

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

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019  
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 2019**

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**INSPIRING FUTURES THROUGH LEARNING  
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**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**MEMBERS**

M Taylor  
M Dolling (appointed 13/12/18, resigned 17/7/19)  
P Navin (appointed 13/12/18)  
M A Hubbard  
G Swepston  
M Wogan

**TRUSTEES**

S E Bennett (CEO)  
H Datto (resigned 31/8/19)  
S J Fulton  
G Swepston (Finance & Future Growth Committee chair)  
M A Hubbard (Chair of Trustees)  
M Dolling (resigned 12/9/18, appointed 18/7/19)  
B Stanley (Educational Excellence Committee chair)  
M J Midgley  
K J Roberts (appointed 18/7/19)  
J L Richardson (appointed 18/7/19)

**REGISTERED OFFICE**

Fairfields Primary School  
Apollo Avenue  
Fairfields  
Milton Keynes  
Buckinghamshire  
MK11 4BA

**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 2019**

**SENIOR LEADERSHIP  
TEAM**

**Senior Management Team**

B Skillings, Headteacher, Chestnuts Primary School  
J Kitson, Vice Principal, Exeter a Learning Community  
(left 31/08/19)  
M Shotton, Headteacher, Fairfields Primary School  
M Saunders-Short, Headteacher, Heronshaw School  
S Dunning, Head Teacher, Olney Infant Academy  
G Young, Head Teacher, Olney Middle School  
L Eldrige, Head of School, Two Mile Ash School  
L Kelly, Head of School, Whitehouse Primary School  
G Rushton, Principal, Woodnewton A Learning  
Community

**Central Executive Team**

S E Bennett - (CEO)  
S Boak - (Head of Governance)  
K Kemp - (Head of School Development)  
J Smith - (Head of Operations)  
R Tite - (CFO)

**ADVISERS**

**Bankers**

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

**Solicitors**

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

**INSPIRING FUTURES THROUGH LEARNING  
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**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2019**

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2019. 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 Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 01 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

Throughout the report we refer to Inspiring Futures through Learning as IFtL, the academy trust, the Trust or MAT, these are used to mean the whole company and any activities it performs.

At 31 August 2019, IFtL operated 9 academies for pupils aged 2 to 11 serving catchment areas within Buckinghamshire and Northamptonshire with further growth planned in the academic year 2019-20.

As in all aspects of this Trustees Report we encourage any interested stakeholders to explore our website: [www.iftl.co.uk](http://www.iftl.co.uk) which also includes links through to our individual schools.

## **OBJECTIVES AND ACTIVITIES**

### **Objects and Aims**

As set out in the Academy Trust's Articles of Association (2016), the principle object of IFtL is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

At IFtL, we have defined our approach to creating a Multi Academy Trust family to achieving this principle object which feeds into our overall vision:

#### **Our IFtL Family:**

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.

Vision: To inspire the futures of us all through learning together.

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

**Objectives, Strategies and Activities**

To achieve our principal and other charitable objectives, in line with our vision and family approach, IFtL have determined strategic priorities. Our priorities are set to provide clarity in the different system where we have numerous measures and targets. Our vision, values and strategic priorities have been circulated across all our Schools and are displayed prominently, and used as a basis for performance related objectives in appraisals, to remind all of us of the pillars of our priorities, the reasoning and provide focus in decisions.

Our strategic priorities are:

- **Ensure all pupils achieve their 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 experience 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.

We firmly believe that our approach to collaboration, based on system leading methodology, contributes to the success of our pupils and proactively seek to ensure opportunities for this. Our collaborative approach is embedded within the strategy groups and networks set up across the Trust. Networks of individuals with similar responsibilities and focus that allow for quality peer discussion, challenge and setting of standards and practice. We have strategic networks set up in educational specialisms, such as maths, English, SEND and Disadvantaged. We drive improvement to raise pupil outcomes, we have a regular structure of leadership networks such as Head Teachers Reference Group, Senior Leaders Group and Head Teacher & Business Manager Meetings to enable sharing of best practice and educational drive. Our collaborative way of working together is a key element to the offering of the Trust. Further information can be sought via our main website: [www.iftl.co.uk](http://www.iftl.co.uk)

**Public Benefit**

In accordance with its charitable objectives Inspiring Futures through Learning (IFtL) and its family of schools strive 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 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.

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

**Achievement and performance**

*Mat development*

2018/19 represents our third year of being a MAT and, as such, we continue to grow and mature as an organisation. This year has seen growth with 3 schools joining in January 2019. This growth has seen the IFtL extend into Northamptonshire and has added further school improvement opportunities alongside capacity to enable such. Systems of collaboration and sharing best practice continue to embed and are realising tangible benefits for employees and pupils.

Further to the identified plans for development from the 2017/18 annual report:

- Growth: 3 schools joined the Trust with a further 2 joining at 01 October 2019
- Governance: Governance structures, roles and expectations have been reviewed by Trustees within the year and a full external review of the impact of governance across the expanded Trust is scheduled for Spring 2020.
- Enabling focus on core educational activities: Centralised functions are developing further to embed support for Trust schools in operations, HR and Finance services
- Wellbeing strategy: Development of wellbeing networks and increased focus on wellbeing in the classroom for children and adults
- Growing CPD opportunities: This has been a continued focus throughout the year for Trust and partner schools of Milton Keynes Teaching Schools Alliance (MKTSA)

School progress overview

Our educational KPIs remain focused around attainment, progress and value-added improvements at a Trust-wide and school focused level. Being above National in all areas of reported data and/ or strong progress from lower starting points are key indicators of educational success with this occurring for all groups of pupils, including disadvantaged and SEND, being core. A MAT wide integrated analytical system has been implemented for all our schools enabling swift access to live data including attendance, exclusion and assessment data which enables trust-wide analysis in addition to specific schools to occur. This can be quickly filtered to enable vulnerable group analysis which is of paramount importance to us as we strongly believe in the ethos 'we are only as good as our provision for our most vulnerable pupils.' Standardised testing across all our schools which has been invaluable especially for our sponsored/ emergency support schools where accuracy of teacher assessment data has been questionable.

There have been four Ofsted inspections for schools within IFtL (or joining and being supported by IFtL). Three of the schools were inspected in the academic year 2018/19 with a further visited in September 2019. The effectiveness of IFtL has been commended and evidence highlighting the success and positive impact of IFtL were included within the Ofsted reports. A summary of these Ofsted and key areas of impact is shown below.

Chestnuts Primary (joined IFtL in November 2017) obtained a good Ofsted judgement 6-7 February 2019 and within the report it is stated that:

- Support from the Inspiring Futures through Learning multi-academy trust has been instrumental to the school's improvement. Governors are well equipped to provide effective challenge and support for leaders.
- The trust has overall responsibility for governance of the school. It works effectively with the local governor committee because all parties are clearly committed to the school and work collaboratively. This effective partnership ensures that everyone is rigorously held to account.
- The records of governors' and trust board meetings show that governors and trustees challenge and contribute well to the school's improvement planning. Leaders are held to account for the quality of teaching, learning and assessment, as well as for the quality of outcomes for pupils seen in statutory tests and school data. Governors are passionate to see all pupils fulfil their true potential.

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*Mat development*

Priors Hall (in the process of transfer into IFtL), being supported by IFtL since January 2019, were inspected on 26th February 2019 and were judged as requires improvement (external due diligence educational review inadequate in November 2018) and comments by Ofsted included:

- The new headteacher, incoming academy trust and governors have quickly established an accurate overview of the situation in the school. They have put in place plans for improvement. However, these have not yet been implemented in full.
- Recent external support has increased access to effective training for staff. Staff are relishing these opportunities.
- Current pupils' work in English and mathematics shows that their progress is improving.
- The school is in the process of moving from the Wallace Trust (WT) to Inspiring Futures through Learning multi-academy trust (IFtL). The incoming trust took immediate action to support the school following its education review in November 2018. The headteacher and governing body have embraced the training and support that resulted from this review.
- IFtL has a strong track record of rapid school improvement. The headteacher and governors have been provided with training and support to establish a school leadership team. The headteacher is determined to improve teaching and pupil outcomes. IFtL have also provided access to highly skilled lead teachers to model effective approaches to teaching. This is a promising start to their partnership.
- The headteacher has established a clear vision of improvement. Almost all staff who completed the Ofsted questionnaire and who spoke with inspectors were supportive of leaders. All staff are positive about the additional training opportunities they are receiving since starting to work with IFtL. There is now a shared culture for improvement.
- Governors have a range of skills that contribute effectively to the new leadership of the school. Governors are reflective and eager to improve their effectiveness. The incoming trust is implementing systems and training to ensure the local governing body can fulfil its role to support the new trustees in holding leaders to account.
- The incoming academy trust and safeguarding governor have been thorough in checking and supporting the rigour of school procedures.

Whitehouse Primary School, opened new by IFtL in September 2016, obtained good for all areas except EYFS which was outstanding, in their Ofsted inspection on 11th and 12th June 2019. Comments about IFtL within this report include:

- The trust board and local governing body give effective support and challenge to leaders. They have a thorough knowledge of the school and are highly committed to school improvement.
- Leaders, including trustees, have an accurate view of the school's strengths and what it needs to do to improve. They have quite rightly given priority to raising the profile of writing for the most able pupils. School leaders have engaged well with support from the trust. In addition, teachers and teaching assistants have benefited from important training to develop their skills. They have also worked alongside specialist leaders from the trust, enabling them to observe good practice. This has led to improvements in the quality of teaching across the school.
- Leaders in the multi-academy trust provide strong challenge and support for the school. Their evaluation of the school is accurate and has enabled leaders to refine their plans for how they will continue to improve the quality of teaching and learning in writing and further develop the roles of middle leaders.

Olney Middle School (joined IFtL in February 2017) obtained good in all areas on 27th September 2019. Although, due to the new format of the Ofsted reports changing, not formally mentioned in writing the inspector commented that the trust is highly effective.

All schools inspected were able to demonstrate clearly how being part of the wider Trust had impacted positively on their development, outcomes and progress for children through collaborating closely with other IFtL schools and the sharing of practice.

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**Achievement and performance**

*Mat development*

Further information on educational progress and performance can be found in Key Performance Indicators.

In the table below, key educational performance data is highlighted for the schools within IFtL which includes comparisons to National and/ or improvements for those schools with lower starting points. The Head of Education works with the IFtL Educational team (Teaching and learning/ senior leader lead, English lead, Maths lead, Pupil Support Lead) continue to robustly monitor and quality assure all educational performance providing effective support and challenge to ensure the highest of standards are met or rapid improvements are occurring for our schools with lower starting points.

**Two Mile Ash Initial Teacher Training Partnership (TMA ITTP)**

TMA ITTP has continued to add capacity to our Trust and partner schools by providing outstanding school-based teacher training. Our provision continues to be Outstanding in the outcomes it achieves for trainees and numbers of trainees continue to grow.

TMA ITTP is proud to provide teacher training qualifications through a range of routes, looking to maximise opportunities to access the teaching profession whilst maintaining high standards of outcomes:

- TMA ITTP school based PGCE training (Milton Keynes)
- Accreditation partnerships with Ashmead ITTP (Aylesbury) and Pen Green ITTP (Corby)
- TMA ITTP Undergraduate teacher training resulting BA Hons Primary (with QTS)  
(in conjunction with Birmingham City University)
- International Assessment: providing QTS accreditation for teachers overseas

**Milton Keynes Teaching School Alliance (MKTSA)**

MKTSA continues to provide CPD for those working in schools. The range of CPD available to Trust schools and partner schools across the region has increased year on year and is extensive in its reach to all school roles including Newly Qualified Teachers, subject specialists, middle leaders, business managers, senior leaders and governors / Trustees.

In the academic year 2018/19, approximately 75 CPD events took place, exceeding our KPI in this regard, with over 120 planned for 2019/20.

In addition, school to school support was facilitated through capacity in the trust and partner schools over the year including the use of Specialist Leaders of Education and other expert teachers.

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**STRATEGIC REPORT**

**Achievement and performance**

*Key performance indicators*

In the table below, key educational performance data is highlighted for the schools within IFtL which includes comparisons to National and/ or improvement for those schools with lower starting points. The Head of School Development works with the IFtL Educational team (Teaching and learning/ senior leader lead, English lead, Maths lead, Pupil Support Lead) to continue to robustly monitor and quality assure all educational performance providing effective support and challenge to ensure the highest of standards are met or rapid improvements are occurring for our schools with lower starting points.

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**Achievement and performance**

*Key performance indicators*

Name of School	Sponsor/ Converter	Date Joined	Ofsted Judgement and date	Attendance 2018 to 2019 – Whole School	Exclusions 2018 to 2019 compared with 2017 to 2018	KS2 2019 Attainment compared to National (N) / school previous year (school 2018) Age related expectations (ARE)						Phonics 2019 compared to National and school 2018		GLD 2019 compared to National and School 2018	
						Combined	Reading	Writing	EGPS	Maths	Progress	Year one	Year Two		
Ashbrook Infant	Converter	October 2019	Grade 1 – 12 <sup>th</sup> June 2009)	Not within IFTL at this point											
Chestnuts Primary	Converter	November 2016	Grade 2 (6 <sup>th</sup> & 7 <sup>th</sup> February 2019)	95.28% (-0.72 National)	45.5 days (same as previous year)	62% (-3% N and +20% 2018)	72% (-1% N and +11% 2018)	77% (-1% N and same as 2018)	73% (-6% N and +17% school 2018)	75% (-3% N and +3% 2018)	-0.41 reading, -2.37 writing and – 4 maths (*discrepancy with KS1 data)	82% (in line with N and +21% school 2018)	83% (-9% N and +20% 2018)	70% (-0.7% N and +5% school 2018)	
Exeter Primary	Transfer from Wallace Trust (Academy order)	January 2019	Grade 4 – 15 <sup>th</sup> November 2016 (monitoring up to 1 <sup>st</sup> May 2018 remaining inadequate)	94.6% (-1.4% National)	15.5 days (significant reduction from 2017 to 2018)	31% (-24% N and +18% school 2018)	39% (-34% N and +1% school 2018)	48% (-30% N and +32% school 2018)	51% (-28% N and +22% school 2018)	55% (-23% N and +20% school 2018)	-3.9 reading, -5.03, -3.1 maths (*sig improvement school 2018)	75% (-7% N and -7% 2018)	77% (-15% N and +24% 2018)	56% (-14.7% N and +2% school 2018)	
Fairfields Primary	Presumptive Free School	September 2017	New school due for inspection 2019 to 2020	97.6% (+1.6% National)	0 days	No Year 6 in 2019 or 2018						96% (+14% N)	100% (+8% N)	90% (+19.3% N)	
Heronshaw Infant School	Converter	January 2019	Grade 1 (23 <sup>rd</sup> & 24 <sup>th</sup> February	95.8% (-0.2% National)	0 days	Infant School						87% (+5% N)	100% (+8% N)	79% (+8.3% N)	

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**Achievement and performance**

*Key performance indicators*

			2016)											
Holmwood Infant	Converter	October 2019	Grade 2 (26 <sup>th</sup> & 27 <sup>th</sup> June 2018)	Not within IFTL at this point										
Olney Infant	Transfer	January 2017	Grade 1 (15 <sup>th</sup> October 2008)	96% (in line with National)	1.5 days	Infant School					95% (+13% N)	92% (in line with N)	74% (+3% N)	
Olney Middle	Converter	February 2017	Grade 2 (24 <sup>th</sup> & 25 <sup>th</sup> September 2019)	96.1% (+0.1 National)	5.5 days	65% (in line with National)	75% (+2% N)	84% (+6% N)	88% (+10% N)	84% (+5% N)	-0.6 reading, -0.1 writing and -0.9 maths	No KS1		
Priors Hall (to officially join)	Transfer from Wallace Trust	Supporting since November 2018	Grade 3 (26 <sup>th</sup> February 2019) November 2018 due diligence grade 4)	95.5% (-0.5% National)	1.5 days	No Year 6 in 2019 or 2018					95% (+13% N)	88% (-4% N)	74% (+3.3% N)	
Two Mile Ash	Lead School	September 2016	Grade 1 (1 <sup>st</sup> & 2 <sup>nd</sup> July 2019)	96.3% (+0.3% National)	0 days	80% (+15% N)	83% (+10% N)	90% (+12% N)	93% (+15% N)	93% (+14% N)	+0.8 reading, +1.1 writing and +2.6 maths	No KS1		
Whitehouse Primary	Presumptive Free School	Septmber 2016	Grade 2 but grade 1 EYFS (11 <sup>th</sup> & 12 <sup>th</sup> June 2019)	96.6% (+0.6% National)	2.5 days	93% (+28% N)	93% (+20% N)	100% (+22% N)	100% (+22% N)	100% (+21% N)	-2.51 reading, -0.91 writing, +0.57 maths	89% (+7% N)	96% (+4% N)	78% (+7.3% N)

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

Woodnewton Primary	Sponsor from Wallace Trust	January 2019	Grade 2 (17 <sup>th</sup> & 18 <sup>th</sup> July 2019)	95.2% (-0.8% National)	23.5 days and one pupil permanent (reduction from previous year)	53%	64%	66%	60%	63%	-4.2 reading, -4.8 writing and -4.7 maths	72%	78%	72% (+1.3% N)
						Top priority school – lower than National and declining data picture IFTL package of SLE and leadership support in place								

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**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2019**

**STRATEGIC REPORT**

**Achievement and performance**

*Key performance indicators*

Attendance:

The vast majority of schools are in line or higher than National. Those which are lower, are an improving picture and with clear strategies to address any schools in place where attendance is lower than National.

Exclusion:

The number of days of exclusions for 2018 to 2019 were a total of 95.5 days and 42 exclusions which is a significant reduction from 2017 to 2018 where there was a total of 155 days and 77 exclusions across IFtL (59.5 days less and 33 less exclusions for last academic year than the previous year). We aim to continue to decrease this with exclusions being as a last resort and promotion of alternative strategies and adaptations being a necessity for all our schools.

Summary of Key Educational Successes 2018 to 2019:

- Four successful Ofsted inspections including one under the new framework in September 2019
- Agreed, shared and understood educational strategy in place with effective procedures and processes driving improvement
- Improving quality of Education and raising educational standards at the heart of all we do
- Clear lines of shared accountability providing effective support and challenge at all levels of leadership
- Effective quality assurance and external moderation processes in place which validate and review accuracy of judgements and self-evaluations
- Target setting and reporting cycle fully in place - an effective structure and agreed steps of reporting which enables challenge and support opportunities
- High levels of collaboration, support and challenge with and between schools and IFtL executive team; a shared vision of excellence and commitment to provide the best for our pupils -the support from other schools during Ofsted inspections is exceptional; clearly demonstrating the commitment the schools have for one another and IFtL
- Effective school-to-school support in place; skills and expertise within the Trust being used to drive the improvement process providing professional development opportunities for all involved
- Strategic groups - deliver and drive the educational priorities and strengthen leadership; Network groups - offering high quality career professional development and a sense of belonging. These both provide good opportunities for talent spotting and succession planning for growth within and across all IFtL schools
- Retention and recruitment - keeping our strongest leaders and staff promoting excellence and consistency
- New schools have joined IFtL who are embracing IFtL vision and ethos; bringing additional capacity and/or opportunities for others to support
- Effective MAT to MAT collaboration
- We have developed a strong and respected reputation for Education within IFtL and the wider educational landscape

Summary of Pupil Outcomes data:

In line with or higher than national and/ or improved, often significant pupil outcomes in the vast majority of our schools across the key reported areas (KS2, Year 2 and 1 phonics and EYFS). From 2018 to 2019 on average there has been:

- KS2 for age related expectations, a +10.5% increase in combined, +2% reading, +5% writing, +13% for maths and +8.5% in EGPS.
- Year one phonics a +5.5% average and +6% average for Year two phonics.
- EYFS in line with the average 2018 but well above National average in many schools; highest GLD across MK for Fairfields and Whitehouse obtained outstanding Ofsted June 2019. All schools in line or higher than National with the exception of our sponsored IA school (but improvements school 2018)
- KS1 is a more varied picture with accuracy being supported especially within the schools joining the school more recently.

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**STRATEGIC REPORT**

**Financial review**

*Financial review*

Our principle source of funding is from the DfE in respect of recurrent grants disbursed via the Educational Skills and Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received during the year ended 31 August 2019 and the associated expenditure is shown as restricted funds in the statement of financial activities.

During the year, the number of Schools within IFtL have increased, with the transfer of Woodnewton ALC and Exeter ALC from the Wallace Trust and with the introduction of Heronshaw Infants. All these were introduced as at 1st January 2019. Within the SOFA [Income and Expenditure] includes the introduction of the Reserves from these Schools.

The Trust, as supported by the MAT Development Fund, have introduced a new accounting system, giving consistent accounting data access across the Schools and Trust, this will grow in efficiency and effectiveness within AY 19/20.

We have enhanced our challenge and focus within the individual Schools budget setting and will grow this throughout AY 19/20.

At the Year End the Trust as a whole hold reserves of £2,069,011 (2018: £871,067), this excludes funds held for Fixed Assets and Pension Reserves.

*Investment policy*

We do not currently consider the investment of surplus funds to be appropriate at this point of time. This will continue to be reviewed.

*Reserves policy*

The purpose of the reserves policy for IFtL is to ensure that stability of all of our Schools and Departments. This will provide protection and allow flexibility for adjustments to financial circumstances and changes.

Our policy requires for all Schools and Departments to have a plan to reach reserves equivalent of 8% of GAG. During the year, reserves in some schools have stabilised through proactive management giving us greater confidence in the sustainability of current structures and commitments. As with a majority of Schools and MAT's nationwide, the Trust continues to review to ensure that we remain stable and proactively manage our organisation to maximise effectiveness. This said, several restructures were performed during the year, in addressing needs against available resources and placing the Schools in a good position for future needs.

Overall within the Trust, the level of reserves is considered adequate. The Trustees reviews these on a termly basis.

*Going concern*

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

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**STRATEGIC REPORT**

**Financial review**

*Funds in deficit*

**Local Government Pension Scheme (LGPS)**

As a whole the Trust has a deficit for the LGPS. This is not exceptional for the Education 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.

**Fundraising**

One of our priorities is in the engagement of our Schools with their local community. As such, most Trust schools have an active PTA or Friends Committee that are independent to the schools and our organisation but are formed to allow parents and the wider community to support the school in its aims. The time, effort and financial generosity of these organisations have a great significant positive impact to schools and we are very grateful for those that engage.

Outside of these groups, we encourage our children and the wider school community to engage with national fundraising and charitable activities, such as Children in Need. Nurturing our children's engagement with local and national causes helps to build thoughtful, caring individuals that will engage with community issues in the future.

**Principal risks and uncertainties**

Through the trusts 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:

1. Reduction in pupil numbers
2. Reduction in performance standards / poor Ofsted grading
3. Loss of key senior personnel
4. Recruitment and retention of quality teachers, in line with national challenges
5. Loss of MAT sustainability through loss of financial adaptability - Income pressures through Government Funding, Unpredicted needs of Schools and/or Unpredicted Costs to remain a competitive employer: that would otherwise place us at a disadvantage (National / Local Pay awards or Retention incentives, due to loss of supply of required staff).

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

1. Actively aware of changing population demographics, proactive promotion of Schools with places and liaison with developers and council to understand development growth
2. Regular challenge and support on standards and performance between Schools and Trust, including assurance from external providers
3. Clear CEO support network, developing coaching and mentoring support for key personnel throughout the Trust
4. Position ourselves as a desired Employer for Teachers. Active participation with our routes to teaching, including ITTP and Undergraduate route.
5. Keep informed of government changes, have structures and systems that allow us to capture key areas and as such reduce the risk of any unpredicted 'needs' for the School. Continue to review the job market, position ourselves as being a good employer, pay and conditions on par with other providers.

The central IFtL team support the Schools by effectively managing key areas requiring control and mitigation.

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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2019**

**STRATEGIC REPORT**

**Future plans of inspiring futures through learning**

IFtL continues to grow and mature in structure and framework, with a particular focus on school improvement support for schools both within and external to the Trust. With this in mind, our plans for future periods build on those of previous years:

- Strategic growth: Identify avenues for strategic growth in line with opportunities and capacity to enable school improvement, continuing to open doors to opportunity and unlock the potential of both our children and our adults
- Leadership: Continue to build strength in our strategic governance and leadership structures
- Wellbeing: Further embed wellbeing strategies for children and adults within our practices
- Continuous learning: Maximise opportunities for the receipt of high-quality CPD and enriching activities which support the education of our children

We expect the number of schools within the Trust to increase to 14, supporting over 5000 pupils, by September 2020.

**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. Some funds remain in the outgoing Wallace Trust, (from which Woodnewton ALC and Exeter ALC transferred) pending final transfer.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of IFtL are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Inspiring Futures through Learning and is also known under:

- Milton Keynes Teaching School Alliance (MKTSA)
- Two Mile Ash Initial Teacher Training Partnership (TMA ITTP)
- Chestnuts Primary School
- Exeter - a learning community
- Fairfield's Primary School
- Heronshaw School
- Olney Infant Academy
- Olney Middle School
- Two Mile Ash School
- Whitehouse Primary School
- Woodnewton - a learning community

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

**Members' liability**

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

**Trustees' Indemnities**

There are no specific indemnities given to Trustees.

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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Recruitment and appointment of new trustees**

As stated in the articles of association, Members may appoint up to 7 Trustees, including the CEO of the Trust. Furthermore, Trustees may co-opt further Trustees, usually in response to ensuring a balance of skills required for the Board of Trustees to ensure fit and proper management of the current and future activities of the organisation.

Trustees cannot co-opt employees of the Trust into Trustee roles.

No Trustees are appointed / co-opted specifically to Parent Trustee roles. Instead, parental representation in the governance structure of IFtL is through the appointment of 2 parent governors within each of its Local Governing Bodies.

**Organisational structure**

Subject to the provisions of the Companies Act 2006, the Articles and to any directions given by special resolution, the business of the Trust shall be managed by the Board of Trustees who may exercise all the powers of the Academy Trust. Whilst ultimately accountable for the strategic directions and business of the Trust, the Board of Trustees delegates some responsibility for the day to day management of the Trust to the CEO (and Trust Executive team). In addition, specific governance responsibilities are delegated to Local Governing Bodies (LGBs).

As at 31 August 2019, the Trust comprised of 9 schools (academies) providing education for primary aged children. Schools are governed by an LGB, or an Academy Improvement Board (AIB) where the Trustees have reduced the level of delegated responsibility of an LGB, in accordance with the Scheme of Delegation.

In September 2018, an LGB was established with responsibility for Whitehouse Primary and Fairfields Primary. These growing schools are situated within new and neighbouring residential developments and, as their intertwined communities have grown, governors have been recruited to form a joint LGB.

All Local Governing Bodies meet at least 6 times per year.

The Board of Trustees meets at least 3 times per year. The Board of Trustees has two sub-committees that review, monitor and make decisions (up to a delegated level) on Trust activities.

- The Trustee's Educational Excellence Committee meets at least 3 times per year and, in addition, visits each school at least once per year to discuss educational performance with the LGB Chair and the Senior Leadership Team.
- The Trustee's Finance and Future Growth Committee meets at least six times per year.

The CEO, Sarah Bennett, is the accounting officer for the Trust.

**Induction and training of new trustees**

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

The Trust annually reviews the skills and training requirements of Trustees (and LGB governors) and seeks to provide guidance and training appropriate to ensuring effective discharge of statutory duties and for effective governance in driving the strategic direction and leadership of the Trust (and its schools). Trustees and governors also have ongoing access to IFtL's comprehensive CPD portfolio available to employees.

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

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Arrangements for setting pay and remuneration of key management personnel**

We consider our central Trust team, and Headteachers, to be key management personnel in this context.

With the exception of Sarah Bennett, CEO, no other Trustee is paid. No pay is awarded for being a Trustee (or governor).

CEO pay and remuneration is determined by an annual process of Performance Management, carried out by an external advisor, feeding back to the Trustees' Pay Committee whom determine targets for the forthcoming year and provide context / benchmarking to allow the Committee to determine any remuneration consequences.

Performance Management for the central Trust team is carried out by the CEO, with recommendations reviewed and ratified by the Trustees' Pay Committee.

The CEO undertakes a review of the performance through the year of each Headteacher, alongside the Chair of that school's LGB. Targets for the year ahead are set jointly.

All pay awards for key management personnel (and all other employees) are carried out in line with the Trust's Pay and Appraisal policies.

**Trade union facility time**

There were no employees who were relevant union officials nor any paid union activities during the period. The return made for the Trade Union (Facility Time Publication Requirements) Regulations can be found in full at [www.iftl.co.uk](http://www.iftl.co.uk).

**Related Parties and other Connected Charities and Organisations**

IFTL holds a dormant company named Two Mile Ash School Limited.

We have no Related Party Disclosure to make for this Academic Year.

**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 12 December 2019 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 2019**

**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 Trustees has delegated the day-to-day responsibility to the CEO, as accounting officer, for ensuring financial controls conform with the requirement 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 (as 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 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities.

The governance structure for IFtL includes Members, Board of Trustees and Local Governing Bodies (LGBs). The roles within the structure are outlined in the Scheme of Delegation (available at [www.iftl.co.uk](http://www.iftl.co.uk)).

The Board of Trustees has two Trustee Committees, Educational Excellence (EE) and Finance & Future Growth (FFG), within which Educational and financial performance data is first provided to Trustees for scrutiny and challenge. The level of data received is considered acceptable for the decisions and direction being given. Trustees will always ask for further information in any particular instance where challenge determines such is required.

Further, Trustees welcome Local Governing Bodies into IFtL governance structure as committees with specific responsibilities for the school(s) they govern as below:

- The standards of educational performance, for all children, within the school(s)
- The wellbeing and safety of all children and adults within the schools' communities
- The position of the schools within their wider communities and how the schools contribute positively to this
- To identify, and look to mitigate, risk in relation to the above
- To carry out the duties delegated to the LGB by the IFtL Board of Trustees outlined in the Scheme of Delegation

The Board of Trustees reserves the right to withdraw delegated powers at any time to ensure the correct focus and effectiveness of governance throughout the Trust.

Further to self-review using skills analysis, expansion of the Board of Trustees took place this year. The Board reflects a high level of education, governance, accountancy, HR, business management, legal and capital programmes experience. The Board has scheduled an external Trust-wide review of governance from January 2020 and the scope of this includes; effective communication between those involved in governance throughout IFtL, clarity of role expectations, effectiveness of governance support and challenge in driving educational performance.

Attendance at Board of Trustees meetings and Committees is noted below. Similar records for LGBs are published on school websites.

**INSPIRING FUTURES THROUGH LEARNING  
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**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2019**

Trustee	Meetings attended	Out of a possible
S E Bennett (CEO)	7	7
H Dato	1	7
S J Fulton	7	7
M A Hubbard (Chair)	7	7
M Midgley	2	7
B Stanley	5	7
G Swepston	7	7

The Finance and Future Growth Committee (FFG) is a sub-committee of the main Board of Trustees and focuses on supporting and challenging each schools' financial performance within the areas of finance, premises and human resources. This committee is forward thinking and plans to ensure it protects the future financial viability of each establishment in a supportive and measured way.

Attendance at meetings in the year was as follows:

Name	Meetings attended	Out of a possible
S E Bennett (Head Teacher)	4	5
H Dato	2	5
S J Fulton	4	5
M A Hubbard	5	5
G Swepston	5	5

**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 IFtL use of its resources has provided good value for money during each academic year, and report to the Board of Trustees where value for money can be improve, 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:

- Focus on budget setting processes that maximise school improvement and educational opportunities, continuing to embed Curriculum Lead Financial Planning principles
- Collaboration and school to school across the MAT which generates considerable CPD opportunities for those supporting
- Generating additional income through support deployments at other organisations
- Completed employee pay scale benchmarking exercise and implemented equitable, and competitive, pay scales across the Trust
- Developed an extensive CPD portfolio for employees at all stages of their career, including wide use of in-house expertise
- Implemented stronger Performance Management processes and guidance to ensure that employees have focus and provide quality aligned to their pay level.

Our focus into the future includes considering the impact of SCA Capital funding being received directly into the Trust and how value for money in projects can be maximised.

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

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2019**

**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 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

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 objective, 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 IFtL (a company limited by guarantee) for the period 01 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statement.

The Board of Trustees not only considers the Risk Register for the Trust regularly but has also considered the need for a specific internal audit function with internal work (performed by the CFO) to match our needs of the Trust and Schools.

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

- Review of a sample of procurement documentation, ensuring that the Procurement Policy is followed.
- Review of payroll to ensure that individuals are paid the right monies, sufficient checks and documentation are provided.
- Management Accounts are reviewed for accuracy, quality and consistency.

The reviewer reports to the Board of Trustees through its FFG Committee, which also acts as the Audit and Assurance Committee.

**Capacity to Handle Risk**

The Board of Trustees has reviewed the key strategic risks to which the 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 significant risks that has been in place for the period 01 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The Risk and Control Framework**

The 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 at school and Trust level
- Regular reviews by the Finance and Future Growth Committee of reports which indicate financial performance against the forecasts and against 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

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

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2019**

**The Risk and Control Framework**

- Delegation of authority and segregation of duties
- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Landers Accountants Ltd, the external auditor to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the trust's financial statements.

On a regular basis, the CFO reports to the FFG (or full Board of Trustees) on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**Review of Effectiveness**

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

- The work of the CFO
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 12 December 2019 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 2019**

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 terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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 2018.

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

12 December 2019

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

**STATEMENT OF TRUSTEES RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the board of trustees on 12 December 2019 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 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency (ESFA).

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 2019 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 2018 to 2019.

**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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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

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

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

- the information given in the 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, 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.

**Use of our report**

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.

**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

12 December 2019

**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 letter dated 8 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, 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 2018 to 31 August 2019 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 dated 1 July 2016 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 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

**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**

- 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

**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 2018 to 31 August 2019 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

12 December 2019

**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 2019**

		31.8.19		31.8.18	
	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £	Total funds £
Notes					
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and capital grants	2	322,411	-	7,856,913	8,179,324
Transfer from Local Authority on conversion		291,366	-	2,725,631	3,017,000
<b>Charitable activities</b>	6				
Funding for the academy's educational operations	3	619,135	16,357,543	40,000	17,016,675
Initial Teacher Training Partnership		-	464,077	-	464,077
Other trading activities	4	466,877	-	-	466,877
Investment income	5	1,654	213	-	1,867
Other income		-	222,000	-	222,000
<b>Total</b>		<b>1,701,443</b>	<b>17,043,833</b>	<b>10,622,544</b>	<b>29,367,820</b>
<b>EXPENDITURE ON</b>					
Raising funds	8	539,210	577,164	-	1,116,374
<b>Charitable activities</b>	10				
Academy's educational operations		178,779	19,722,989	1,011,721	20,913,489
Initial Teacher Training Partnership		-	412,551	5,702	418,253
<b>Total</b>	7	<b>717,989</b>	<b>20,712,704</b>	<b>1,017,423</b>	<b>22,448,116</b>
<b>NET INCOME/(EXPENDITURE)</b>					
		<b>983,454</b>	<b>(3,668,871)</b>	<b>9,605,121</b>	<b>6,919,704</b>
<b>Transfers between funds</b>	25	-	(127,639)	127,639	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains/losses on defined benefit schemes		-	(1,800,000)	-	(1,800,000)
<b>Net movement in funds</b>		<b>983,454</b>	<b>(5,596,510)</b>	<b>9,732,760</b>	<b>5,119,704</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 2019**

				<b>31.8.19</b>	31.8.18
	<b>Unrestricted fund £</b>	<b>Restricted funds £</b>	<b>Restricted fixed asset fund £</b>	<b>Total funds £</b>	Total funds £
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>	<b>519,620</b>	<b>(2,506,553)</b>	<b>28,227,822</b>	<b>26,240,889</b>	12,897,817
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b><u>1,503,074</u></b>	<b><u>(8,103,063)</u></b>	<b><u>37,960,582</u></b>	<b><u>31,360,593</u></b>	<b><u>26,240,889</u></b>

**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.

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

**BALANCE SHEET**  
**AT 31 AUGUST 2019**

	Notes		31.8.19 £	31.8.18 £
<b>FIXED ASSETS</b>				
Tangible assets	17		<b>37,528,042</b>	27,850,886
<b>CURRENT ASSETS</b>				
Debtors	18		<b>1,249,796</b>	652,593
Investments	19		<b>1</b>	1
Cash at bank			<u><b>3,255,172</b></u>	<u>1,623,630</u>
			<b>4,504,969</b>	2,276,224
<b>CREDITORS</b>				
Amounts falling due within one year	20		<b>(1,982,524)</b>	(1,028,221)
<b>NET CURRENT ASSETS</b>				
			<u><b>2,522,445</b></u>	<u>1,248,003</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
			<b>40,050,487</b>	29,098,889
<b>CREDITORS</b>				
Amounts falling due after more than one year	21		<b>(20,894)</b>	-
<b>PENSION LIABILITY</b>	26		<b>(8,669,000)</b>	(2,858,000)
<b>NET ASSETS/(LIABILITIES)</b>				
			<u><b>31,360,593</b></u>	<u>26,240,889</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 2019**

	Notes	<b>31.8.19</b> £	31.8.18 £
<b>FUNDS</b>	25		
Unrestricted funds:			
General fund		<b>1,503,074</b>	519,620
Restricted funds:			
General Annual Grant (GAG)		<b>364,768</b>	40,948
Restricted pension fund		<b>(8,669,000)</b>	(2,858,000)
Educational visits		<b>1,348</b>	30,100
Other restricted funds		<b>81,141</b>	90,100
Initial Teacher Training		<b>116,503</b>	78,142
Milton Keynes Teaching School Alliance		<u><b>2,177</b></u>	<u>112,157</u>
		<b>(8,103,063)</b>	(2,506,553)
Restricted fixed asset funds:			
Restricted Fixed Asset		<u><b>37,960,582</b></u>	<u>28,227,822</u>
<b>TOTAL FUNDS</b>		<u><b>31,360,593</b></u>	<u>26,240,889</u>

The financial statements were approved by the Board of Trustees on 12 December 2019 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 2019**

	Notes	31.8.19 £	31.8.18 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	31	1,955,128	51,430
Interest paid		<u>(3,632)</u>	<u>(6,180)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>1,951,496</u>	<u>45,250</u>
 <b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(799,885)	(219,708)
Capital grants from DfE/ESFA		478,001	110,208
Sale of tangible fixed assets		63	-
Interest received		<u>1,867</u>	<u>2,545</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(319,954)</u>	<u>(106,955)</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		 1,631,542	 (61,705)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,623,630</u>	<u>1,685,335</u>
 <b>Cash and cash equivalents at the end of the reporting period</b>		 <u>3,255,172</u>	 <u>1,623,630</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 2019**

**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 2018 to 2019 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 2019**

**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.

**Transfer on conversion**

Where assets and liabilities are received by the academy trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

**Expenditure**

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

**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 2019**

**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.

**Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 19. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 21. Taxation and social security are not included in the financial instrument's disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**1. ACCOUNTING POLICIES - continued**

**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.

**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 and Skills 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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 2019**

**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 26, will impact the carrying amount of the pension liability.

Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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 2019**

**2. DONATIONS AND CAPITAL GRANTS**

	<b>31.8.19</b>	31.8.18
	£	£
Donations	<b>32,416</b>	36,259
Transfer of existing academies into the academy trust	<b>7,748,907</b>	-
Grants	<b><u>398,001</u></b>	<u>110,208</u>
	<b><u>8,179,324</u></b>	<u>146,467</u>

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

	<b>31.8.19</b>	31.8.18
	£	£
Capital funding	<b><u>398,001</u></b>	<u>110,208</u>

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

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Restricted Fixed Asset funds £</b>	<b>31.8.19 Total funds £</b>	<b>31.8.18 Total funds £</b>
Hire of facilities	<b>102,015</b>	-	-	<b>102,015</b>	100,735
School trips, kidz club and other clubs	<b>475,633</b>	<b>399,489</b>	-	<b>875,122</b>	624,021
Educational development income	<b>41,487</b>	<b>127,370</b>	-	<b>168,857</b>	690,216
Grants	<b>-</b>	<b>15,830,681</b>	<b>40,000</b>	<b>15,870,681</b>	8,747,399
	<b><u>619,135</u></b>	<b><u>16,357,540</u></b>	<b><u>40,000</u></b>	<b><u>17,016,675</u></b>	<u>10,162,371</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

An analysis of grants received is given below:

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Restricted Fixed Asset funds £</b>	<b>31.8.19 Total funds £</b>	<b>31.8.18 Total funds £</b>
<b>DfE/ESFA revenue grant</b>					
General Annual Grant (GAG)	-	12,403,248	-	12,403,248	7,354,705
Pupil premium	-	741,188	-	741,188	416,722
Local Authority grants	-	1,750,037	-	1,750,037	580,452
	-	14,894,473	-	14,894,473	8,351,879
<b>DfE/ESFA capital grant</b>					
Capital funding	-	-	40,000	40,000	-
<b>Other government grant</b>					
Other grants	-	976,208	-	976,208	395,519
	-	15,870,681	40,000	15,910,681	8,747,398

**4. OTHER TRADING ACTIVITIES**

	<b>31.8.19 £</b>	<b>31.8.18 £</b>
Catering income	359,542	493,888
Other income	107,335	10,407
	<u>466,877</u>	<u>504,295</u>

**5. INVESTMENT INCOME**

	<b>31.8.19 £</b>	<b>31.8.18 £</b>
Deposit account interest	<u>1,867</u>	<u>2,545</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Activity</b>	<b>31.8.19 £</b>	<b>31.8.18 £</b>
Initial teacher training partnership	Initial Teacher Training Partnership	<u>464,077</u>	<u>258,527</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

	<b>31.8.19</b>	31.8.18
	£	£
General Annual Grant (GAG)	<b>12,403,248</b>	7,354,705
Pupil premium	<b>741,188</b>	416,722
Local Authority grants	<b>1,750,037</b>	580,453
Other grants	<b>976,208</b>	395,519
	<b>15,870,681</b>	8,747,399

**7. EXPENDITURE**

	<b>Staff costs</b>	<b>Non-pay expenditure</b>		<b>31.8.19</b>	31.8.18
	£	Premises £	Other costs £	Total £	Total £
<b>Raising funds</b>					
<b>Costs of fundraising</b>					
Direct costs	<b>549,831</b>	-	<b>566,543</b>	<b>1,116,374</b>	730,959
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	<b>14,165,241</b>	<b>890,161</b>	<b>1,392,912</b>	<b>16,448,314</b>	8,839,620
Allocated support costs	<b>2,859,893</b>	<b>966,547</b>	<b>638,735</b>	<b>4,465,175</b>	2,554,036
	<b>17,574,965</b>	<b>1,856,708</b>	<b>2,598,190</b>	<b>22,029,863</b>	12,124,615

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

	<b>31.8.19</b>	31.8.18
	£	£
Auditors' remuneration	<b>49,184</b>	35,500
Depreciation - owned assets	<b>951,972</b>	598,868
Deficit on disposal of fixed asset	<b>365</b>	1,279
Operating leases	<b>33,982</b>	41,033
Fees payable to auditor for other services	<b>2,350</b>	4,350

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**8. RAISING FUNDS**

**Costs of fundraising**

	<b>31.8.19</b>	31.8.18
	£	£
Staff costs	<b>549,831</b>	370,162
Catering expenses	<b>468,248</b>	341,026
School clubs and activities	<b>98,295</b>	19,771
	<u><b>1,116,374</b></u>	<u>730,959</u>

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

	Unrestricted funds £	Restricted funds £	Restricted Fixed Asset funds £	31.8.19 Total funds £	31.8.18 Total funds £
<b>Direct costs</b>	-	16,382,792	65,522	16,448,314	8,839,620
<b>Support costs</b>	<u>178,780</u>	<u>3,340,196</u>	<u>946,199</u>	<u>4,465,175</u>	<u>2,554,036</u>
	<u><b>178,780</b></u>	<u><b>19,722,988</b></u>	<u><b>1,011,721</b></u>	<u><b>20,913,489</b></u>	<u><b>11,393,656</b></u>

	<b>31.8.19</b>	31.8.18
	<b>Total</b>	<b>Total</b>
	£	£
<b>Analysis of support costs</b>		
Support staff costs	<b>2,859,893</b>	1,393,014
Depreciation	<b>311,092</b>	219,032
Technology and consultancy	<b>148,701</b>	86,277
Premises costs	<b>966,547</b>	775,863
Other support costs	<b>3,568</b>	20,300
Governance costs	<u><b>175,374</b></u>	<u>59,550</u>
<b>Total support costs</b>	<u><b>4,465,175</b></u>	<u><b>2,554,036</b></u>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**10. CHARITABLE ACTIVITIES COSTS**

	Direct costs £	Support costs (See note 11) £	Totals £
Initial Teacher Training Partnership	347,215	71,038	418,253
Academy's educational operations	<u>16,448,314</u>	<u>4,465,175</u>	<u>20,913,489</u>
	<u>16,795,529</u>	<u>4,536,213</u>	<u>21,331,742</u>

**11. SUPPORT COSTS**

	Management £	Governance costs £	Totals £
Initial Teacher Training Partnership	69,538	1,500	71,038
Academy's educational operations	<u>4,289,801</u>	<u>175,374</u>	<u>4,465,175</u>
	<u>4,359,339</u>	<u>176,874</u>	<u>4,536,213</u>

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

	Initial Teacher Training Partnership £	Academy's educational operations £	31.8.19 Total activities £	31.8.18 Total activities £
Wages	36,190	2,271,074	2,307,264	1,130,749
Social security	3,034	162,170	165,204	78,086
Pensions	7,238	426,649	433,887	220,328
Technology and consultancy	750	148,701	149,451	86,277
Other costs	16,560	331,368	347,928	397,703
Depreciation of tangible and heritage assets	5,702	946,271	951,973	598,868
Interest payable and similar charges	64	3,568	3,632	6,180
Other costs	1,500	126,190	127,690	52,016
Auditors' remuneration	-	49,184	49,184	35,500
School clubs and activities	-	-	-	14,120
	<u>71,038</u>	<u>4,465,175</u>	<u>4,536,213</u>	<u>2,619,827</u>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**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: £115,000 - £120,000 (2018: £140,000 - £145,000)

Employer's pension contributions paid: £15,000 - £20,000 (2018: £15,000 - £20,000)

During the year a total of £2,088 (2018: £1,826) 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 2019, travel and subsistence expenses totalling £823 (2018: £155) were reimbursed or paid directly to trustees.

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**13. STAFF COSTS**

	<b>31.8.19</b>	31.8.18
	£	£
Wages and salaries	<b>10,577,620</b>	6,546,573
Social security costs	<b>1,406,130</b>	552,833
Operating costs of defined benefit pension schemes	<b>5,730,254</b>	1,780,004
	<b>17,714,004</b>	8,879,410
Compensation payments	<b>7,503</b>	47,865
	<b><u>17,721,507</u></b>	<b><u>8,927,275</u></b>

Staff restructuring costs comprise:

	<b>31.08.19</b>	31.08.18
	£	£
Redundancy payments	<b>7,503</b>	38,784
Severance payments	-	9,082
Other restructuring costs	-	-
	<b><u>7,503</u></b>	<b><u>47,865</u></b>

**Non-statutory/ non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/ non-contractual severance payments totalling £Nil (2018: £9,082). Individually, the payment was: £9,082 made on 25 September 2018.

**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 £1,203,360 (2018: £601,084).

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

	<b>31.8.19</b>	31.8.18
Teachers	<b>149</b>	114
Administration and support	<b>361</b>	199
Management (SLT)	<b>36</b>	16
	<b><u>546</u></b>	<b><u>329</u></b>

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

	<b>31.8.19</b>	31.8.18
£60,001 - £70,000	<b>3</b>	6
£70,001 - £80,000	<b>5</b>	-
Carried forward	<b>8</b>	6

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**13. STAFF COSTS**

	<b>31.8.19</b>	31.8.18
Brought forward	<b>8</b>	6
£80,001 - £90,000	<b>1</b>	-
£110,001 - £120,000	<b>1</b>	-
£140,001 - £150,000	<u>-</u>	<u>1</u>
	<b><u>10</u></b>	<b><u>7</u></b>

The above employees participated in the Teachers' Pension Scheme.

**14. TRUSTEES' AND OFFICERS' INSURANCE**

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

**15. 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	<b>36,260</b>	-	<b>110,208</b>	146,467
Transfer from Local Authority on conversion	-	-	<b>13,700,098</b>	13,700,098
<b>Charitable activities</b>				
Funding for the academy's educational operations	<b>733,643</b>	<b>9,428,728</b>	-	10,162,371
Initial Teacher Training Partnership	-	<b>258,527</b>	-	258,527
Other trading activities	<b>495,252</b>	<b>9,043</b>	-	504,295
Investment income	<b>2,545</b>	-	-	2,545
Other income	<u><b>26,531</b></u>	<u><b>81,728</b></u>	<u>-</u>	<u>108,259</u>
<b>Total</b>	<b>1,294,230</b>	<b>9,778,026</b>	<b>13,810,306</b>	24,882,562
<b>EXPENDITURE ON</b>				
Raising funds	<b>552,704</b>	<b>178,255</b>	-	730,959
<b>Charitable activities</b>				
Academy's educational operations	<b>785,296</b>	<b>10,008,213</b>	<b>600,147</b>	11,393,656
Initial Teacher Training Partnership	<u>-</u>	<u><b>248,875</b></u>	<u>-</u>	<u>248,875</u>
<b>Total</b>	<b>1,338,000</b>	<b>10,435,343</b>	<b>600,147</b>	12,373,490

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

	<b>Unrestricted fund £</b>	<b>Restricted funds £</b>	<b>Restricted fixed asset fund £</b>	<b>Total funds £</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(43,770)</b>	<b>(657,317)</b>	<b>13,210,159</b>	<b>12,509,072</b>
<b>Transfers between funds</b>	<b>-</b>	<b>(16,592)</b>	<b>16,592</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	<b>-</b>	<b>834,000</b>	<b>-</b>	<b>834,000</b>
<b>Net movement in funds</b>	<b>(43,770)</b>	<b>160,091</b>	<b>13,226,751</b>	<b>13,343,072</b>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<b>563,394</b>	<b>(2,666,648)</b>	<b>15,001,071</b>	<b>12,897,817</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>519,624</b>	<b>(2,506,557)</b>	<b>28,227,822</b>	<b>26,240,889</b>

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**16. 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 percentage on the Schools GAG funding between 3 and 8%. Where schools require additional capacity support additional Service Level Agreements are formed.

	<b>31.08.19</b>	<b>31.08.18</b>
	£	£
Chestnuts Primary School	83,270	82,014
Olney Infant Academy	45,598	46,000
Olney Middle School	68,268	68,376
Two Mile Ash School	130,140	109,421
Whitehouse Primary School	91,287	36,372
Fairfields Primary School	41,191	25,702
Heronshaw Infant School	32,134	-
Exeter a Learning Community	114,336	-
Woodnewton a Learning Community	164,616	-
<b>TOTAL</b>	<b>770,870</b>	<b>367,885</b>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**17. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Improvement to property £	
<b>COST</b>				
At 1 September 2018	10,049,466	18,002,994	464,225	
Additions	4,199,923	5,629,747	271,335	
Disposals	-	-	-	
At 31 August 2019	<u>14,249,389</u>	<u>23,632,741</u>	<u>735,560</u>	
 <b>DEPRECIATION</b>				
At 1 September 2018	696,283	299,190	128,754	
Charge for year	206,802	428,376	57,481	
Eliminated on disposal	-	-	-	
At 31 August 2019	<u>903,085</u>	<u>727,566</u>	<u>186,235</u>	
 <b>NET BOOK VALUE</b>				
At 31 August 2019	<u>13,346,304</u>	<u>22,905,175</u>	<u>549,325</u>	
At 31 August 2018	<u>9,353,183</u>	<u>17,703,804</u>	<u>335,471</u>	
	<b>Office equipment £</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>				
At 1 September 2018	222,088	332,694	444,092	29,515,559
Additions	15,709	238,268	274,574	10,629,556
Disposals	-	(550)	(436)	(986)
At 31 August 2019	<u>237,797</u>	<u>570,412</u>	<u>718,230</u>	<u>40,144,129</u>
 <b>DEPRECIATION</b>				
At 1 September 2018	95,606	176,406	268,434	1,664,673
Charge for year	41,804	62,840	154,669	951,972
Eliminated on disposal	-	(183)	(375)	(558)
At 31 August 2019	<u>137,410</u>	<u>239,063</u>	<u>422,728</u>	<u>2,616,087</u>
 <b>NET BOOK VALUE</b>				
At 31 August 2019	<u>100,387</u>	<u>331,349</u>	<u>295,502</u>	<u>37,528,042</u>
At 31 August 2018	<u>126,482</u>	<u>156,288</u>	<u>175,658</u>	<u>27,850,886</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**17. TANGIBLE FIXED ASSETS - continued**

Included in land and buildings is freehold land with a net book value amount of £2,509,338 (2018: £2,509,338) which is not depreciated.

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

	<b>31.8.19</b>	31.8.18
	£	£
Trade debtors	<b>309,698</b>	205,159
Other debtors	<b>396,805</b>	56,817
VAT	<b>165,853</b>	74,688
Prepayments and accrued income	<b>377,440</b>	315,929
	<u><b>1,249,796</b></u>	<u>652,593</u>

**19. CURRENT ASSET INVESTMENTS**

	<b>31.8.19</b>	31.8.18
	£	£
Shares in group undertakings	<u><b>1</b></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 2019**

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

	<b>31.8.19</b>	31.8.18
	£	£
Trade creditors	<b>391,418</b>	382,790
Social security and other taxes	<b>203,869</b>	127,898
Other creditors	<b>242,287</b>	13,744
Accruals and deferred income	<b><u>1,144,950</u></b>	<u>503,789</u>
	<b><u>1,982,524</u></b>	<u>1,028,221</u>

**Deferred income**

	<b>31.08.19</b>	31.08.18
	£	£
Deferred income at 1 September 2018	<b>314,859</b>	120,073
Resources deferred in the year	<b>615,134</b>	314,859
Amounts released from previous years	<b><u>(314,859)</u></b>	<u>(120,073)</u>
Deferred income at 31 August 2019	<b><u>615,134</u></b>	<u>314,859</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.

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

	<b>31.8.19</b>	31.8.18
	£	£
Other creditors	<b><u>20,894</u></b>	<u>-</u>

**22. LEASING AGREEMENTS**

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

	<b>31.8.19</b>	31.8.18
	£	£
Within one year	<b>25,401</b>	27,015
Between one and five years	<b><u>24,307</u></b>	<u>40,285</u>
	<b><u>49,708</u></b>	<u>67,300</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 2019**

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

	<b>Unrestricted fund £</b>	<b>Restricted funds £</b>	<b>Restricted fixed asset fund £</b>	<b>31.8.19 Total funds £</b>
Fixed assets	-	-	37,528,042	37,528,042
Current assets	1,503,074	2,569,355	432,540	4,504,969
Current liabilities	-	(1,982,524)	-	(1,982,524)
Long term liabilities	-	(20,894)	-	(20,894)
Pension liability	-	(8,669,000)	-	(8,669,000)
	<u>1,503,074</u>	<u>(8,103,063)</u>	<u>37,960,582</u>	<u>31,360,593</u>

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

	<b>Unrestricted fund £</b>	<b>Restricted funds £</b>	<b>Restricted fixed asset fund £</b>	<b>31.8.18 Total funds £</b>
Fixed assets	-	-	27,850,886	27,850,886
Current assets	519,620	1,379,668	376,936	2,276,224
Current liabilities	-	(1,028,221)	-	(1,028,221)
Pension liability	-	(2,858,000)	-	(2,858,000)
	<u>519,620</u>	<u>(2,506,553)</u>	<u>28,227,822</u>	<u>26,240,889</u>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**25. MOVEMENT IN FUNDS**

	At 1.9.18 £	Net movement in funds £	Transfers between funds £	At 31.8.19 £
<b>Unrestricted funds</b>				
General fund	519,620	983,454	-	1,503,074
<b>Restricted funds</b>				
General Annual Grant (GAG)	40,948	451,459	(127,639)	364,768
Restricted pension fund	(2,858,000)	(5,811,000)	-	(8,669,000)
Educational visits	30,100	(28,752)	-	1,348
Other restricted funds	90,100	(8,959)	-	81,141
Initial Teacher Training	78,142	38,361	-	116,503
Milton Keynes Teaching School Alliance	112,157	(109,980)	-	2,177
	(2,506,553)	(5,468,871)	(127,639)	(8,103,063)
<b>Restricted fixed asset funds</b>				
Restricted Fixed Asset	28,227,822	9,605,121	127,639	37,960,582
<b>TOTAL FUNDS</b>	<u>26,240,889</u>	<u>5,119,704</u>	<u>-</u>	<u>31,360,593</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	1,701,443	(717,989)	-	983,454
<b>Restricted funds</b>				
General Annual Grant (GAG)	12,403,247	(11,951,788)	-	451,459
Restricted pension fund	222,000	(4,233,000)	(1,800,000)	(5,811,000)
Pupil premium	741,188	(741,188)	-	-
Educational visits	399,490	(428,242)	-	(28,752)
Other restricted funds	2,660,008	(2,668,967)	-	(8,959)
Initial Teacher Training	464,174	(425,813)	-	38,361
Milton Keynes Teaching School Alliance	153,726	(263,706)	-	(109,980)
	17,043,833	(20,712,704)	(1,800,000)	(5,468,871)
<b>Restricted fixed asset funds</b>				
Restricted Fixed Asset	10,622,544	(1,017,423)	-	9,605,121
<b>TOTAL FUNDS</b>	<u>29,367,820</u>	<u>(22,448,116)</u>	<u>(1,800,000)</u>	<u>5,119,704</u>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**25. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.9.17 £	Net movement in funds £	Transfers between funds £	At 31.8.18 £
<b>Unrestricted Funds</b>				
General fund	563,394	(43,774)	-	519,620
<b>Restricted Funds</b>				
General Annual Grant (GAG)	103,666	(46,126)	(16,592)	40,948
Restricted pension fund	(2,955,000)	97,000	-	(2,858,000)
Educational visits	26,018	4,082	-	30,100
Other restricted funds	26,921	63,179	-	90,100
Initial Teacher Training	99,897	(21,755)	-	78,142
Milton Keynes Teaching School Alliance	4,137	108,020	-	112,157
Early Years fund	4,251	(4,251)	-	-
Start-up and resources fund	23,462	(23,462)	-	-
	(2,666,648)	176,687	(16,592)	(2,506,553)
<b>Restricted fixed asset funds</b>				
Restricted Fixed Asset	15,001,071	13,210,159	16,592	28,227,822
<b>TOTAL FUNDS</b>	<u>12,897,817</u>	<u>13,343,072</u>	<u>-</u>	<u>26,240,889</u>

**INSPIRING FUTURES THROUGH LEARNING  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**25. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Gains and losses £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>				
General fund	1,294,230	(1,338,004)	-	(43,774)
<b>Restricted funds</b>				
General Annual Grant (GAG)	7,354,702	(7,400,828)	-	(46,126)
Restricted pension fund	82,000	(819,000)	834,000	97,000
Pupil premium	416,722	(416,722)	-	-
Educational visits	223,679	(219,597)	-	4,082
Other restricted funds	969,752	(906,573)	-	63,179
Initial Teacher Training	258,114	(279,869)	-	(21,755)
Milton Keynes Teaching School Alliance	473,057	(365,037)	-	108,020
Early Years fund	-	(4,251)	-	(4,251)
Start-up and resources fund	-	(23,462)	-	(23,462)
	<b>9,778,026</b>	<b>(10,435,339)</b>	<b>834,000</b>	<b>176,687</b>
<b>Restricted fixed asset funds</b>				
Restricted Fixed Asset	13,810,306	(600,147)	-	13,210,159
<b>TOTAL FUNDS</b>	<b><u>24,882,562</u></b>	<b><u>(12,373,490)</u></b>	<b><u>834,000</u></b>	<b><u>13,343,072</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**25. MOVEMENT IN FUNDS - continued**

**Total funds analysis by academy**

Fund balances as at 31 August 2019 were allocated as follows:

	<b>Total 2019 £</b>	<b>Total 2018 £</b>
Two Mile Ash School	278,717	315,045
Whitehouse Primary School	461,975	83,080
Chestnuts Primary School	156,966	102,750
Olney Infant Academy	(24,499)	2,179
Olney Middle School	71,072	63,659
Fairfields Primary School	239,536	50,770
Exeter a Learning Community	(17,261)	-
Woodnewton a Learning Community	205,095	-
Heronshaw School	314,896	-
TMA - ITT	125,305	78,142
Milton Keynes Teaching School Alliance (MKTSA)	2,178	112,157
IFTL central services	<u>255,031</u>	<u>63,285</u>
	<b>2,069,043</b>	<b>871,067</b>
Restricted fixed asset fund	37,960,582	28,227,822
Pension reserve	<u>(8,669,000)</u>	<u>(2,858,000)</u>
	<b><u>31,360,593</u></b>	<b><u>26,240,889</u></b>

**Total cost analysis by academy**

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

	Teaching and Educational Support £	Other Educational Support costs £	Supplies £	Other costs (excluding depreciation) £	<b>Total 2019 £</b>	Total 2018 £
Two Mile Ash School	1,993,599	606,794	215,940	369,638	<b>3,185,972</b>	3,138,451
Whitehouse School	896,533	394,840	62,947	140,616	<b>1,494,936</b>	995,152
Chestnuts School	1,429,919	325,486	145,214	218,529	<b>2,119,147</b>	2,061,432
Olney Infant Academy	791,097	256,425	49,281	167,787	<b>1,264,590</b>	1,293,633
Olney Middle School	1,108,663	286,707	86,339	188,029	<b>1,669,738</b>	1,634,781
Fairfields School	458,139	326,817	61,533	130,066	<b>976,555</b>	696,566
Exeter	1,055,369	335,108	71,421	194,398	<b>1,656,296</b>	-
Woodnewton	1,457,703	525,276	43,383	243,377	<b>2,269,739</b>	-
Heronshaw School	550,459	62,202	83,471	75,274	<b>771,675</b>	-
TMA - ITT	133,760	46,463	179,312	43,264	<b>402,799</b>	248,873
MKTSA	54,959	17,163	44,013	24,475	<b>140,609</b>	376,635
IFTL central services	<u>290,461</u>	<u>387,698</u>	<u>53,042</u>	<u>509,778</u>	<b><u>1,240,979</u></b>	<u>681,225</u>
	<b><u>6,497,545</u></b>	<b><u>1,799,325</u></b>	<b><u>823,482</u></b>	<b><u>2,006,397</u></b>	<b><u>7,193,035</u></b>	<b><u>11,126,749</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**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.

**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).

**Restricted Fixed Asset Fund**

Restricted fixed asset funds are resources which are applied to specific capital purposes imposed by the EFA 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**

**Teachers' pension scheme**

*Introduction*

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies 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.

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**26. PENSION AND SIMILAR OBLIGATIONS**

**- continued**

*Valuation of the Teachers' Pension Scheme*

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 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 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay is applied to valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

During the year the employer contribution rate was 16.48%. The TPS valuation for 2016 determined an employer rate of 23.68%, which was payable from September 2019.

The employer's pension costs paid to TPS in the period amounted to £986,006 (2018: £613,788).

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

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

**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 2019 was £1,087,000 (2018: £636,000), of which employer's contributions totalled £847,000 (2018: £493,000) and employees' contributions totalled £240,000 (2018: £143,000). The agreed contribution rates for future years are between the range of 17.7 and 20 per cent for employers and between the range of 5.5 and 12.5 per cent for employees.

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

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	<b>(20,117,000)</b>	<b>(6,342,000)</b>
Fair value of plan assets	<b><u>11,448,000</u></b>	<b><u>3,484,000</u></b>
	<b><u>(8,669,000)</u></b>	<b><u>(2,858,000)</u></b>
Deficit	<b><u>(8,669,000)</u></b>	<b><u>(2,858,000)</u></b>
Liability	<b><u>(8,669,000)</u></b>	<b><u>(2,858,000)</u></b>

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

	<b>Defined benefit pension plans</b>	
	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£</b>	<b>£</b>
Current service cost	<b>1,621,000</b>	<b>1,149,000</b>
Net interest from net defined benefit asset/liability	<b>110,000</b>	<b>78,000</b>
Past service cost	<b>179,000</b>	<b>-</b>
Gains/losses on settlements and curtailments	<b>2,945,000</b>	<b>-</b>
Employer contributions	<b>(847,000)</b>	<b>(493,000)</b>
Administration expenses	<b><u>3,000</u></b>	<b><u>3,000</u></b>
	<b><u>4,011,000</u></b>	<b><u>737,000</u></b>
Actual return on plan assets	<b><u>366,000</u></b>	<b><u>33,000</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**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>31.8.19</b>	<b>31.8.18</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation	6,342,000	5,595,000
Current service cost	1,621,000	1,149,000
Past service cost	179,000	-
Contributions by scheme participants	240,000	143,000
Interest cost	332,000	160,000
Benefits paid	(27,000)	(13,000)
Settlements	9,089,000	284,000
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(906,000)	-
Actuarial (gains)/losses from changes in financial assumptions	<u>3,247,000</u>	<u>(976,000)</u>
	<u><u>20,117,000</u></u>	<u><u>6,342,000</u></u>

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

	<b>Defined benefit pension plans</b>	
	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets	3,484,000	2,640,000
Contributions by employer	847,000	493,000
Contributions by scheme participants	240,000	143,000
Interest on assets	222,000	82,000
Benefits paid	(27,000)	(13,000)
Settlements	6,319,000	109,000
Administration expense	(3,000)	(3,000)
Return on plan assets (excluding interest income)	<u>366,000</u>	<u>33,000</u>
	<u><u>11,448,000</u></u>	<u><u>3,484,000</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**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>31.8.19</b>	<b>31.8.18</b>
	<b>£</b>	<b>£</b>
Actuarial (gains)/losses from changes in demographic assumptions	<b>906,000</b>	<b>-</b>
Actuarial (gains)/losses from changes in financial assumptions	<b>(3,247,000)</b>	<b>976,000</b>
Return on plan assets (excluding interest income)	<b>366,000</b>	<b>33,000</b>
Actuarial gains/(losses)	<b><u>175,000</u></b>	<b><u>(175,000)</u></b>
	<b><u>(1,800,000)</u></b>	<b><u>834,000</u></b>

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**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>31.8.19</b>	<b>31.8.18</b>
<b>Gilts</b>	<b>5%</b>	<b>12%</b>
<b>Equities</b>	<b>64%</b>	<b>52%</b>
<b>Other Bonds</b>	<b>16%</b>	<b>12%</b>
<b>Property</b>	<b>8%</b>	<b>7%</b>
<b>Cash</b>	<b>3%</b>	<b>6%</b>
<b>Alternative Assets</b>	<b>0%</b>	<b>1%</b>
<b>Hedge Funds</b>	<b>2%</b>	<b>5%</b>
<b>Absolute Return Portfolio</b>	<b>2%</b>	<b>5%</b>

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

	<b>Fair value 31.8.19 £000</b>	<b>Fair value 31.8.18 £000</b>
Gilts	<b>604</b>	<b>412</b>
Equities	<b>7,302</b>	<b>1,829</b>
Other bonds	<b>1,803</b>	<b>427</b>
Property	<b>919</b>	<b>255</b>
Cash	<b>291</b>	<b>208</b>
Alternative Assets	<b>34</b>	<b>28</b>
Hedge Funds	<b>262</b>	<b>161</b>
Absolute Return Portfolio	<b>233</b>	<b>164</b>
<b>Total market value of assets</b>	<b>11,448</b>	<b>3,484</b>
Present value of scheme liabilities - funded	<b>(20,117)</b>	<b>(6,342)</b>
<b>Surplus/(deficit) in the scheme</b>	<b>(8,669)</b>	<b>(2,858)</b>

The actual return on scheme assets was £283,000 (2018: £33,000)

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

	<b>31.8.19</b>	<b>31.8.18</b>
<b>Discount rate for scheme liabilities</b>	<b>1.9%</b>	<b>2.7%</b>
<b>Rate of increase in salaries</b>	<b>2.6-3.65%</b>	<b>3.8%</b>
<b>Rate of increase for pensions in payment</b>	<b>2.15-2.3%</b>	<b>2.3%</b>
<b>Inflation assumptions (CPI)</b>	<b>2.15-2.3%</b>	<b>2.3%</b>
<b>RPI increases</b>	<b>3.15-3.3%</b>	<b>3.3%</b>

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

The assumed life expectancy on retirement age 65 are:

	<b>31.8.19</b>	<b>31.8.18</b>
<b>Retiring today:</b>		
<b>Males</b>	<b>21.2-22.9</b>	<b>24.0</b>
	<b>23.3-24.8</b>	<b>26.1</b>
<b>Retiring in 20 years:</b>		
<b>Males</b>	<b>22.3-24.6</b>	<b>26.3</b>
<b>Females</b>	<b>24.7-26.7</b>	<b>28.5</b>

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

<b>Changes in assumptions at 31 August 2019:</b>	<b>Approximate % increase to Employer Liability</b>	<b>Approximate monetary amount (£000)</b>
0.5% decrease in Real Discount Rate	<b>15%</b>	3,003
1-year increase in Member Life Expectancy	<b>4%</b>	738
0.5% increase in the Salary Increase Rate	<b>2%</b>	343
0.5% increase in the Pension Increase Rate	<b>13%</b>	2,626

The estimated value of employer contributions for the year ended 31 August 2020 is £906,000

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

**27. RELATED PARTY DISCLOSURES**

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

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

Pay and benefits in kind: £120,000 - £130,000 (2018: £140,000 - £150,000)

Company pension contributions: £15,000 - £20,000 (2018: £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. 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 £2,088 (2018: £1,826) 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 period ended 31 August 2018, travel and subsistence expenses totalling £823 (2018: £155) were reimbursed or paid directly to trustees.

**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 2019**

**30. TEACHING SCHOOL TRADING ACCOUNT**

	2018/19 £	2018/19 £	2018/19 £	2017/18 £	2017/18 £	2017/18 £
<b>Income</b>						
Other Income		153,611			407,915	
Fundraising and other trading activities		<u>116</u>			<u>1,334</u>	
<b>Total income</b>			153,728			409,248
<b>Expenditure</b>						
Direct costs						
Direct staff costs	54,959			136,280		
Deployment	9,283			48,357		
Staff development	-			50,811		
Other direct costs	<u>37,632</u>			<u>41,287</u>		
Total direct costs		101,874			276,735	
Other costs						
Support staff costs	17,163			85,610		
Recruitment and support	6,110			10,264		
Other support costs	26,712			28,823		
Share of governance costs	<u>-</u>			<u>1,500</u>		
Total other costs		49,986			126,197	
<b>Total expenditure</b>			(151,859)			(402,932)
Surplus/(Deficit) from all sources			<u>1,868</u>			<u>6,317</u>

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

	31.8.19 £	31.8.18 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>6,919,704</b>	12,509,072
<b>Adjustments for:</b>		
Depreciation	951,973	598,868
Capital grants from DfE/ESFA	(478,001)	(110,208)
Transfer from Local Authority on conversion	(3,017,000)	(13,700,098)
Loss on disposal of fixed assets	365	1,279
Carried forward	(2,542,663)	(13,210,159)

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

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£</b>	<b>£</b>
<b>Adjustments for:</b>		
Brought forward	<b>(2,542,663)</b>	(13,210,159)
Interest received	<b>(1,867)</b>	(2,545)
Interest paid	<b>3,632</b>	6,180
Transfer of existing academies	<b>(7,748,907)</b>	-
Increase in debtors	<b>(597,203)</b>	(281,214)
Increase in creditors	<b>975,197</b>	293,096
Difference between pension charge and cash contributions	<b><u>4,947,235</u></b>	<u>737,000</u>
<b>Net cash provided by (used in) operating activities</b>	<b><u>1,955,128</u></b>	<u>51,430</u>

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2019**

	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£</b>	<b>£</b>
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and capital grants</b>		
Donations	<b>32,416</b>	36,259
Transfer of existing academies into the academy trust	<b>7,748,907</b>	-
Grants	<b>398,001</b>	110,208
	<b>8,179,324</b>	146,467
<b>Transfer from Local Authority on conversion</b>	<b>3,017,000</b>	13,700,098
<b>Other trading activities</b>		
Catering income	<b>359,542</b>	493,888
Other income	<b>107,335</b>	10,407
	<b>466,877</b>	504,295
<b>Investment income</b>		
Deposit account interest	<b>1,867</b>	2,545
<b>Charitable activities</b>		
Hire of facilities	<b>102,015</b>	100,735
School trips, kidz club and other clubs	<b>875,122</b>	624,021
Initial teacher training partnership	<b>464,077</b>	258,527
Educational development income	<b>168,857</b>	690,216
Grants	<b>15,870,681</b>	8,747,399
	<b>17,480,752</b>	10,420,898
<b>Other income</b>		
Interest on pension scheme liabilities	<b>222,000</b>	82,000
Other income	<b>-</b>	26,259
	<b>222,000</b>	108,259
<b>Total incoming resources</b>	<b>29,367,820</b>	24,882,562

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2019**

	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£</b>	<b>£</b>
<b>EXPENDITURE</b>		
<b>Costs of fundraising</b>		
Wages	456,962	303,915
Social security	20,845	12,681
Pensions	72,024	53,566
Catering expenses	468,248	341,026
School clubs and activities	98,295	19,771
	<b>1,116,374</b>	<b>730,959</b>
<b>Charitable activities</b>		
Wages	7,813,394	5,111,909
Social security	1,220,081	462,066
Pensions	5,224,343	1,506,110
Staff restructuring costs	7,503	47,865
Technology costs	69,932	98,749
Educational supplies	309,606	159,248
Staff development	320,168	156,780
Educational consultancy	109,165	67,502
School clubs and activities	273,271	307,242
Premises costs	1,023,073	525,783
Other costs	78,660	410,009
Recruitment	10,968	5,162
Loss on sale of tangible fixed assets	365	1,279
Interest on pension scheme liabilities	332,000	160,000
Pension administration expense	3,000	3,000
	<b>16,795,529</b>	<b>9,022,704</b>
<b>Support costs</b>		
<b>Management</b>		
Wages	2,307,264	1,130,749
Social security	165,204	78,086
Pensions	433,887	220,328
Technology and consultancy	149,451	86,277
School clubs and activities	-	14,120
Other costs	347,928	397,703
Freehold property	206,802	128,539
Long leasehold	428,377	251,297
Improvements to property	57,481	44,457
Office equipment	41,804	31,777
Fixtures and fittings	62,839	35,637
Computer equipment	154,670	107,161
Bank interest	3,632	6,180
	<b>4,359,339</b>	<b>2,532,311</b>

This page does not form part of the statutory financial statements

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

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2019**

	<b>31.8.19</b>	31.8.18
	£	£
<b>Governance costs</b>		
Other costs	<b>127,690</b>	52,016
Auditors' remuneration	<b>49,184</b>	<u>35,500</u>
	<b>176,874</b>	<u>87,516</u>
<b>Total resources expended</b>	<b>22,448,116</b>	12,373,490
	<hr/>	<hr/>
<b>Net income</b>	<b><u>6,919,704</u></b>	<u>12,509,072</u>

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