

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

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017  
FOR**

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**



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

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 AUGUST 2017**

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**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**MEMBERS**

G Swepston  
M Wogan (appointed 21/9/16)  
S J Fulton (resigned 11/1/17)  
M A Hubbard  
T Knight (appointed 11/1/17)

**TRUSTEES**

S E Bennett (CEO)  
J I Blackhurst (resigned 21/9/16)  
H Datto  
S J Fulton (appointed 11/2/17)  
S James (resigned 21/9/16)  
G Swepston (Chair of Finance and Future Growth Committee)  
M A Hubbard (Chair of Trustees)  
K Cursley (resigned 21/9/16)  
T Williams (resigned 21/9/16)  
P Navin (resigned 21/7/17)  
B Ball (Chair of Educational Excellence Committee) (appointed 21/9/16)  
M Dolling (appointed 29/3/17)  
N Partridge (appointed 21/9/17)  
B Stanley (appointed 21/9/16)

**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

**INSPIRING FUTURES THROUGH LEARNING  
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**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**SENIOR MANAGEMENT TEAM**

S Bennett - CEO  
R Tite - CFO  
S Kean - Head of Human Resources  
J Hoskins - Head of Marketing and Communications  
J Smith - Head of Operations  
K Kemp - Head of School Development  
S Boak - Executive Assistant

**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

**INSPIRING FUTURES THROUGH LEARNING  
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**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2016 - 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The trust operates 6 primary academies for pupils aged 4-11 serving a catchment area in Buckinghamshire. The schools combined have a pupil capacity of 3,030 and had a roll of 1,980 in the last school census on January 2017.

**OBJECTIVES AND ACTIVITIES**

**Objectives and Aims: Inspiring Futures Through Learning**

At IFtL, we are committed to developing a family of schools who inspire all of our futures through learning. Schools within our trust share the same values and ethos; our teams are constantly in the pursuit of development and excellence every day. We open doors to opportunity and unlock the potential of both our children and our adults so that we all develop the confidence to achieve both our independent and collective ambitions. At IFtL, we are never alone. We know we are stronger together - one united family striving for excellence for all, in everything we do.

Our key priorities/aims:

Ensure all pupils achieve the potential - progress and attainment for all years and groups

Continuously develop excellent practice - in all areas, for all children and colleagues

Collaborate, innovate and research to be leaders in education - system leadership both internal and external, exciting opportunities and experiences offered

Grow financial sustainability - being resourceful, attracting others to develop together

Nurture a secure and engaging environment in which we all thrive - looking after each other, keeping each other safe, caring about the whole.

**INSPIRING FUTURES THROUGH LEARNING  
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**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

**OBJECTIVES AND ACTIVITIES**

**Objectives, Strategies and Activities: Inspiring Futures Through Learning**

IFtL is a trust established by educationalists, with improving outcomes for children at the heart of all we do.

We have responsibility for approximately 1,980 children across our trust of schools and are driven by our pursuit of excellence every day.

We have high expectations of learning, behaviour and respect for every member of our community.

We create independent, articulate thinkers and learners who have the confidence to achieve not only their individual ambitions but also the ambitions of the academy and the trust as a whole.

We have collaboration at the heart of everything we do.

Our vision is firmly rooted in a system-led approach with MKTSA, TMA ITT Partnership and NLE/NLG providing the highest levels of expertise to ensure all schools are on a journey to 'outstanding' and beyond.

Ultimately, IFtL is committed to nurturing exciting, innovative, outstanding Academies who embrace change and provide a world-class education for all it serves.

IFtL have set out the following strategic performance indicators:

**1. Pupil outcomes - Raising educational outcomes including progress and attainment.**

This will be measured by:

- i. Current year value added is improved each year.
- ii. Improvement in value added average is improved.
- iii. Average IFtL pupil progress rates improve each year within all core reported subjects.
- iv. Average IFtL rates of progress for all vulnerable groups, including Pupil Premium and SEND, increase within all reported subjects each year.
- v. Average IFtL attainment is improved each year in all reported subject areas.
- vi. Average IFtL attainment gap between vulnerable groups, including PP and non-PP, narrow each year.
- vii. Increase average IFtL pupil attendance each year.
- viii. Average IFtL persistent absence (for 10% or more) decrease each year.

**2. Expertise and Experience -continuously develop excellent practice**

This will be measured by:

- i. Increase the quality of good and outstanding teaching and learning.
- ii. The Trust-wide apprenticeship scheme, reaching the public sector target.
- iii. A holistic Learning & Development offer of generic (non-teaching) training courses.
- iv. Increase in numbers of colleagues who are engaging in cross-trust and teaching school CPD opportunities.

**3. Partnership and Collaboration - Lead in education system decisions, innovation and research**

This will be measured by:

- i. Increase in numbers of colleagues holding expertise accreditations - e.g.: NLE, NLG, SLE, LL.
- ii. Increase in amount of deployments each year.
- iii. Increase in Teaching School Partnerships
- iv. % (or number) of colleagues involved in regional and national partnerships at decision making levels

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**REPORT OF THE TRUSTEES  
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**OBJECTIVES AND ACTIVITIES**

**Objectives, Strategies and Activities: Inspiring Futures Through Learning**

- v. Increase in involvement in IFtL network groups.
- vi. % of staff leading cross-Trust initiatives
- vii. Number of colleagues providing and leading support to other schools / organisations
- viii. Number of colleagues involved in regional and / or national partnerships at decision making levels
- ix. Move to a central shared 'Centre of Expertise' model for (relevant) support functions by 2020

**4. Wellbeing - Create an environment in which to thrive**

This will be measured by:

- i. Increase in number of employees who feel IFtL cares about their well-being.
- ii. Successfully achieve a year on year increase in employee engagement scores between year 1 and year 3.
- iii. Number of activities on offer to colleagues is increasing.
- iv. % of colleagues participating in IFtL enrichment activities increases.
- v. Introduce a trust-wide wellbeing strategy/policy and Wellbeing section on the portal by end of 2017

**5. Financial Sustainability - Ensure financial strength and sustainable growth**

This will be measured by:

- i. % of uncommitted reserves / Income
- ii. Pay costs as % of income
- iii. Savings across trust through collaborative value for money
- iv. Growth in pupil numbers

**Public Benefit**

In accordance with its charitable objectives Inspiring Futures through Learning (IFtL) and its family of schools strives to:

- Advance the education of the children and young people attending its schools. The schools primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout our schools.
- Promote the benefits 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.
- Community based projects are also undertaken during the school year by pupils and staff which enhances the public benefit.

The trustees 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.

**Volunteers**

As an organisation we have several parent volunteers 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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**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

**OBJECTIVES AND ACTIVITIES**

***Chairs Report***

This year has seen IFtL make considerable progress in embedding and developing the trust and its core values, with collaboration being at the heart of everything we do. We have established ourselves as a significant, forward thinking, ambitious trust within the education landscape, building strong relationships with all our stakeholders and working closely with the Regional Schools Commissioner, DfE, Regional Teaching Schools Council and Governance advisors to shape our future.

The board of trustees remain committed to ensuring that funds are focused on the schools and their pupils, and whilst recognising the importance of a strong central support function across the board, whilst remaining accountable and being driven by a desire to do the best for all our children and staff.

To further strengthen our committed board of trustees have appointed two new trustees, these additions have brought new thinking, challenge and a fresh perspective along with additional skill sets.

We are making positive progress in line with our strategic priorities and the Trust remains committed to inspiring the futures of us all through learning together.



**INSPIRING FUTURES THROUGH LEARNING  
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**REPORT OF THE TRUSTEES  
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**STRATEGIC REPORT**

**Achievement and performance**

*Review of activities*

**End of Year Data Collection for IFtL Schools - July 2017**

Key Stage 2- SATs Test Data Attainment	2017 National	Two Mile Ash School			Olney Middle School			Chestnuts Primary School			IFtL Trust Schools - Average				
		Percentage Achieved 2017	Comparative to National 2017 and 2016	School 2016 to 2017	Percentage Achieved 2017	Comparative to National 2017 and 2016	School 2016 to 2017	Percentage Achieved 2017	Comparative to National 2017 and 2016	School 2016 to 2017	Average Percent Achieved 2017	Average Percent comparative to National 2017 and 2016	Average percentage School 2016	Difference 2016 to 2017	
	% of children achieving the expected standard:														
		2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015	2016	2015
Combined	61%	72.5%	+11.5%	-0.5%	71%	+10%	+14%	-7%	-14%	+14%	63.5%	+2.5%	54%	+9.5%	
Reading	71%	79%	+8%	+2%	79%	+8%	+3%	69%	-5%	+10%	74.5%	+3.5%	69.5%	+5%	
Writing	76%	92%	+16%	-1%	88%	+12%	-2%	68%	-8%	+6%	82.5%	+6.5%	81.5%	+1%	
Maths	75%	85%	+11%	-3%	83%	+8%	+18%	63%	-6%	+16%	77%	+2%	66.5%	+10.5%	
GPS	77%	83.5%	+5%	+1.5%	84%	+5%	+6%	63%	-14%	+5%	77%	0%	72.5%	+4.5%	
	2017 National	% of children achieving greater depth													
Combined	5%	18%	+13%	+4%	21%	+15%	+15%	0%	-5%	-4%	13%	+8%	5%	+8%	
Reading	25%	32%	+7%	+8%	30%	+5%	+9%	8%	-17%	+4%	23%	-2%	16%	+7%	
Writing	18%	24%	+6%	-1%	36%	+18%	+6%	5%	-13%	+1%	22%	+4%	20%	+2%	
Maths	23%	29%	+6%	-6%	36%	+13%	+22%	18%	-5%	+11%	28%	+11%	19%	+9%	
GPS	31%	41%	+10%	+8%	36%	+5%	+16%	18%	-13%	+14%	32%	+1%	19%	+13%	

Attainment this year is assessed against the frameworks criteria from the Department of Education. The table below demonstrates that the IFtL KS2 average attainment has exceeded the national average for 2017 in all subject areas with the exception of EGPS at age related expectations and reading at greater depth where the attainment broadly matches the national average. At IFtL, we will continue to drive improvement providing challenge and support for all schools to enhance and raise achievement in all subject areas with a particular focus on the few areas at a trust level and an individual school level where current attainment is below national.

Key Stage Two	IFtL Cross School Average				
	2016 average progress score	2016 average progress score	2017 average Progress score	2016 comparative to 2017 average progress score	Distribution of 2017 average progress score Comparative to National
Maths	-3.02	-1.4	0	+1.4	Middle 20% of Schools
Reading	-1.53	-0.71	-0.07	+0.64	Middle 20% of Schools
Writing	-1.82	+0.61	+1	+0.39	Top 40% of schools

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**Achievement and performance**

*Review of activities*

Progress and value added improvements are of paramount importance to us and this is a key performance indicator that we measure our success against. This is particularly important for our schools where starting points are lower to ensure we enable a fair, accurate and complete picture to be established. The table below demonstrates that the average IFtL progress scores have increased in all subject areas (reading, writing and maths).

Standardised testing has been introduced across all trust schools to provide a consistent and accurate measure of attainment and progress for all year groups (one to six) to enable an accurate and informative comparison to occur. This information will be used to analyse performance with a focus on vulnerable group gap analysis, including disadvantaged and non-disadvantaged, and target challenge and support as required. They will also act as an additional tool for teachers to gain comprehensive areas of strengths and focus areas for pupils both at an individual and group level to support and inform their teaching.

There have been no full Ofsted Inspections this year and all IFtL Schools continue to be judged as 'Good' or 'Outstanding' by Ofsted. Whitehouse Primary and Fairfield Primary Schools on opening have been subject to an Ofsted visit which has been very complementary of their set-up and Schools. Any official grading for these new Schools won't be made for a further year, until the first official visit.

The safety and well-being for all stakeholders is a key priority with inclusion and equality for everyone being at the core. All schools are compliant as verified by Safeguarding Compliancy Audits and we are passionate about meeting the needs of all our pupils. There have been no permanent exclusions within any of our schools and fixed term exclusions are viewed as a last resort (two schools have fixed term excluded but tight programs of support have been put in place to support both the children and their families to help prevent this being necessary again). Combined attendance of pupils across the trust remains above national expectations at 96.2% and combined persistent absence is 6.6% for 10% or more (there is currently no national figure to enable this comparison to occur).

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**Achievement and performance**

*Key performance indicators*

In order to ensure there is a quantifiable measure to determine whether the schools in the trust are meeting operational and strategic performance Indicators. The following KPI's have been applied for educational monitoring.

**SATs Average Data End of KS2 2017**

Key Stage 2- SATs Test Data Attainment	2017 National	IfEtL Trust Schools - Average			
		Average Percent Achieved 2017	Average Percent comparative to National 2017 and GD 2016	Average percentage School 2016	Difference 2016 to 2017
% of children achieving greater depth within the expected standard					
Combined	61%	63.5%	+2.5%	54%	+9.5%
Reading	71%	74.5%	+3.5%	69.5%	+5%
Writing	76%	82.5%	+6.5%	81.5%	+1%
Maths	75%	77%	+2%	66.5%	+10.5%
GPS	77%	77%	0%	72.5%	+4.5%
% of children achieving greater depth within the expected standard					
Combined	5%	13%	+8%	5%	+5%
Reading	25%	23%	-2%	16%	+7%
Writing	18%	22%	+4%	20%	+2%
Maths	23%	28%	+11%	19%	+9%
GPS	31%	32%	+1%	19%	+13%

**Average Progress Scores for Trust Schools End of KS2 2017**

Key Stage Two	IfTL Cross School Average				
	2016 average progress score	2016 average progress score	2017 average Progress score	2016 comparative to 2017 average progress score	Distribution of 2017 average progress score Comparative to National
Maths	-3.02	-1.4	0	+1.4	Middle 20% of Schools
Reading	-1.53	-0.71	-0.07	+0.64	Middle 20% of Schools
Writing	-1.82	+0.61	+1	+0.39	Top 40% of schools

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**STRATEGIC REPORT**  
**Achievement and performance**  
*Key performance indicators*

**Average KS2 Teacher Assessment for Trust Schools End of KS2 2017**

Key Stage 2 – Teacher Assessment Reported Data	2017 National	IFtL Trust Schools – Average		
		Average Percent Achieved	Average Percent comparative to National 2017 and GD 2016	School test 2016 to TA 2017
% of children achieving greater depth within the expected standard				
Combined	61%	73%	+12%	+19%
Reading	71%	80.5%	+9.5%	+10.5%
Writing	76%	82.5%	+6.5%	+1%
Maths	75%	78%	+3%	+11%
GPS	77%	78%	+1%	+5%
% of children achieving greater depth within the expected standard				
Combined	5%	15%	+10%	+7%
Reading	25%	37%	+12%	+14%
Writing	18%	25%	+7%	+2%
Maths	23%	28%	+5%	+12%
GPS	31%	31%	0%	+12%

**KS1 Reported Data for Trust Schools End of KS2 2017:**

Key Stage 1 – Reported Data	2016 National	IfL Trust Schools - Average		
		Average Percent Achieved	Average Percent comparative to National	Average Increase 2016 to 2017
% of children achieving greater depth within the expected standard				
Reading	74%	71.5%	-2.5%	+6.5%
Writing	65%	53%	-12%	+19%
Maths	73%	74%	-6%	+7%
% of children achieving greater depth within the expected standard				
Reading	24%	16.5%	-7.5%	-2%
Writing	13%	5%	-8%	+6.3%
Maths	18%	11%	-7%	+9%

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**REPORT OF THE TRUSTEES  
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**STRATEGIC REPORT**

**Achievement and performance**

*Key performance indicators*

**Year One – Phonics Check:**

Year One Phonics Target Pass %	2016 National	IFtL Trust Schools Average			
		Phonic Check	Average Phonic Check	Average Percent comparative to National	School 2016 to 2017
(pass mark 32)	81%	91%	82%	+1%	+3.5%

**Reception – Good Levels of Development**

GLD Target %	2016 National	IFtL Trust Schools Average		
		Average Percent	Average Percent comparative to National	School 2016 to 2017
	69%	72.5%	+3.2%	+4.8%

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**REPORT OF THE TRUSTEES  
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**STRATEGIC REPORT**

**Achievement and performance: Initial Teacher Training**

Achievements of the ITTP in 2016/17 are as follows:

The teaching school has worked to identify itself as a beacon of highly effective school improvement which is sustainable and adds capacity to Trust Schools and the region.

Two Mile Ash Initial Teacher Training Partnership (TMAITTP) is nationally recognised as a case study for excellent practice in school based provision. Staff from within the SCITT have been invited to speak at a number of high profile national events, raising the profile of the Teaching School both locally and on a national scale.

Our SCITT provision appears in the top ten providers in the country in the Good Teacher Training Guide 2015.

The reputation for excellence has been profound in establishing the MAT.

Outcomes for trainees	2015	2016	2017
Attainment	2	1	1
How well trainees teach	2	1	1
Completion rates	1	1	1
Employment rates	1	1	1

Key: Grade 1 = Outstanding, Grade 2 = Good

**Achievement and Performance: Milton Keynes Teaching School Alliance**

Sarah Bennett (CEO) has been elected as teaching school council representative for North West London and South Central.

During the year the teaching school has delivered many different areas of activity, including school to school support, by facilitating leaders in Maths and English locally to be deployed across schools.

**Continuing Professional Development**

As part of our provision we have developed our CPD provision, including successfully organising;

- 58 MKTSA events at which 80 Schools engaged
- Of those 80 schools, 1 was from outside of Milton Keynes while the rest came from the immediate locality
- Evaluations of sessions indicate 63% Excellent and 36% Good

On building on our strengths and previous activities we have extended our early years support by supporting the development of an early years hubs across Milton Keynes.

To continue our aim of being sustainable we will continue to review our provisions and support through the AY 17/18. In part we are funded through our Collaborative Core Grant, which is guaranteed until 2019.

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**STRATEGIC REPORT**

**Financial review**

*Principal funding sources*

Most of the MAT's income is derived from the DfE in the form of recurrent grants disbursed via the Education Skills and Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received during the year ended 31st August 2017 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year the MAT has grown. Shown within the accounts are the assets and liabilities on conversion. Within the SOFA are the net liabilities on conversion from the local authority being £1,354,000 representing the Pension Deficits on conversion. Against this, is shown £9,562,740 within Restricted Fixed Asset Fund which represents the value of the assets transferred on conversion - such as Land and Buildings, IT and Equipment.

At the Year End as included within Note 25, the schools and departments of the organisation have total reserves of £851,749, excluding funds held for Fixed Assets. To support the deployment of these reserves during the year we have implemented policies on the following areas, to develop and ensure Value for Money and the effective use of funds:

- Procurement Policies,
- Reserves Policies,
- Segregation of duties policies,
- Budget Monitoring policies.

These coupled with Financial Schemes of Delegation support the financial framework of the MAT.

We continue to review the needs of our Schools and organisation to ensure that our financial position and direction will support the education of our children.

*Investment policy*

IFTL does not consider the investment of surplus funds to be appropriate at this point in time. This will be reviewed on a regular basis.

Cash flow monitoring is carried out regularly and consideration of the level of reserves held for the planned activity reviewed.

*Reserves policy*

The purpose of the reserves policy for IFTL is to ensure that stability of all of its schools and operations. This will provide protection and allow to adjust quickly to financial circumstances and changes.

The trusts policy requires all schools and operations to have a plan to reach reserves the equivalent of 8% of GAG.

As a trust of unique and individual schools the trust expects deviation from this, but in consideration with the founding principle of the Reserves Policy.

Should any school have below the required threshold (including Unrestricted Funds), the school is required to plan to build to this level over a medium term of three years.

Over-all within the trust the level of reserves is considered adequate.

The trustees review the level of reserves on a termly basis.

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**STRATEGIC REPORT**

**Financial review**

*Going concern*

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

*Funds in deficit*

**Local Government Pension Scheme**

As a whole the trust has a deficit for the Local Government Pension Scheme. This is not exceptional for the school sector. Arrangements via central government allow for the deficit to be repaid over a long period of time. The rates of contribution are determined every 3 years. These contributions nor the liability are considered to impact on the operational ability of the schools and the trust.

**Principal risks and uncertainties**

Through the trust's risk management procedures, and risk register it has considered its principle risks and areas of uncertainty and planned mitigating action wherever possible. The key areas of risk identified by the trustees are:

- Change in government funding
- Reduction in pupil numbers through, competition, decline in intake population numbers, damaged reputation and incorrect forecasting of development demand/completion rate (for new housing development)
- Reduction in performance standards/poor Ofsted grading
- Loss of key senior personnel
- Recruitment and retention of quality teachers, in line with national challenges

The trust has undertaken the following controls to mitigate these risks:

- Kept informed and updated regarding government funding changes/updates and where possible try to influence academy funding methodology
- Actively aware of changing population demographics, proactive promotion of schools with places and liaison with developers to understand development growth
- Regular challenge and support on standards and performance between schools
- Increase the quality of good and outstanding teaching and learning
- Appointment of the CFO and Head of School Development posts
- Clear CEO support network, competent core team to ensure operations continue in a consistent and effective manner.

**Future plans of inspiring futures through learning**

The trust has identified the following areas of development:

- Identify like-minded schools who share the same values and ethos to join the trust;
- Develop the existing governance structure to improve strategic direction and governance of the trust;
- Ongoing review of centralised services to enable schools to focus on core educational activities;
- Development of a well-being strategy for both children and staff;
- Growing CPD opportunities for staff within timetable and providing enriching activities supporting the education and wellbeing of our children.

**Funds Held as Custodian Trustee on Behalf of Others**

No funds are held by Custodian trustees. All assets and bank accounts are in the name of the Trust.



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

**Governing document**

The academy trust is a company limited by guarantee and an exempt charity.

The academy is constituted under a memorandum of articles suitable for a multi-academy trust.

The board of trustees are appointed as directors to the charitable company for the purposes of company law.

The charitable company is known as Inspiring Futures through Learning.

The company number is 07698904 (England and Wales).

**Members' liability**

The current members of the charitable company are:

- S Fulton (resigned 11/1/17)
- M Hubbard
- G Swepston (appointed 17/12/15)
- M Wogan (appointed 21/09/2016)
- T Knight (appointed 11/1/17)

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

**Trustees' Indemnities**

Inspiring Futures through Learning (IFtL) 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 £10 million in any one claim.

**Recruitment and appointment of new trustees**

The board of trustees is responsible for appointing trustees.

The management of the academy is the responsibility of the trustees who are appointed under the terms of the articles of association. Recruitment and appointment is directed by the board of trustees 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 trustees.

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The trust comprises of 6 primary academy schools: Two Mile Ash School, Whitehouse Primary School, Chestnuts Primary School since November 2016, Olney Infant Academy since January 2017, Olney Middle School since February 2017 and Fairfield's Primary School which opened in September 2017. Since September 2016 the organisation has operated with a board of trustees (directors) and a local governing body (LGB) for each school. Two Mile Ash School, Chestnuts Primary School, Olney Infant Academy and Olney Middle School have an established structure of governance, Whitehouse Primary School and Fairfield's Primary School are currently governed by the board of trustees until a time when an established LGB can be formed from the growing community. The annual report serves the purposes of both a trustee's report, and a directors.

The board of trustees has the responsibility of the whole organisation and meets termly along with sub-committees to delegate monitoring, review and challenge in specific areas.

The board of trustees has two formed committees that review, monitor and make decisions (up to a level) on each of the Schools and the Trust activities. These committees are: Finance and Future Growth Committee and the Educational Excellence Group. These committees meet termly. Our Scheme of Delegation and Terms of Reference combine the full agenda and consideration for each committee.

The Headteachers meet on a termly basis.

The trust senior manager team meet on a monthly basis.

The business managers and Headteachers meet with the trust senior team on a half termly basis.

The chairs of all schools and chair of trustees' board meets a minimum of twice a year.

**Induction and training of new governors**

A comprehensive induction programme is in place for all newly appointed trustees (directors). All trustees are provided with copies of trust policies, procedures, minutes, accounts, budgets and plans and any other documents needed to undertake their role of trustees effectively.

Trustees are encouraged to attend relevant training to meet their needs. IFtL seeks to provide appropriate and up-to-date advice guidance and training for trustees, governors and staff as policy dictates.

**Key management remuneration**

IFtL adheres to its own pay policy for schools within the trust which is broadly in line with the local authority agreed pay policy. This includes pay for the senior leadership teams within schools. Trust leadership team roles are benchmarked outside of this with data provided by the trust head of HR, with the exception of the CFO and CEO roles. The CFO and CEO roles are benchmarked externally by Bucks Learning Trust. The board of trustees seeks external support for the setting of the performance management review and benchmarking by Bucks Learning Trust with regards to the CEO and CFO positions. This policy is reviewed and endorsed annually by the trustees.

The trustees are responsible for making trust-wide decisions on pay increases stemming from government pay recommendations. In addition to this, following performance reviews/annual appraisal meetings, any individual pay recommendations for the school senior leadership team within the recommended local authority pay bands can be sent to the relevant school local board of governors with evidence of targets met for review and approval. Individual pay recommendations for the trust leadership team are sent to the trustees for review and approval.

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2017**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**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.

**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.

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

So far as the trustees 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 trustee has taken all the steps that they ought to have taken as a trustee 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 trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20 December 2017 and signed on the board's behalf by:

  
.....  
M A Hubbard - Chair of Trustees

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2017**

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Inspiring Futures Through Learning (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 trustees has delegated the day-to-day responsibility to the CEO, 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 Inspiring Futures Through Learning (A company limited by guarantee) and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 11 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
S E Bennett (CEO)	4	4
B Ball	3	4
H Datoo	2	4
S J Fulton	3	3
M A Hubbard (Chair)	4	4
M Dolling	2	2
G Swepston	4	4
P Navin	1	3
B Stanley	4	4

The Finance and Future Growth 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 A Hubbard	4	4
H Datoo	2	4
S E Bennett (CEO)	4	4
S J Fulton	2	3
G Swepston (Chair)	4	4
M Dolling	2	2

The Educational Excellence Committee is a sub-committee of the main governing body. Its main purpose is to focus is on improving the Trusts standard of education but also reviewing, challenging and directing the Schools and the Trusts organisations towards Educational Excellence.

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2017**

**Governance**

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
M A Hubbard	1	3
B Ball (Chair)	2	3
S E Bennett (CEO)	3	3
P Navin	0	2
B Stanley	3	3

**Review of Value for Money**

As accounting officer the CEO 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:

- Take the opportunity of centralised procurement to achieve better Value for Money
- Provided review and challenge of our schools needs and plans, including reviewing whether they offer Value for Money
- Considered Terms and Conditions of Staff and the investment in staff to develop further
- Explored and championed opportunities across the trust for teachers and staff to offer development opportunities
- Utilised our staff by generating additional income from deployment at other organisations, whilst adding value to each other

We have invested in the development of a central portal across our schools and trust to facilitate communication. We continue to explore opportunities to achieve better Value for Money with smart use of IT 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 Inspiring Futures Through Learning (A company limited by Guarantee) for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

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

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2017**

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed by the schools FFG as well as at trust level;
- regular reviews by the Finance and Future Growth 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 trustees has considered the need for a specific internal audit function and have made use of external providers such as Landers Accountants Ltd, the external auditor, and Buckinghamshire Learning Trust (BLT) for financial reviews.

The auditors' role includes giving advice on financial matters and performing a range of checks on the trust's financial statements. On a termly basis, the CFO reports to the FFG 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 CEO 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 trust who have responsibility for the development and maintenance of the internal control framework.

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

The trust has carried out an external review of governance throughout 2016/17 and continues to consider strong governance as a priority.

Approved by order of the members of the board of trustees on 20 December 2017 and signed on its behalf by:

  
M A Hubbard - Chair of Trustees

  
S E Bennett - Accounting Officer

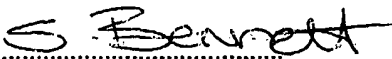
**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2017**

As accounting officer of Inspiring Futures Through Learning (A company limited by Guarantee) I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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

  
.....  
S E Bennett - Accounting Officer

Date: 20 December 2017

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2017**

The trustees (who act as governors of Inspiring Futures Through Learning and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the board of trustees on 20 December 2017 and signed on its behalf by:

  
.....  
M A Hubbard - Chair of Trustees



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**Opinion**

We have audited the financial statements of Inspiring Futures Through Learning (A company limited by Guarantee) (the 'academy trust') for the year ended 31 August 2017 on pages twenty eight to sixty one. 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 2016 to 2017 issued by the Education and Skills Funding Agency (ESFA).

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.

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 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2016 to 2017.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

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

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities set out on page twenty two, the trustees (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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Our responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

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

**Date: 20 December 2017**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE) AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspiring Futures Through Learning (A company limited by Guarantee) during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Inspiring Futures Through Learning (A company limited by Guarantee)'s accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Inspiring Futures Through Learning (A company limited by Guarantee)'s funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes 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 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- 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 Trust, with reference to the income streams and other information available to us as auditors of the Trust
- 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  
INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE) AND THE EDUCATION AND SKILLS 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 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

Date: 20 December 2017

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2017**

				2017	2016	
	Notes	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	2	71,382		488,933	560,314	376,128
Transfer from Local Authority on conversion		140,440	(1,354,000)	9,562,740	8,349,180	-
<b>Charitable activities</b>	6					
Funding for the academy's educational operations	3	614,898	7,204,267	-	7,819,166	3,556,474
Initial Teacher Training Partnership		-	360,680	-	360,680	329,347
Other trading activities	4	452,066	4,937	-	457,003	370,414
Investment income	5	790	110	-	900	501
Other income		-	50,000	1,136	51,136	29,000
<b>Total</b>		<b>1,279,576</b>	<b>6,265,993</b>	<b>10,052,810</b>	<b>17,598,379</b>	<b>4,661,864</b>
<b>EXPENDITURE ON</b>						
Raising funds	8	535,271	16,719	-	551,990	414,914
<b>Charitable activities</b>	10					
Academy's educational operations		534,351	7,615,837	375,826	8,526,014	3,625,404
Initial Teacher Training Partnership		-	155,964	-	155,964	273,357
<b>Total</b>	7	<b>1,069,622</b>	<b>7,788,520</b>	<b>375,826</b>	<b>9,233,968</b>	<b>4,313,675</b>
<b>NET INCOME/(EXPENDITURE)</b>						
		209,954	(1,522,527)	9,676,984	8,364,411	348,189
<b>Transfers between funds</b>	25	<b>272,660</b>	<b>(320,142)</b>	<b>47,482</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>						
Actuarial gains/losses on defined benefit schemes		-	(62,000)	-	(62,000)	(651,000)
<b>Net movement in funds</b>		<b>482,614</b>	<b>(1,904,669)</b>	<b>9,724,466</b>	<b>8,302,411</b>	<b>(302,811)</b>

The notes form part of these financial statements

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES - CONTINUED  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2017**

				2017	2016
	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £	Total funds £
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>	80,780	(761,980)	5,276,606	4,595,406	4,898,217
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>563,394</u>	<u>(2,666,649)</u>	<u>15,001,072</u>	<u>12,897,817</u>	<u>4,595,406</u>

**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 2016 figures include the results of Inspiring Futures Through Learning previously known as Two Mile Ash School, Whitehouse Primary School and Fairfields Primary School only.

The notes form part of these financial statements

**INSPIRING FUTURES THROUGH LEARNING**  
**(A COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: 07698904)**

**BALANCE SHEET**  
**AT 31 AUGUST 2017**

	Notes	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible assets	18	14,531,227	4,988,523
<b>CURRENT ASSETS</b>			
Debtors	19	371,379	111,788
Investments	20	1	1
Cash at bank and in hand		<u>1,685,335</u>	<u>1,064,438</u>
		2,056,715	1,176,227
<b>CREDITORS</b>			
Amounts falling due within one year	21	(735,125)	(450,344)
<b>NET CURRENT ASSETS</b>		<u>1,321,590</u>	<u>725,883</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		15,852,817	5,714,406
<b>PENSION LIABILITY</b>	26	(2,955,000)	(1,119,000)
<b>NET ASSETS/(LIABILITIES)</b>		<u>12,897,817</u>	<u>4,595,406</u>

The notes form part of these financial statements




**INSPIRING FUTURES THROUGH LEARNING**  
**(A COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: 07698904)**

**BALANCE SHEET - CONTINUED**  
**AT 31 AUGUST 2017**

	Notes	2017 £	2016 £
<b>FUNDS</b>	25		
Unrestricted funds:			
General fund		563,394	80,780
Restricted funds:			
General Annual Grant (GAG)		103,666	31,111
Restricted pension fund		(2,955,000)	(1,119,000)
Pupil premium		-	64,089
Educational visits		26,018	10,216
Other restricted funds		26,921	30,011
Initial Teacher Training		99,897	82,306
Milton Keynes Teaching School			
Alliance		4,137	54,355
Early years fund		4,251	-
Start-up and resources fund		23,462	84,932
		(2,666,648)	(761,980)
Restricted Fixed Asset funds		15,001,071	5,276,606
<b>TOTAL FUNDS</b>		<b>12,897,817</b>	<b>4,595,406</b>

The financial statements were approved by the Board of Trustees on 20 December 2017 and were signed on its behalf by:

  
M A Hubbard -Chair of Trustees

  
S E Bennett -CEO

The notes form part of these financial statements

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2017**

	Notes	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	30	319,758	424,910
Interest paid		<u>(3,412)</u>	<u>(310)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>316,346</u>	<u>424,600</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(696,011)	(142,494)
Capital grants from DfE/ESFA		488,933	376,128
Sale of tangible fixed assets		4,395	-
Interest received		<u>900</u>	<u>501</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(201,783)</u>	<u>234,135</u>
<b>Cash transferred on conversion to the trust</b>		<u>506,334</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>620,897</u>	<u>658,735</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,064,438</u>	<u>405,703</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>1,685,335</u>	<u>1,064,438</u>

The notes form part of these financial statements

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

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

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Inspiring Futures Through Learning (A company limited by Guarantee) meets the definition of a public benefit entity under FRS 102.

**Going concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Income**

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Grants**

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

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

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

**Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**1. ACCOUNTING POLICIES - continued**

**Other income**

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

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy trust to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Raising funds**

Raising funds includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

**Charitable activities**

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

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**1. ACCOUNTING POLICIES - continued**

**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
Long leasehold	- 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 trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**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/donor and include grants from the Education Funding Agency.

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

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 29, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**1. ACCOUNTING POLICIES - continued**

**Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**Leased assets**

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

**Investments**

The academy's shareholding in the wholly owned subsidiary, Two Mile Ash School Limited, is included in the balance sheet at the cost of the share capital owned less any impairment.

**Critical accounting estimates and areas of judgement**

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

**Critical accounting estimates and assumptions**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**2. DONATIONS AND CAPITAL GRANTS**

	2017 £	2016 £
Donations	71,382	-
Grants	<u>488,933</u>	<u>376,128</u>
	<u>560,314</u>	<u>376,128</u>

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

	2017 £	2016 £
Capital funding	<u>488,933</u>	<u>376,128</u>

**3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	2017 Total funds	2016 Total funds
	£	£	£	£	£
Hire of facilities	75,056	-	-	75,056	8,671
School trips, kidz club and other clubs	222,226	201,623	-	423,849	338,355
Educational development income	45,715	196,821	-	242,536	383,860
Grants	<u>271,901</u>	<u>6,805,824</u>	<u>-</u>	<u>7,077,725</u>	<u>2,825,588</u>
	<u>614,898</u>	<u>7,204,268</u>	<u>-</u>	<u>7,819,166</u>	<u>3,556,474</u>



**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued**

An analysis of grants received is given below:

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	2017 Total funds	2016 Total funds
	£	£	£	£	£
<b>DfE/ESFA revenue grant</b>					
General Annual Grant(GAG)	-	5,644,772	-	5,644,772	2,294,929
Pupil premium	-	360,834	-	360,834	246,635
Local Authority grants	<u>271,901</u>	<u>440,778</u>	<u>-</u>	<u>712,679</u>	<u>250,634</u>
	271,901	6,446,384	-	6,718,285	2,792,198
<b>Other government grant</b>					
Other grants	<u>-</u>	<u>359,440</u>	<u>-</u>	<u>359,440</u>	<u>33,390</u>
	<u>271,901</u>	<u>6,805,824</u>	<u>-</u>	<u>7,077,725</u>	<u>2,825,588</u>

**4. OTHER TRADING ACTIVITIES**

	2017 £	2016 £
Catering income	450,930	370,414
Other income	<u>6,073</u>	<u>-</u>
	<u>457,003</u>	<u>370,414</u>

**5. INVESTMENT INCOME**

	2017 £	2016 £
Deposit account interest	<u>900</u>	<u>501</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	2017 £	2016 £
Initial teacher training partnership	Teacher training	<u>360,680</u>	<u>329,347</u>

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**6. INCOME FROM CHARITABLE ACTIVITIES - continued**

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

	2017 £	2016 £
General Annual Grant(GAG)	5,644,772	2,294,929
Pupil premium	360,834	246,635
Local Authority grants	712,679	250,634
Other grants	<u>359,440</u>	<u>33,390</u>
	<u><u>7,077,725</u></u>	<u><u>2,825,588</u></u>

**7. EXPENDITURE**

	Staff costs £	Non-pay expenditure Premises £	Other costs £	2017 Total £	2016 Total £
<b>Raising funds</b>					
Costs of fundraising	292,247	-	259,743	551,990	414,914
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	5,280,236	569,059	746,461	6,595,756	2,674,666
Allocated support costs	<u>1,134,457</u>	<u>365,260</u>	<u>430,541</u>	<u>1,930,258</u>	<u>950,738</u>
	<u><u>6,706,940</u></u>	<u><u>934,319</u></u>	<u><u>1,436,745</u></u>	<u><u>9,078,004</u></u>	<u><u>4,040,318</u></u>

Net income/ (expenditure) is stated after charging/(crediting):

	2017 £	2016 £
Auditors' remuneration	28,000	10,700
Depreciation - owned assets	346,896	152,511
Surplus on disposal of fixed asset	(1,136)	-
Operating leases	47,956	24,696
Fees payable to auditor for other services	<u><u>26,720</u></u>	<u><u>-</u></u>

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**8. RAISING FUNDS**

**Costs of fundraising**

	2017 £	2016 £
Staff costs	292,247	190,744
Catering expenses	213,987	195,245
School clubs and activities	<u>45,756</u>	<u>28,925</u>
	<u>551,990</u>	<u>414,914</u>

**9. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2017 Total funds £	2016 Total funds £
Direct costs	534,351	6,032,473	28,932	6,595,756	2,674,666
Support costs	<u>-</u>	<u>1,583,364</u>	<u>346,894</u>	<u>1,930,258</u>	<u>950,738</u>
	<u>534,351</u>	<u>7,615,837</u>	<u>375,826</u>	<u>8,526,014</u>	<u>3,625,404</u>

	2017 Total £	2016 Total £
<b>Analysis of support costs</b>		
Support staff costs	1,134,457	489,314
Depreciation	150,650	70,008
Technology and consultancy	21,176	16,145
Premises costs	365,260	167,215
Other support costs	160,144	191,509
Governance costs	<u>98,571</u>	<u>16,547</u>
<b>Total support costs</b>	<u>1,930,258</u>	<u>950,738</u>

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**10. CHARITABLE ACTIVITIES COSTS**

	Direct costs £	Support costs (See note 11) £	Totals £
Initial Teacher Training Partnership	155,964	-	155,964
Academy's educational operations	<u>6,595,756</u>	<u>1,930,258</u>	<u>8,526,014</u>
	<u>6,751,720</u>	<u>1,930,258</u>	<u>8,681,978</u>

**11. SUPPORT COSTS**

	Management £	Governance costs £	Totals £
Academy's educational operations	<u>1,831,687</u>	<u>98,571</u>	<u>1,930,258</u>

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

	2017 Academy's educational operations £	2016 Total activities £
Wages	906,821	387,809
Social security	61,069	25,727
Pensions	166,567	75,778
Technology and consultancy	21,176	16,145
School clubs and activities	156,732	191,199
Other costs	169,016	84,711
Depreciation of tangible and heritage assets	346,894	152,512
Interest payable and similar charges	3,412	310
Other costs	70,571	5,847
Auditors' remuneration	<u>28,000</u>	<u>10,700</u>
	<u>1,930,258</u>	<u>950,738</u>

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**12. TRUSTEES' REMUNERATION AND BENEFITS**

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

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

S Bennett (CEO and trustee):

Remuneration: £125,000 - £130,000 (2016: £115,000 - £120,000)

Employer's pension contributions paid: £15,000 - £20,000 (2016: £15,000 - £20,000)

During the year a total of £704 was reimbursed to S Bennett for expenditure incurred personally on behalf of the trust. All expenditure was in connection to her employment duties.

**Trustees' expenses**

During the period ended 31 August 2017, travel and subsistence expenses totalling £395 were reimbursed or paid directly to 3 trustees (2016: £nil).

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**13. STAFF COSTS**

	2017	2016
	£	£
Wages and salaries	5,069,431	2,096,853
Social security costs	426,755	170,751
Operating costs of defined benefit pension schemes	<u>1,218,815</u>	<u>454,960</u>
	6,715,001	2,722,564
Compensation payments	<u>-</u>	<u>750</u>
	<u><u>6,715,001</u></u>	<u><u>2,723,314</u></u>

**Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £365,485 (2016: £334,074).

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

	2017	2016
Teachers	112	46
Administration and support	218	58
Management (SLT)	<u>23</u>	<u>4</u>
	<u><u>353</u></u>	<u><u>108</u></u>

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

	2017	2016
£60,001 - £70,000	2	1
£110,001 - £120,000	-	1
£120,001 - £130,000	<u>1</u>	<u>-</u>
	<u><u>3</u></u>	<u><u>2</u></u>

The above employees participated in the Teachers' Pension Scheme.

**14. NON CONTRACTUAL STAFF SEVERANCE PAYMENTS**

Included in staff restructuring costs are non-contractual severance payments totalling £nil (2016: £750). Individually, the payment was: £750.

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**15. TRUSTEES' 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 2017 was included within the total insurance cost.

**16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	-	-	376,127	376,128
<b>Charitable activities</b>				
Funding for the academy's educational operations	130,748	3,425,726	-	3,556,474
Initial Teacher Training Partnership	-	329,347	-	329,347
Other trading activities	370,414	-	-	370,414
Investment income	51	450	-	501
Other income	-	29,000	-	29,000
<b>Total</b>	<b>501,213</b>	<b>3,784,524</b>	<b>376,127</b>	<b>4,661,864</b>
<b>EXPENDITURE ON</b>				
Raising funds	408,617	6,297	-	414,914
<b>Charitable activities</b>				
Academy's educational operations	-	3,457,960	167,444	3,625,404
Initial Teacher Training Partnership	-	273,357	-	273,357
<b>Total</b>	<b>408,617</b>	<b>3,737,614</b>	<b>167,444</b>	<b>4,313,675</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>92,596</b>	<b>46,910</b>	<b>208,683</b>	<b>348,189</b>
<b>Transfers between funds</b>	<b>(66,250)</b>	<b>51,307</b>	<b>14,943</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	-	(651,000)	-	(651,000)
<b>Net movement in funds</b>	<b>26,346</b>	<b>(552,783)</b>	<b>223,626</b>	<b>(302,811)</b>

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<b>54,433</b>	<b>(209,196)</b>	<b>5,052,980</b>	<b>4,898,217</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>80,779</b>	<b>(761,979)</b>	<b>5,276,606</b>	<b>4,595,406</b>

**17. CENTRAL SERVICES**

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

- Financial Management Support
- Payroll and HR Advice
- Communication and Marketing Support
- Educational development

As a trust we have formed many networks across the schools, facilitated discussion and review of key areas and provided a forum to challenge outcomes as well as formulate solutions.

The trust pays for these central services by charging a flat percentage (5%) on the Schools GAG funding. Where schools require additional capacity support additional Service Level Agreements are formed.

Fairfields Primary School opened in September 2017 at which point a central charge was levied of 5% on GAG income. For the TMA ITTP, MKTSA and Fairfields Primary School within this year of operation, charges were made for services provided on a cost basis.

In respect of the central services the following charges were made during the year. As the MAT was not functioning with two or more schools by 31st August 2016 no comparative is given.

	2017 £
Chestnuts Primary School	66,000
Olney Infant Academy	31,000
Olney Middle School	39,000
Two Mile Ash School	111,000
Whitehouse Primary School	36,000
<b>TOTAL</b>	<b>283,000</b>



**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**18. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Improvement to property £
<b>COST</b>			
At 1 September 2016	5,155,518	-	162,920
Additions	6,323,276	2,873,568	231,535
Disposals	-	-	-
At 31 August 2017	11,478,794	2,873,568	394,455
<b>DEPRECIATION</b>			
At 1 September 2016	419,393	-	53,950
Charge for year	148,352	47,893	30,347
Eliminated on disposal	-	-	-
At 31 August 2017	567,745	47,893	84,297
<b>NET BOOK VALUE</b>			
At 31 August 2017	10,911,049	2,825,675	310,158
At 31 August 2016	4,736,125	-	108,970

	Office equipment £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 September 2016	92,226	129,415	168,956	5,709,035
Additions	75,100	163,614	225,766	9,892,859
Disposals	(518)	-	(3,880)	(4,398)
At 31 August 2017	166,808	293,029	390,842	15,597,496
<b>DEPRECIATION</b>				
At 1 September 2016	38,131	112,381	96,657	720,512
Charge for year	25,861	28,388	66,055	346,896
Eliminated on disposal	(133)	-	(1,006)	(1,139)
At 31 August 2017	63,859	140,769	161,706	1,066,269
<b>NET BOOK VALUE</b>				
At 31 August 2017	102,949	152,260	229,136	14,531,227

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

At 31 August 2016	<u>54,095</u>	<u>17,034</u>	<u>72,299</u>	<u>4,988,523</u>
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Included in land and buildings is freehold land with a net book value amount of £2,030,338 (2016: £1,030,338) which is not depreciated.

During the year there was a delay in the DfE asset valuations requiring trustees to value land and property transferred from the local authority using a known cost per square metre basis. The value of the assets totals £9,196,844 and will be reassessed in 2018 on receipt of the final DfE valuations.

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

	2017	2016
	£	£
Trade debtors	109,988	20,917
Other debtors	20,451	2,862
VAT	48,900	-
Prepayments and accrued income	<u>192,040</u>	<u>88,009</u>
	<u>371,379</u>	<u>111,788</u>

**20. CURRENT ASSET INVESTMENTS**

	2017	2016
	£	£
Shares in group undertakings	<u>1</u>	<u>1</u>

Included within current asset investments is a 100% shareholding in Two Mile Ash School Limited, a dormant company during the period. Consolidated group accounts have not been prepared on the basis that the company is exempt under Section 405(2) of the Companies Act 2006 from the requirements to prepare consolidated financial statements as the inclusion of the subsidiary undertaking is not material for the purpose of giving a true and fair view.

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

	2017	2016
	£	£
Trade creditors	267,786	205,490
VAT	-	53,947
Other creditors	166,445	110,234
Accruals and deferred income	<u>300,894</u>	<u>80,673</u>
	<u><u>735,125</u></u>	<u><u>450,344</u></u>

**Deferred income**

	2017	2016
	£	£
Deferred income at 1 September 2016	19,114	18,961
Resources deferred in the year	120,073	19,114
Amounts released from previous years	<u>(19,114)</u>	<u>(18,961)</u>
Deferred income at 31 August 2017	<u><u>120,073</u></u>	<u><u>19,114</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.

**22. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017	2016
	£	£
Within one year	41,032	10,961
Between one and five years	52,012	-
In more than five years	<u>1,859</u>	<u>-</u>
	<u><u>94,903</u></u>	<u><u>10,961</u></u>

**23. 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.

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

				2017	2016
	Unrestricted fund	Restricted funds	Restricted fixed asset fund	Total funds	Total funds
	£	£	£	£	£
Fixed assets	-	-	14,531,227	14,531,227	4,988,523
Current assets	563,394	1,023,477	469,844	2,056,715	1,176,227
Current liabilities	-	(735,125)	-	(735,125)	(450,344)
Pension liability	-	(2,955,000)	-	(2,955,000)	(1,119,000)
	<u>563,394</u>	<u>(2,666,648)</u>	<u>15,001,071</u>	<u>12,897,817</u>	<u>4,595,406</u>

**25. MOVEMENT IN FUNDS**

	At 1.9.16 £	Net movement in funds £	Transfers between funds £	At 31.8.17 £
<b>Unrestricted funds</b>				
General fund	80,780	209,954	272,660	563,394
<b>Restricted funds</b>				
General Annual Grant (GAG)	31,111	40,000	32,555	103,666
Restricted pension fund	(1,119,000)	(1,836,000)	-	(2,955,000)
Pupil premium	64,089	(64,089)	-	-
Educational visits	10,216	15,633	169	26,018
Other restricted funds	30,011	26,923	(30,013)	26,921
Initial Teacher Training	82,306	204,827	(187,236)	99,897
Milton Keynes Teaching School Alliance	54,355	467	(50,685)	4,137
Early Years fund	-	4,251	-	4,251
Start-up and resources fund	84,932	23,462	(84,932)	23,462
	<u>(761,980)</u>	<u>(1,584,526)</u>	<u>(320,142)</u>	<u>(2,666,648)</u>
<b>Restricted fixed asset funds</b>				
Restricted Fixed Asset	5,276,606	9,676,983	47,482	15,001,071
<b>TOTAL FUNDS</b>	<u>4,595,406</u>	<u>8,302,411</u>	<u>-</u>	<u>12,897,817</u>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**25. MOVEMENT IN FUNDS - continued**

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	1,279,576	(1,069,622)	-	209,954
<b>Restricted funds</b>				
General Annual Grant (GAG)	5,644,770	(5,604,770)	-	40,000
Restricted pension fund	(1,304,000)	(470,000)	(62,000)	(1,836,000)
Pupil premium	360,834	(424,923)	-	(64,089)
Educational visits	201,293	(185,660)	-	15,633
Other restricted funds	751,542	(724,619)	-	26,923
Initial Teacher Training	360,791	(155,964)	-	204,827
Milton Keynes Teaching School Alliance	163,230	(162,763)	-	467
Early Years fund	62,534	(58,283)	-	4,251
Start-up and resources fund	<u>25,000</u>	<u>(1,538)</u>	<u>-</u>	<u>23,462</u>
	6,265,994	(7,788,520)	(62,000)	(1,584,526)
<b>Restricted fixed asset funds</b>				
Restricted Fixed Asset	<u>10,052,809</u>	<u>(375,826)</u>	<u>-</u>	<u>9,676,983</u>
<b>TOTAL FUNDS</b>	<u><u>17,598,379</u></u>	<u><u>(9,233,968)</u></u>	<u><u>(62,000)</u></u>	<u><u>8,302,411</u></u>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**25. MOVEMENT IN FUNDS - continued**

**Total funds analysis by academy**

Fund balances as at 31 August 2017 were allocated as follows:

	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Two Mile Ash School	306,715	352,868
Whitehouse Primary School	127,160	84,932
Chestnuts Primary School	7,848	-
Olney Infant Academy	85,515	-
Olney Middle School	51,437	-
Fairfields Primary School	32,929	-
TMA - ITT	99,897	-
Milton Keynes Teaching School Alliance (MKTSA)	4,137	-
IFTL central services	136,110	-
	<hr/>	<hr/>
	851,749	437,800
Restricted fixed asset fund	15,001,071	5,276,606
Pension reserve	(2,955,000)	(1,119,000)
	<hr/>	<hr/>
	12,897,817	4,595,406

**Total cost analysis by academy**

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

	<b>Teaching and Educational Support £</b>	<b>Other Support £</b>	<b>Educational Supplies £</b>	<b>Other costs (excluding depreciation) £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Two Mile Ash School	2,014,364	636,593	45,023	680,329	3,376,308	4,017,513
Whitehouse Primary School	159,767	89,578	42,946	128,751	421,043	128,717
Chestnuts Primary School	1,304,487	159,444	39,298	236,457	1,739,687	-
Olney Infant Academy	551,537	143,510	18,884	136,210	850,141	-
Olney Middle School	661,439	160,697	9,660	126,176	957,972	-
Fairfields Primary School	58,327	38,012	27,270	57,061	180,670	-
TMA - ITT				147,175	147,175	-
Milton Keynes Teaching School Alliance (MKTSA)			3,240	159,524	162,764	-
IFTL central services	200,003	198,889	5,360	180,927	585,179	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	4,949,924	1,426,723	191,681	1,852,609	8,420,938	4,146,231

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**25. MOVEMENT IN FUNDS - continued**

**Funds**

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

**General Annual Grant (GAG)**

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2017. This limit was not exceeded in the current year.

**Pupil Premium**

This funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for school meals.

**Educational Visits**

This represents contributions made by parents to the running of educational visits for the pupils of the academy and the associated costs of running the trips.

**Pension Reserve**

This fund represents the academy's share of the deficit of the Local Government Pension Scheme (LGPS) transferred to the academy on conversion from being a state controlled school.

**Restricted Fixed Asset Fund**

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

**Capital Grants**

The academy may use the capital grants to maintain and improve its buildings and facilities.

**Other Restricted Funds**

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

**26. 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 latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £71,252 were payable to the schemes at 31 August 2017 (2016: £50,519) and are included within creditors.

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**26. 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 benefits 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%, which was payable from September 2015. The next valuation of the TPS will be 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 the TPS in the period amounted to £487,089 (2016: £237,695).

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

Under the definitions set out in FRS 102, the TPS is 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.



**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £376,000 (2016: £190,000), of which employer's contributions totalled £289,000 (2016: £144,000) and employees' contributions totalled £87,000 (2016: £46,000). The agreed contribution rates for future years are 20% per cent for employers and between the ranges of 5.5% to 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.

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	<b>(5,595,000)</b>	<b>(2,057,000)</b>
Fair value of plan assets	<b><u>2,640,000</u></b>	<b><u>938,000</u></b>
	<b><u>(2,955,000)</u></b>	<b><u>(1,119,000)</u></b>
Deficit	<b><u>(2,955,000)</u></b>	<b><u>(1,119,000)</u></b>
Liability	<b><u>(2,955,000)</u></b>	<b><u>(1,119,000)</u></b>

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

	<b>Defined benefit pension plans</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Current service cost	<b>658,000</b>	<b>210,000</b>
Net interest from net defined benefit asset/liability	<b>150,000</b>	<b>13,000</b>
Employer contributions	<b>(289,000)</b>	<b>(144,000)</b>
Administration expenses	<b><u>1,000</u></b>	<b><u>5,000</u></b>
	<b><u>520,000</u></b>	<b><u>84,000</u></b>
Actual return on plan assets	<b><u>224,000</u></b>	<b><u>88,000</u></b>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**26. 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>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	2,057,000	1,020,000
Current service cost	658,000	210,000
Contributions by scheme participants	87,000	46,000
Interest cost	100,000	42,000
Benefits paid	(3,000)	-
Business combinations	2,605,000	-
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	31,000	-
Actuarial (gains)/losses from changes in financial assumptions	96,000	739,000
Experience (gains)/losses on defined benefit obligation	(36,000)	-
	<u>5,595,000</u>	<u>2,057,000</u>

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

	<b>Defined benefit pension plans</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	938,000	636,000
Contributions by employer	289,000	144,000
Contributions by scheme participants	87,000	46,000
Interest on assets	50,000	29,000
Actuarial gains/(losses)	(195,000)	-
Benefits paid	(3,000)	-
Business combinations	1,251,000	-
Administration expense	(1,000)	(5,000)
Return on plan assets (excluding interest income)	224,000	88,000
	<u>2,640,000</u>	<u>938,000</u>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Actuarial (gains)/losses from changes in demographic assumptions	(31,000)	-
Actuarial (gains)/losses from changes in financial assumptions	(96,000)	(739,000)
Experience (gains)/losses on defined benefit obligation	36,000	-
Return on plan assets (excluding interest income)	<u>224,000</u>	<u>88,000</u>
	<u><b>133,000</b></u>	<u><b>(651,000)</b></u>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**26. 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>2017</b>	<b>2016</b>
<b>Gilts</b>	<b>10%</b>	<b>13%</b>
<b>UK equities</b>	<b>10%</b>	<b>9%</b>
<b>Overseas equities</b>	<b>40%</b>	<b>38%</b>
<b>Private equity</b>	<b>6%</b>	<b>8%</b>
<b>Other bonds</b>	<b>13%</b>	<b>12%</b>
<b>Property</b>	<b>7%</b>	<b>8%</b>
<b>Cash</b>	<b>3%</b>	<b>3%</b>
<b>Alternative assets</b>	<b>1%</b>	<b>1%</b>
<b>Hedge funds</b>	<b>5%</b>	<b>4%</b>
<b>Absolute return portfolio</b>	<b>5%</b>	<b>4%</b>

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

	<b>Fair value as at 31 August 2017 £000</b>	<b>Fair value as at 31 August 2016 £000</b>
<b>Gilts</b>	<b>257</b>	<b>122</b>
<b>UK equities</b>	<b>254</b>	<b>88</b>
<b>Overseas equities</b>	<b>1,064</b>	<b>353</b>
<b>Private equity</b>	<b>156</b>	<b>73</b>
<b>Other bonds</b>	<b>345</b>	<b>114</b>
<b>Property</b>	<b>194</b>	<b>77</b>
<b>Cash</b>	<b>91</b>	<b>31</b>
<b>Alternative assets</b>	<b>28</b>	<b>6</b>
<b>Hedge funds</b>	<b>124</b>	<b>36</b>
<b>Absolute return portfolio</b>	<b>127</b>	<b>38</b>
<b>Total market value of assets</b>	<b>2,640</b>	<b>938</b>
<b>Present value of scheme liabilities - funded</b>	<b>(5,595)</b>	<b>(2,057)</b>
<b>Surplus/(deficit) in the scheme</b>	<b>(2,955)</b>	<b>(1,119)</b>

The actual return on scheme assets was £224,000 (2016: £88,000)

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

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

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

	2017	2016
Discount rate for scheme liabilities	2.6%	2.2%
Rate of increase in salaries	4.2%	4.1%
Rate of increase for pensions in payment	2.7%	2.3%
Inflation assumptions (CPI)	2.7%	2.3%
RPI increases	3.6%	3.2%

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

	At 31 August 2017	At 31 August 2016
Retiring today:		
Males	23.9	23.8
Females	26.0	26.2
Retiring in 20 years:		
Males	26.2	26.1
Females	28.3	28.5

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**27. RELATED PARTY DISCLOSURES**

During the year the following transactions were carried out that are considered to be related party transactions as per the SORP and Academies Accounts Direction.

S Bennett, a Trustee (Director) of the company received the following benefits in:

Pay and benefits in kind: £120,000 - £130,000

Company pension contributions: £15,000 - £20,000

All monies received were paid in respect of duties of employment and not for work relating to being a Trustee. Ms Bennett held the positions of CEO to the Trust, Head Teacher of Two Mile Ash School and Head Teacher of Whitehouse Primary School. A thorough and diligent process of performance management was completed to ensure that pay and benefits were in reflection to her performance and position.

During the year a total of £704 was reimbursed to S Bennett for expenditure incurred personally on behalf of the company. All expenditure was in connection to her employment duties.

During the year the following expenditure was paid Trustees in reimbursement of costs incurred personally in respect of their duties as Trustees.

M Hubbard £68, B Ball £149 and B Stanley £178.

**28. ULTIMATE CONTROLLING PARTY**

There is no controlling party for the period.

**29. COMPANY LIMITED BY GUARANTEE**

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

**INSPIRING FUTURES THROUGH LEARNING  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2017**

**30. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2017 £	2016 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>8,364,411</b>	<b>348,189</b>
<b>Adjustments for:</b>		
Depreciation	346,894	152,512
Capital grants from DfE/ESFA	(488,933)	(376,128)
Transfer from Local Authority on conversion	(8,349,180)	-
Profit on disposal of fixed assets	(1,136)	-
Interest received	(900)	(501)
Interest paid	3,412	310
(Increase)/decrease in debtors	(259,591)	51,899
Increase in creditors	284,781	164,629
Difference between pension charge and cash contributions	420,000	84,000
	<hr/>	<hr/>
<b>Net cash provided by (used in) operating activities</b>	<b><u>319,758</u></b>	<b><u>424,910</u></b>