming resources and application of resources, including the income and expenditure, of the academy trust for that period. In preparing those financial statements, the governors are required to

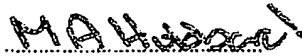
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2005;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy trust will continue in business.

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

The governors are responsible for ensuring that in its conduct and operation the academy trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA have been applied for the purposes intended.

The governors are required to state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

Approved by order of the board of governors on 17/12/15 and signed on it's behalf by:

  
M Hubbard - Chair of Governors

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements of Two Mile Ash School (company limited by guarantee) for the year ended 31 August 2015. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2014 to 2015 issued by the Education Funding Agency (EFA).

This report is made solely to the academy trust'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 trust'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 trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of governors and auditors**

As explained more fully in the Statement of Governors Responsibilities set out on page twenty four, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Governors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**Matters on which we are required to report by exception**

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

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

Robert Brown (Senior Statutory Auditor)  
for and on behalf of Landers Accountants Ltd  
Church View Chambers  
38 Market Square  
Toddington  
Bedfordshire  
LU5 6BS

Date: 22/12/15 .....

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE) AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Two Mile Ash School (A company limited by Guarantee) during the period 1 September 2014 to 31 August 2015 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 Two Mile Ash School (A company limited by Guarantee) and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Two Mile Ash School (A company limited by Guarantee) and the EFA 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 Two Mile Ash School (A company limited by Guarantee) and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Two Mile Ash School (A company limited by Guarantee)'s accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Two Mile Ash School (A company limited by Guarantee)'s funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE) AND THE EDUCATION FUNDING AGENCY**

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Landers Accountants Ltd  
Church View Chambers  
38 Market Square  
Toddington  
Bedfordshire  
LU5 6BS

Date: .....

*22<sup>nd</sup> December 2015*

**TWO MILE ASH SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

				2015	2014
	Not es	Unrestricted fund £	Restricted funds £	Total funds £	Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Activities for generating funds	3	337,223	-	337,223	189,218
Investment income	4	287	112	399	405
<b>Incoming resources from charitable activities</b>					
Academy's educational operations	5	163,322	3,350,779	3,586,518	3,560,368
Initial Teacher Training Partnership		-	299,310	301,298	402,733
<b>Total incoming resources</b>		500,832	3,650,201	4,225,438	4,152,724
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income	8	363,584	6,513	370,097	295,878
<b>Charitable activities</b>					
Academy's educational operations	9	83,164	3,310,581	3,648,838	3,654,079
Initial Teacher Training Partnership		-	273,827	273,827	375,260
Governance costs	12	-	13,755	13,755	14,306
<b>Total resources expended</b>	7	446,748	3,604,676	4,306,517	4,339,523
<b>NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>					
		54,084	45,525	(81,079)	(186,799)
<b>Gross transfers between funds</b>	23	(28,194)	(13,158)	-	-
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		25,890	32,367	(81,079)	(186,799)
<b>Other recognised gains/losses</b>					
Actuarial gains/losses on defined benefit schemes		-	(12,000)	(12,000)	(146,000)
<b>Net movement in funds</b>		25,890	20,367	(93,079)	(332,799)

The notes form part of these financial statements

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES - CONTINUED  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2015**

				2015	2014	
	Not es	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £	Total funds £
RECONCILIATION OF FUNDS						
Total funds brought forward		28,542	(229,562)	5,192,316	4,991,296	5,324,095
TOTAL FUNDS CARRIED FORWARD		54,432	(209,195)	5,052,980	4,898,217	4,991,296

**CONTINUING OPERATIONS**

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

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The notes form part of these financial statements



**TWO MILE ASH SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: 07698904)**

**BALANCE SHEET**  
**AT 31 AUGUST 2015**

	Notes	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible assets	16	4,998,540	5,105,474
<b>CURRENT ASSETS</b>			
Debtors	17	163,689	223,439
Cash at bank and in hand		<u>405,703</u>	<u>342,888</u>
		569,392	566,327
<b>CREDITORS</b>			
Amounts falling due within one year	18	<u>(285,715)</u>	<u>(367,507)</u>
<b>NET CURRENT ASSETS</b>		<u>283,677</u>	<u>198,820</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,282,217	5,304,294
<b>CREDITORS</b>			
Amounts falling due after more than one year	19	-	(4,998)
<b>PENSION LIABILITY</b>	24	<u>(384,000)</u>	<u>(308,000)</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>4,898,217</u>	<u>4,991,296</u>
<b>FUNDS</b>	23		
Unrestricted funds:			
General fund		54,433	28,542
Restricted funds:			
Restricted funds		174,804	78,438
Pension reserve		<u>(384,000)</u>	<u>(308,000)</u>
		(209,196)	(229,562)
Restricted fixed asset funds		<u>5,052,980</u>	<u>5,192,316</u>
<b>TOTAL FUNDS</b>		<u>4,898,217</u>	<u>4,991,296</u>

The notes form part of these financial statements

TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: 07698904)

BALANCE SHEET - CONTINUED  
AT 31 AUGUST 2015

The financial statements were approved by the Board of Governors on 17/12/15 and were signed on its behalf by:

M A Hubbard  
M Hubbard - Chair of Governors

J Blackhurst  
J Blackhurst - Chair of Finance and Premises Committee

The notes form part of these financial statements

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015**

		<b>2015</b>	<b>2014</b>
	Notes	£	£
<b>Net cash inflow from operating activities</b>	28	34,846	30,295
<b>Returns on investments and servicing of finance</b>	29	(1,586)	(1,016)
<b>Capital expenditure and financial investment</b>	29	29,555	(16,157)
		<hr/>	<hr/>
<b>Increase in cash in the period</b>		<u>62,815</u>	<u>13,122</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net debt</b>	30		
Increase in cash in the period		<u>62,815</u>	<u>13,122</u>
Change in net debt resulting from cash flows		<u>62,815</u>	<u>13,122</u>
<b>Movement in net debt in the period</b>		62,815	13,122
<b>Net debt at 1 September</b>		<u>342,888</u>	<u>329,766</u>
<b>Net debt at 31 August</b>		<u>405,703</u>	<u>342,888</u>

The notes form part of these financial statements

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below

**Accounting convention**

The financial statements have been prepared under the historical cost convention, the Companies Act 2006, the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

**Going concern**

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

**Incoming resources**

All incoming resources are included in the Statement of financial activities when the academy is legally entitled to the income and the amount can be quantified with reasonable accuracy.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**Grants receivable for capital purchases**

Government and other grants relating to tangible fixed assets are included within the Statement of financial activities as and when received.

**Turnover**

Turnover comprises revenue recognised by the academy in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES - continued**

**Resources expended**

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- over 50 years
Improvements to property	- 10% on cost
Office equipment	- 20% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

No depreciation is charged on freehold land.

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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet.

Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

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.

**Taxation**

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

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES - continued**

**Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

**Pension costs and other post-retirement benefits**

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, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded 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 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 gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

**Operating leases**

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

**2. GENERAL ANNUAL GRANT (GAG)**

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2015.

**3. ACTIVITIES FOR GENERATING FUNDS**

	2015	2014
	£	£
Catering income	<u>337,223</u>	<u>189,218</u>

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**4. INVESTMENT INCOME**

	2015 £	2014 £
Deposit account interest	<u>399</u>	<u>405</u>

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2015 Total funds £	2014 Total funds £
Hire of facilities	8,188	-	-	8,188	5,216
School trips, kidz club and other clubs	153,328	198,668	-	351,996	320,477
Educational development income	1,807	494,009	-	495,816	471,329
Grants	<u>-</u>	<u>2,658,101</u>	<u>72,417</u>	<u>2,730,518</u>	<u>2,763,346</u>
	<u>163,323</u>	<u>3,350,778</u>	<u>72,417</u>	<u>3,586,518</u>	<u>3,560,368</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2015 Total funds £	2014 Total funds £
<b>EFA revenue grant</b>					
General Annual Grant(GAG)	-	2,334,728	-	2,334,728	2,328,065
Pupil premium	-	192,718	-	192,718	223,134
Local Authority grants	<u>-</u>	<u>46,889</u>	<u>-</u>	<u>46,889</u>	<u>90,059</u>
	-	2,574,335	-	2,574,335	2,641,258
<b>EFA capital grant</b>					
Capital funding	-	-	72,417	72,417	16,050
<b>Other government grant</b>					
Other grants	<u>-</u>	<u>83,766</u>	<u>-</u>	<u>83,766</u>	<u>106,038</u>
	<u>-</u>	<u>2,658,101</u>	<u>72,417</u>	<u>2,730,518</u>	<u>2,763,346</u>

**6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	2015 £	2014 £
<b>Activity</b>		
Initial teacher training partnership	<u>301,298</u>	<u>402,733</u>
Initial Teacher Training Partnership	<u>301,298</u>	<u>402,733</u>

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - continued**

Grants received, included in the above, are as follows:

	2015	2014
	£	£
General Annual Grant(GAG)	2,334,728	2,328,065
Pupil premium	192,718	223,134
Local Authority grants	46,889	90,059
Other grants	83,766	106,038
Capital funding	<u>72,417</u>	<u>16,050</u>
	<u><u>2,730,518</u></u>	<u><u>2,763,346</u></u>

**7. RESOURCES EXPENDED**

				2015	2014
	Staff costs	Non-pay expenditure Premises	Other costs	Total	Total
	£	£	£	£	£
<b>Costs of generating funds</b>					
Costs of generating voluntary income	172,099	-	197,998	370,097	295,878
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	2,173,039	248,127	323,485	2,744,651	2,599,900
Allocated support costs	<u>470,840</u>	<u>139,879</u>	<u>293,468</u>	<u>904,187</u>	<u>1,054,179</u>
	2,815,978	388,006	814,951	4,018,935	3,949,957
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>13,755</u>	<u>13,755</u>	<u>14,306</u>
	<u><u>2,815,978</u></u>	<u><u>388,006</u></u>	<u><u>828,706</u></u>	<u><u>4,032,690</u></u>	<u><u>3,964,263</u></u>

Net resources are stated after charging/(crediting):

	2015	2014
	£	£
Auditors' remuneration	10,455	10,000
Depreciation - owned assets	149,796	150,645
Operating leases	<u>27,152</u>	<u>13,828</u>



**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**8. COSTS OF GENERATING VOLUNTARY INCOME**

	2015	2014
	£	£
Staff costs	172,099	155,274
Catering expenses	179,438	107,050
School clubs and activities	18,560	33,554
	<u>370,097</u>	<u>295,878</u>

**9. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	2015	2014
	Total funds	Total funds
	£	£
<b>Direct costs</b>		
Teaching and educational support staff	2,173,039	2,097,503
Technology costs	12,069	5,427
Educational supplies	36,422	45,241
Staff development	25,449	32,248
Educational consultancy	17,243	4,376
School clubs and activities	194,397	212,375
Premises costs	251,390	153,259
Other costs	30,642	47,471
Other direct costs	4,000	2,000
	<u>2,744,651</u>	<u>2,599,900</u>
	83,164	2,556,189
	105,298	105,298
<b>Allocated support costs</b>		
Support staff costs	470,840	541,827
Depreciation	149,795	150,647
Technology and consultancy	13,247	8,624
School clubs and activities	210,945	314,839
Other costs	57,375	36,821
Interest payable and similar charges	1,985	1,421
	<u>904,187</u>	<u>1,054,179</u>
	754,392	149,795
	<u>3,648,838</u>	<u>3,654,079</u>
	83,164	3,310,581
	255,093	255,093

**10. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 11)	Totals
	£	£	£
Initial Teacher Training Partnership	273,827	-	273,827
Academy's educational operations	2,744,651	904,187	3,648,838
	<u>3,018,478</u>	<u>904,187</u>	<u>3,922,665</u>

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**11. SUPPORT COSTS**

	<b>Management £</b>
Academy's educational operations	<u><u>904,187</u></u>

Support costs, included in the above, are as follows:

	<b>2015 Academy's educational operations £</b>	<b>2014 Total activities £</b>
Wages	385,513	452,289
Social security	19,768	26,171
Pensions	65,559	63,367
Technology and consultancy	13,247	8,624
School clubs and activities	210,945	314,839
Other costs	57,375	36,821
Depreciation of tangible and heritage assets	149,795	150,647
Interest payable and similar charges	<u>1,985</u>	<u>1,421</u>
	<u><u>904,187</u></u>	<u><u>1,054,179</u></u>

**12. GOVERNANCE COSTS**

	<b>2015 £</b>	<b>2014 £</b>
Trustees' expenses	-	1,206
Auditors' remuneration	10,455	10,000
Responsible officer	<u>3,300</u>	<u>3,100</u>
	<u><u>13,755</u></u>	<u><u>14,306</u></u>

**TWO MILE ASH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**13. GOVERNORS' REMUNERATION AND BENEFITS**

The Head Teacher and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff and not in respect to their services as Governors. Other Governors did not receive any payments from the Academy in respect of their role as Governors.

The value of Governors' remuneration during their time of office in the year was as follows:

	2015 £	2014 £
S Bennett (Head Teacher and Governor)	£120,000 - £124,999	£130,000 - £134,999
Pension Contributions	£15,000 - £19,999	£20,000 - £24,999
K Cursley	£60,000 - £64,999	£50,000 - £54,999
Pension Contributions	£5,000 - £9,999	£5,000 - £9,999
S Lee-Delisle	n/a	£10,000 - £14,999
Pension Contributions	n/a	£nil - £4,999
T Williams	£15,000 - £19,999	n/a
Pension Contributions	£nil - £4,999	n/a

The Head Teacher's pay takes into consideration outreach work and all other factors allowable under the academy remuneration and conditions regulations.

The school led by the Head Teacher has carried out outreach work throughout the year totalling over £200,000.

**Governors' expenses**

	2015 £	2014 £
Trustees' expenses	<u>-</u>	<u>1,206</u>

There were no governors' expenses paid for the year ended 31 August 2015.

**TWO MILE ASH SCHOOL  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**14. STAFF COSTS**

	2015	2014
	£	£
Wages and salaries	2,267,118	2,287,758
Social security costs	148,939	155,798
Other pension costs	<u>406,421</u>	<u>351,048</u>
	2,822,478	2,794,604
Staff restructuring costs	<u>10,000</u>	<u>-</u>
	<u><u>2,832,478</u></u>	<u><u>2,794,604</u></u>

Included in staff restructuring costs are non-contractual severance payments totalling £10,000 (2014: £nil). Individually, the payments were: £5,000 and £5,000.

The average number of persons (including senior management team) employed by the academy trust during the year expressed as full time equivalents was as follows:

	2015	2014
Teachers and classroom assistants	47	49
Administration and support	28	25
Management	<u>7</u>	<u>7</u>
	<u><u>82</u></u>	<u><u>81</u></u>

The number of employees whose emoluments fell within the following bands was:

	2015	2014
£60,001 - £70,000	1	-
£120,001 - £130,000	1	-
£130,001 - £140,000	<u>-</u>	<u>1</u>
	<u><u>2</u></u>	<u><u>1</u></u>

The above employees participated in the Teachers' Pension Scheme.

**15. GOVERNORS' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. The cost for the year ended 31 August 2015 was included within the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**16. TANGIBLE FIXED ASSETS**

	<b>Freehold property £</b>	<b>Improvement to property £</b>	<b>Office equipment £</b>
<b>COST</b>			
At 1 September 2014	5,155,518	122,931	25,878
Additions	<u>-</u>	<u>1,965</u>	<u>32,038</u>
At 31 August 2015	<u>5,155,518</u>	<u>124,896</u>	<u>57,916</u>
<b>DEPRECIATION</b>			
At 1 September 2014	254,386	26,035	14,763
Charge for year	<u>82,504</u>	<u>12,391</u>	<u>10,734</u>
At 31 August 2015	<u>336,890</u>	<u>38,426</u>	<u>25,497</u>
<b>NET BOOK VALUE</b>			
At 31 August 2015	<u>4,818,628</u>	<u>86,470</u>	<u>32,419</u>
At 31 August 2014	<u>4,901,132</u>	<u>96,896</u>	<u>11,115</u>
	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 September 2014	127,905	91,447	5,523,679
Additions	<u>1,510</u>	<u>7,349</u>	<u>42,862</u>
At 31 August 2015	<u>129,415</u>	<u>98,796</u>	<u>5,566,541</u>
<b>DEPRECIATION</b>			
At 1 September 2014	62,313	60,708	418,205
Charge for year	<u>26,283</u>	<u>17,884</u>	<u>149,796</u>
At 31 August 2015	<u>88,596</u>	<u>78,592</u>	<u>568,001</u>
<b>NET BOOK VALUE</b>			
At 31 August 2015	<u>40,819</u>	<u>20,204</u>	<u>4,998,540</u>
At 31 August 2014	<u>65,592</u>	<u>30,739</u>	<u>5,105,474</u>

Included in land and buildings is freehold land with a net book value amount of £1030,338 (2014: £1,030,338) which is not depreciated.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Trade debtors	71,927	79,169
Other debtors	1,006	55,951
VAT	2,669	14,895
Prepayments and accrued income	<u>88,087</u>	<u>73,424</u>
	<u>163,689</u>	<u>223,439</u>

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Trade creditors	31,167	28,124
Other creditors	167,314	194,645
Accruals and deferred income	<u>87,234</u>	<u>144,738</u>
	<u>285,715</u>	<u>367,507</u>

**Deferred income**

	2015	2014
	£	£
Deferred income at 1 September 2014	-	113,003
Resources deferred in the year	18,961	-
Amounts released from previous years	<u>-</u>	<u>(113,003)</u>
	<u>18,961</u>	<u>-</u>

As at the balance sheet date the academy trust was holding funds received in advance for grant income relating to the following financial year.

Within other creditors a provision of £4,998 (2014: £4,998) has been made in respect of double funding of the SEN block LACSEG paid to the Academy.

A further provision within other creditors of £69,248 (2014: £69,248) has been made in relation to the Pupil Premium clawback.

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2015	2014
	£	£
Other creditors	<u>-</u>	<u>4,998</u>

**TWO MILE ASH SCHOOL  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**20. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	<b>Other operating leases</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within one year	2,441	-
Between one and five years	<u>25,261</u>	<u>16,084</u>
	<u>27,702</u>	<u>16,084</u>

**21. 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.

**22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

				<b>2015</b>	<b>2014</b>
	<b>Unrestricted fund</b>	<b>Restricted funds</b>	<b>Restricted fixed asset fund</b>	<b>Total funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets	-	-	4,998,540	4,998,540	5,105,474
Current assets	54,433	460,520	54,439	569,392	566,327
Current liabilities	-	(285,716)	1	(285,715)	(367,507)
Long term liabilities	-	-	-	-	(4,998)
Pension liability	-	(384,000)	-	(384,000)	(308,000)
	<u>54,433</u>	<u>(209,196)</u>	<u>5,052,980</u>	<u>4,898,217</u>	<u>4,991,296</u>

**TWO MILE ASH SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**23. MOVEMENT IN FUNDS**

	At 1.9.14 £	Net movement in funds £	Transfers between funds £	At 31.8.15 £
<b>Unrestricted funds</b>				
General fund	28,542	54,085	(28,194)	54,433
<b>Restricted funds</b>				
General Annual Grant (GAG)	-	29,162	(13,158)	16,004
Initial Teacher Training	597	25,596	-	26,193
Milton Keynes Teaching School Alliance	77,841	(2,934)	-	74,907
Early Years fund	-	57,700	-	57,700
	78,438	109,524	(13,158)	174,804
Pension reserve	(308,000)	(76,000)	-	(384,000)
Restricted fixed asset funds	5,192,316	(180,688)	41,352	5,052,980
<b>TOTAL FUNDS</b>	<u>4,991,296</u>	<u>(93,079)</u>	<u>-</u>	<u>4,898,217</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	500,833	(446,748)	-	54,085
<b>Restricted funds</b>				
General Annual Grant (GAG)	2,334,725	(2,305,563)	-	29,162
Pupil premium	192,718	(192,718)	-	-
Educational visits	163,924	(163,924)	-	-
Other restricted funds	441,253	(441,253)	-	-
Initial Teacher Training	299,423	(273,827)	-	25,596
Milton Keynes Teaching School Alliance	158,157	(161,091)	-	(2,934)
Early Years fund	60,000	(2,300)	-	57,700
Pension reserve	-	(64,000)	(12,000)	(76,000)
	3,650,200	(3,604,676)	(12,000)	33,524
Restricted fixed asset funds	74,405	(255,093)	-	(180,688)
<b>TOTAL FUNDS</b>	<u>4,225,438</u>	<u>(4,306,517)</u>	<u>(12,000)</u>	<u>(93,079)</u>



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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**23. MOVEMENT IN FUNDS - continued**

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. The Academy is allowed to carry forward up to 12% of the current GAG.

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS. An amount of £90,000 was transferred to the Academy in respect of the deficit on this pension scheme at the date of conversion to an Academy.

The restricted asset fund was funded predominantly by the funds inherited on conversion from Milton Keynes Council following the transfer of the land and buildings.

**24. PENSION AND SIMILAR OBLIGATIONS**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £34,009 were payable to the schemes at 31 August 2015 and are included within other creditors.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**24. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

**Teachers' pension scheme**  
**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefit are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £201,541 (2014: £200,099).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £190,000, of which employer's contributions totalled £144,000 and employees' contributions totalled £46,000. The agreed contribution rates for future years are 19.1% for employers and 5.5 - 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**24. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	(1,020,000)	(737,000)
Fair value of plan assets	<u>636,000</u>	<u>429,000</u>
	<u>(384,000)</u>	<u>(308,000)</u>
Deficit	<u>(384,000)</u>	<u>(308,000)</u>
Liability	<u>(384,000)</u>	<u>(308,000)</u>

**Analysis of pension finance income/(costs)**

	<b>2015</b>	<b>2014</b>
	<b>£000</b>	<b>£000</b>
Expected return on pension scheme assets	30	23
Interest on pension liabilities	<u>(34)</u>	<u>(25)</u>
Pension finance income/(costs)	<u>(4)</u>	<u>(2)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities.  
The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £207,000 loss (2014: £195,000 loss).

The amounts recognised in the statement of financial activities are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Current service cost	204,000	148,000
Interest cost	34,000	25,000
Expected return	<u>(30,000)</u>	<u>(23,000)</u>
	<u>208,000</u>	<u>150,000</u>
Actual return on plan assets	<u>18,000</u>	<u>(43,000)</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**24. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	(737,000)	(444,000)
Current service cost	(204,000)	(148,000)
Contributions by scheme participants	(46,000)	(40,000)
Interest cost	(34,000)	(25,000)
Actuarial losses/(gains)	-	(80,000)
Benefits paid	1,000	-
	<u>(1,020,000)</u>	<u>(737,000)</u>

Changes in the fair value of scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	429,000	302,000
Contributions by employer	144,000	130,000
Contributions by scheme participants	46,000	40,000
Expected return	30,000	23,000
Actuarial gains/(losses)	(12,000)	(66,000)
Benefits paid	(1,000)	-
	<u>636,000</u>	<u>429,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**24. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2015</b>	<b>2014</b>
Gilts	12%	13%
UK equities	11%	12%
Gilts	39%	36%
Private equity	6%	8%
Other bonds	12%	13%
Property	8%	8%
Cash	3%	2%
Alternative assets	1%	0%
Hedge funds	4%	4%
Absolute return portfolio	4%	4%

The academy trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	<b>Expected return at 31 August 2015</b>	<b>Fair value as at 31 August 2015 £000</b>	<b>Expected return at 31 August 2014</b>	<b>Fair value as at 31 August 2014 £000</b>
Gilts	5.7%	78	3.0%	57
UK equities	5.7%	70	6.7%	51
Overseas equities	5.7%	240	6.7%	156
Private equity	5.7%	40	6.7%	35
Other bonds	5.7%	79	3.6%	54
Property	5.7%	50	5.9%	33
Cash	5.7%	21	2.9%	7
Alternative assets	5.7%	9	6.7%	n/a
Hedge funds	5.7%	23	6.7%	19
Absolute return portfolio	5.7%	26	6.7%	17
<b>Total market value of assets</b>		<b>636</b>		<b>429</b>
<b>Present value of scheme liabilities - funded</b>		<b>(1,020)</b>		<b>(737)</b>
<b>Surplus/(deficit) in the scheme</b>		<b>(384)</b>		<b>(308)</b>

The expected rate of return is set at a single net interest cost equal to the expected discount rate.

The actual return on scheme assets was £18,000 (2014: £43,000)

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	<b>2015</b>	<b>2014</b>
Discount rate for scheme liabilities	4%	4%
Rate of increase in salaries	4.5%	4.5%
Rate of increase for pensions in payment	2.7%	2.7%
Inflation assumptions (CPI)	2.7%	2.7%
RPI increases	3.6%	3.5%

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

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
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**24. PENSION AND SIMILAR OBLIGATIONS**  
- continued

	At 31 August 2015	At 31 August 2014
Retiring today:		
Males	23.7	23.6
Females	26.1	26.0
Retiring in 20 years:		
Males	26.0	25.8
Females	28.4	28.3

Amounts for the current and previous two periods are as follows:

	2015 £	2014 £	2013 £
<b>Defined benefit pension plans</b>			
Defined benefit obligation	(1,020,000)	(737,000)	(444,000)
Fair value of scheme assets	636,000	429,000	302,000
Deficit	(384,000)	(308,000)	(142,000)
Experience adjustments on scheme liabilities	-	(2,000)	-
Experience adjustments on scheme assets	(12,000)	(66,000)	19,000

**25. RELATED PARTY DISCLOSURES**

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

During the year £380 (2014: £1,038) was paid by the academy to Milton Keynes Occupational Health (MKOH) a company owned by J Blackhurst (governor). This is the same charge that is expensed to other academies for the same service.

There were no amounts outstanding at 31 August 2015 (2014: £nil).

The trust made the purchases at arms' length following a competitive tendering exercise in accordance with its financial regulations, which J Blackhurst neither participated in, nor influenced. In entering into the transaction the trust has complied with the requirements of EFA's Academies Financial Handbook.

Pecuniary interest is declared at all times by the governors and senior leadership team. A rigorous process of value for money is obtained and records maintained and reviewed by the academy's governors.

**26. ULTIMATE CONTROLLING PARTY**

There is no controlling party for the period.

**27. COMPANY LIMITED BY GUARANTEE**

The Academy is a company limited by guarantee and does not have share capital.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**28. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2015 £	2014 £
Net outgoing resources	(81,079)	(186,799)
Depreciation charges	149,796	150,647
Capital grants from EFA	(72,417)	(16,050)
Interest received	(399)	(405)
Interest paid	1,985	1,421
Decrease/(increase) in debtors	59,750	(21,095)
(Decrease)/increase in creditors	(86,790)	82,578
Difference between pension charge and cash contributions	<u>64,000</u>	<u>19,998</u>
<b>Net cash inflow from operating activities</b>	<u><b>34,846</b></u>	<u><b>30,295</b></u>

**29. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2015 £	2014 £
<b>Returns on investments and servicing of finance</b>		
Interest received	399	405
Interest paid	<u>(1,985)</u>	<u>(1,421)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u><b>(1,586)</b></u>	<u><b>(1,016)</b></u>
 <b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(42,862)	(32,207)
Capital grants from EFA	<u>72,417</u>	<u>16,050</u>
<b>Net cash inflow/(outflow) for capital expenditure and financial investment</b>	<u><b>29,555</b></u>	<u><b>(16,157)</b></u>

**30. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.9.14 £	Cash flow £	At 31.8.15 £
Net cash:			
Cash at bank and in hand	342,888	62,815	405,703
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<u><b>342,888</b></u>	<u><b>62,815</b></u>	<u><b>405,703</b></u>