

REGISTERED COMPANY NUMBER: 07698904 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
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 2021**

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**INSPIRING FUTURES THROUGH LEARNING
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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021**

MEMBERS: T Wilson (appointed 1/3/21)
P Navin (resigned 27/1/21)
M Taylor
M Wogan
G Swepston
M A Hubbard

TRUSTEES S E Bennett CEO *
S J Fulton *
G Swepston Finance & Future Growth Committee chair
M A Hubbard Chair of Trustees *
M Dolling
B Stanley Educational Excellence Committee chair
M J Midgley
K J Roberts
J L Richardson
D Rogers
F Bartlett (appointed 1/3/21) (resigned 31/8/21)

* members of the finance and general purpose committee

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

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

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

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021**

BANKERS

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

SENIOR LEADERSHIP TEAM

Central Executive Team

S E Bennett - (CEO)
S Boak - (Head of Professional and Governance Services)
K Kemp - (Head of Quality Assurance and Safeguarding)
M Saunders (Head of School Development and co-head, Exeter - a learning community)
J Smith - (Head of Operations)
R Tite - (CFO)

Senior Management Team

J Ainscow, Head of School, Heronshaw School
N Bramwell, Head of School, Rickley Park Primary School
S Armitage, Head of School, Olney Infant Academy
L Eldrige, Head of School, Two Mile Ash School
L Kelly, Head of School, Whitehouse Primary School
G Rushton, Principal, Woodnewton a Learning Community (left 31.08.21)
K Holland, Headteacher, St Mary and St Giles C of E School
K Cursley, Executive Headteacher, Ashbrook and Holmwood Infant schools
M Shotton, Headteacher, Fairfields Primary School and co-head, Exeter - a learning community
B Skillings, Headteacher, Chestnuts Primary School
T McQuade, Headteacher, Priors Hall - a learning community
G Young, Head Teacher, Olney Middle School

**INSPIRING FUTURES THROUGH LEARNING
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**REPORT OF THE TRUSTEES
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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 2021. 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 2019) 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 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

At 31 August 2021, Inspiring Futures through Learning (IFtL) operated 14 academies for pupils aged 2 to 11 serving catchment areas within Milton Keynes and North Northamptonshire. In addition, as a result of a Free School Presumption Competition, IFtL is preparing to open a new build all-through school (ages 3 to 16) within Milton Keynes, due to open in September 2022. Further growth is planned in the academic year 2021-22.

Academies within IFtL have a combined pupil capacity of 6,430 and had a roll of 5,454 in the school census on October 2021.

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

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.

**INSPIRING FUTURES THROUGH LEARNING
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

OBJECTIVES AND ACTIVITIES

Objects and Aims

As set out in the Academy Trust's Articles of Association (amended 2021), the principle object of IFtL is:

a) 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 Academies which shall offer a broad and balanced curriculum and which:

i. shall include Church of England Academies ("Church Academies" and each a "Church Academy") designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and

ii. may include other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

b) As ancillary to Article 4(a) and with the written consent of the Trustees and Oxford Diocesan Board of Education in respect of academies falling under Article 4(a)(i), to promote for the benefit of the inhabitants of the areas served by the academies the provision of services for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstance or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

At IFtL we have defined our approach to creating an IFtL Family in order to achieve this object such that it feeds 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 everyday. 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 untied 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 systems where we have numerous measures and targets. Our vision, values and strategic priorities have been circulated across all our schools, are displayed prominently and used as a basis for performance related discussions and objectives in appraisals to remind us all of the pillars upon which we base all of our activities, actions and 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 collaborate approach is embedded within the peer discussion networks set up across the Trust and is shown in our strong relationships with external partners. Further information can be sought via our website: www.iftl.co.uk

Public Benefit

In accordance with its charitable objectives, IFtL and its family of schools strive to:

- Advance the education of the children and young people attending its schools. The school's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout our schools
- Recognise and support the individual ethos of each school and conducting those of Church of England designation in accordance with the principles, practices and tenets of the Church of England
- 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 employees which enhances the public benefit.

In setting our objective and planning our activities, the Trustees have carefully considered the Charity Commissions' general guidance on public benefit.

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**REPORT OF THE TRUSTEES
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STRATEGIC REPORT

Achievement and performance

Performance

In a year again impacted heavily by the Covid19 pandemic and the resulting lack of statutory assessments for 2020-21, the performance of schools and IFtL is reported without formal reference to results in this way. IFtL has continued to create opportunities to thrive for pupils, families, employees and communities and as such, reflects many successes to be proud of during this year.

MAT Development

2020-21 represents IFtL's fifth year of being a Multi-Academy Trust and, as such, continues to grow and mature as an organisation. IFtL now represents 14 (open) schools for primary aged children, over 860 employees and over 5,800 pupils in Milton Keynes and North Northamptonshire.

Further to the identified plans for development from the 2019-20 annual report:

- Structural consolidation: The development of 3 regional hubs for IFtL schools has taken place. The 3 hubs represent geographic relationships (South Milton Keynes, North Milton Keynes and Corby) and are designed to maximise school development opportunities through a sharing of resources, projects and professional services structures in line with current and future growth. The senior leaders of the schools within the hubs, working with the Trust senior leaders, have exemplified this aim in practical terms through 2020-21, for example through leading and piloting projects such as: proposals for site management leadership by hub, Formula 1 racing and art focused activities for children in and across hubs, technology for learning development and research

- Strategic growth: Opportunities for growth continue to be developed, with St Mary and St Giles' Church of England Primary School joining the Trust on 1st March 2020. This represents the first inclusion of a Church of England School within the MAT with a conscious review of the vision, values and ethos of the Trust by the Board of Trustees as part of ensuring alignment of these with upholding Christian values in St Mary and St Giles' Primary and potential future Church of England schools in the MAT. Opportunities for growth with additional Church of England schools is considered valuable to the future growth strategy of the Trust. Since being awarded the school in February 2020, IFtL have been working closely with strategic partners including Milton Keynes Council and 5 Dimensions to design, build and create an innovative, net carbon zero all-through school at Glebe Farm (Milton Keynes) opening in September 2022 that will, when full, provide education for 1530 pupils aged 3 to 16. The development of Glebe Farm School, with a purposeful primary led pedagogy being used in secondary / all-through education, represents a key focus for IFtL growth during 2020-21 and beyond. Growth of strategic partnerships in the system leadership sector continued successfully during 2020-21 with changes in the national Teaching School landscape being met through strong relationships with system leadership providers, including Teaching School Hubs covering Milton Keynes and Northamptonshire. Contribution, research and delivery provision for key teacher and leadership development programmes has been established providing a strong foundation and positioning of the Trust's expertise appropriately.

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- Individual growth: CPD and leadership pathways are considered a fundamental part of IFtL's offering to employees and have been strengthened further through 2020-21. Research and evidence based practice forms the basis of all CPD programmes offered as does the opportunity to provide bespoke opportunities on a one-to-one, small group or whole school basis based on in-depth understanding of development priorities for all through appropriate and consistent monitoring of the provision of high-quality teaching and learning for all pupils. A comprehensive CPD and coaching programme for those involved in school leadership and governance is available and impactful for maximising individual and personal growth complementing professional growth. An IFtL Safeguarding and Wellbeing Lead position has also been created in the core Trust team, fulfilled by a qualified psychotherapist, and represents a further commitment to ensuring that the wellbeing and positive mental health approach across the Trust continues to be proactive, relevant, driven by the needs of our children and employees and creating positive impact on the lives of all in our communities.

Educational strategy and structure

IFtL is a Trust that is founded by educational professionals with exceptional system leadership experience and as such, strong leadership and high expectations of school development are fundamental to the success of the organisation. The Covid19 pandemic changed the environment and dynamics of education provision at different points of the year however, the determination to care for, keep safe and engage children and families and provide high standard learning opportunities was ever present throughout.

Our educational strategy was reviewed in light of the increased challenges of provision through (and following on from) the Covid19 pandemic, yet remains focused on two main strands:

- Excellence for every child: as a Multi Academy Trust, we have passion and drive to make the education of every child count, in all of our schools. Every adult within the Trust takes responsibility for ensuring that education excellence is available to all and that we share our learnings and successful practices generously for the mutual benefit for everyone within IFtL.
- We value all employees and will invest in their continuing their career professional development to achieve the priorities of the Trust.

Successful growth of senior trust roles this year has reflected growth of the Trust with a clear and established relationship between those holding lead responsibilities for quality assurance, school development and CPD working tightly together to ensure that performance is monitored regularly, development needs are identified early and addressed through evidence based CPD (delivered through a range of on and off line formats). Leaders have established a structure and system for the above which ensures consistency of shared language and expectations for all through consolidating data systems and enhancing holistic reporting of all school performance areas and this is being embedded further during 2021-22. The use of one reporting system across all school, local governing boards, executive teams and Trustees allows clear visibility for executive and governance monitoring, support and challenge.

External reviews of performance continued through the year, using educational consultants and internal educational quality assurance leads.

Community, safeguarding and engagement

Through an 'open door' policy in all our schools for parent / carers, our relentless approach to maintaining positive relationships was the key to ensuring that our families and community stayed connected throughout the periods of partial closure and beyond during the Covid19 pandemic.

Safeguarding was our highest priority - engaging with and seeing children on a daily basis through face to face and / or remote means to check in on welfare and offer support as needed. Learning engagement levels were significantly higher than national averages at all points during the year.

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Schools across IFtL were incredibly proactive in giving back and supporting their communities through the Covid19 pandemic. As an example, Fairfields Primary School (Milton Keynes) won a 'Recognition Award' at the Education Estates Award 2021 for their work during the lockdown including the provision of a community food bank which was funded and donated to by staff and members of the community for keyworkers and those suffering hardship across the city.

Two Mile Ash Initial Teacher Training Partnership (TMA ITTP)

TMA ITTP has operated from Two Mile Ash School, IFtL's founding school, since 2002 and has successfully delivered over 600 qualified teachers to the education sector and, moreover continued to be involved in the further development of teachers throughout their Early Career years and further into Leadership positions. Now offering training across 3 locations in Milton Keynes, Northamptonshire and Buckinghamshire, TMA ITTP was the first School Based Initial Teacher Training provider to offer an undergraduate programme, started in 2018/19 and were delighted that our first graduates of this programme so successfully achieved their QTS awards in 2020-21. In 2021-22, our first apprenticeship teaching cohort will start offering trainee teachers 4 routes into teaching through TMA ITTP - assessment only, postgraduate, undergraduate and teaching apprenticeships.

Fundraising activities

A key priority is the engagement of our schools with their local communities. As such, most Trust schools have an active PTA and 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 and positive impact to schools and we are very grateful for those that engage.

Outside of these groups, our children and wider school communities support national fundraising and charitable activities, for example Children in Need.

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**REPORT OF THE TRUSTEES
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STRATEGIC REPORT

Achievement and performance

Key Performance Indicators

Attendance and engagement

Despite the challenges faced by all through the Covid19 pandemic, the average attendance (including through remote access means) for all schools across IFtL remained high at 96.53% (up to 5th July 2021) which is +5.6% higher than National (90.9% on 24th June 2021) and +1.23% (Autumn 2021 95.3%). The individual school's attendance ranges from 98.10% to 95.29% so all schools are in line with the National figure or higher.

Financial Performance

Similar to education, a year of lockdowns and disruption impacted the budget and actual financial results of the schools and trust. Key Financial Indicators were therefore not effective ways of ensuring that essential areas were within an acceptable level. That said, we continued to use the DfE (Department for Education) Self Evaluation categories as a means of benchmarking and benchmark reports from the sector to guide ourselves through the budget setting for AY 21/22. Within our schools we have found that of the Curriculum Led Financial Factors three main factors were necessary to consider and compare against national averages, the factors were Average teacher cost, Average class size, Teacher contact ratio.

Our Finance and Resource Committee continue to monitor 3-year plans and the key factors that have a significant influence on them. Pupil Number forecasts, funding increases and salary pay scale changes being the most significant.

These factors are monitored for the schools and trust. The context of each school has an impact on their statistics and so it is not relevant to have one hard line measure to consider ruling against.

Our over-arching KPI for finance is the amount of reserves held. This is more considered by the FRC. Our current position is 16%, exceeding the policy level of 8%, further information and context is given within the Reserves section.

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

STRATEGIC REPORT

Financial review

Financial position

Academic Year 2020-21 saw the Covid 19 pandemic effect our schools, including their finances. Our ancillary services were disrupted, adapted to meet needs. Our wrap around care was reduced, retracting, and are returning to lower levels of use as our communities' parents work from home. Despite a loss of income, we also saw a deferment of some investments. We have adapted our AY 2021-22 budgets to ensure that strategic investments have been protected and continue to meet the needs of our schools. Where Schools have saved expenditure leading to the healthy position seen at the year end.

The trusts main risks that continue to be a priority for the us include:

- Financial security due to dependence of government funding; we continue to monitor funding rates and changes to ensure our financial modelling is as up to date and as informed as possible
- Safeguarding; as always, a principal priority for the trust. We have a structure of training, reviews, and assessments to ensure that the system of safeguarding is as secure as possible.
- Continued impact of Covid 19 on education; we continue to support on the recovery of the education out of the disruption on our schools. We are reflecting on the use and application of technology on ensuring that we provide an infrastructure that be easily adapted to uncertain changes and supports our pupils needs.

Across our schools we do have a mixture of financial performance and positions. The reasons for this differ between schools. We have 2 Schools that have accumulative deficits and a further 2 schools at risk at the end of 2022 of being accumulative deficits. The reasons behind these are pupil number drops, staffing changes and commitments and the structure of the schools when we took on the schools. We have knowingly taken on schools despite financial difficulties they present due to importance of improving the education. We have plans for each school and a mechanism of reviewing, discussing, and taking actions on to make positive changes. We do though have the realistic expectation that we will continue to have some schools that find financials difficult to balance and continue to look at ways we can facilitate positive changes across the trust to make the schools and the trust financially strong and sustainable.

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.

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STRATEGIC REPORT

Financial review

Reserves Policy

The purpose of the reserves policy for IFtL is to ensure the ongoing financial sustainability of all our schools and departments. Our policy gives as a benchmark of 8% of GAG as a level, reasonable to carry. This will provide protection and allow flexibility for adjustments to financial circumstances and changes.

Our policy requires schools to have a plan of holding 8% of their GAG as reserves, ensuring that they maintain the equilibrium of the trusts responsibility of holding 8%.

Currently we hold around 16% of GAG, this includes elements of funding that are expected to be included within the AY 2021/22 budgets and so does not give a true indication of the reserves held that are free from commitment or deployment. Current projections expect us to hold a remaining 13.3% of reserves as at August 2022.

Within the reserves we hold a designated account of £75k for the replacement of a 3G pitch at Rickley Park Primary School. This is the most significant designated fund held.

Across our schools we do have a mixture of financial performance and positions. The reasons for this differ between schools. We have 2 Schools that have accumulative deficits and a further 2 schools at risk at the end of 2022 of being accumulative deficits. The reasons behind these are pupil number drops, staffing changes and commitments and the structure of the schools when we took on the schools. We have knowingly taken on schools despite financial difficulties they present due to importance of improving the education. We have plans for each school and a mechanism of reviewing, discussing, and taking actions on to make positive changes. We do though have the realistic expectation that we will continue to have some schools that find financials difficult to balance and continue to look at ways we can facilitate positive changes across the trust to make the schools and the trust financially strong and sustainable.

The Trust continues to explore opportunities to invest reserve into activities that will give a return in educational improvements and provide good value for money. Holding these reserves gives greater options and ensures that the Trust can be considered as a whole and not exclude schools that are financially challenged. Overall, within the MAT the level of resources is considered adequate. The Trustees review these on at least 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.

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.

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STRATEGIC REPORT

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 Trust 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:

- Reduction in pupil number
- Reduction in performance standards / poor Ofsted grading
- Loss of key senior personnel
- Recruitment and retention of quality teachers, in line with national challenges
- 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:

- Actively aware of changing population demographic, proactive promotion of schools with places and liaison with developers and local authorities to understand development growth
- Regular challenge and support on standards and performance between schools and Trust, including assurance from external providers
- Coaching and mentoring support for key personnel throughout the Trust
- Reflecting IFtL as 'a great place to be' and an employer of choice ensuring our commitment to development of all colleagues is visible, CPD is wide-ranging, research based and of consistent high quality, opportunities for secondment and progression are available and our routes into teaching (provision of Initial Teacher Training through post graduate and undergraduate routes) remain of outstanding quality
- Keep informed of government change, have structure and systems that allow us to capture key areas and as such reduce the risk of any predicted '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. Risk registers for schools are additionally considered by their Local Governing Bodies.

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STRATEGIC REPORT

Plans for future periods

The vision of IFtL is 'inspiring the futures of us all through learning together' and as such we fundamentally believe in the strength of collaboration in enhancing the opportunities for excellent education throughout the lives of children and adults. We will always consider growth in the context of sustainability of improvements and development and the career and expertise building opportunities of employees throughout the Trust.

The plan for growth will focus on schools in Milton Keynes, Northamptonshire and the surrounding areas where collaborative support to and from our existing schools can be maximised.

As we move into future periods, IFtL will:

- Continue to set and meet high expectations for continuous schools development to the benefit of our children, families, employees and communities
- Recognise the impact of the Covid19 pandemic on the learning and development of children and families and commit to responding effectively and flexibly to meeting resulting needs
- Recognise the positive legacy aspects of the Covid19 pandemic and commit to ensuring these are built into to practice appropriately
- Continue to build our expert researcher team underpinning further our strong evidence based pedagogy
- Successfully open our new all-through Glebe Farm school
- Ensure successful conversion of schools that join us so that they feel the immediate benefits of joining IFtL with all colleagues enjoying the shared understanding of and commitment to our vision, values and strategic priorities
- Continue to build stronger links with our communities, recognising our role as places of support, information, education, leisure and community hubs.

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**REPORT OF THE TRUSTEES
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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 Inspiring Futures through Learning are also the directors of the charitable company for the purposes of company law. 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.

The charitable company operates as Inspiring Futures through Learning. The following constituent parts of IFtL are also names used in relation to the Trust's operations:

- Milton Keynes Teaching School Alliance (MKTSA)
- Two Mile Ash Initial Teacher Training Partnership (TMA ITTP)
- Ashbrook School
- Chestnuts Primary School
- Exeter - a learning community
- Fairfields Primary School
- Glebe Farm School
- Heronshaw School
- Holmwood School
- Olney Infant Academy
- Olney Middle School
- Priors Hall - a learning community
- St Mary and St Giles Church of England Primary School
- Two Mile Ash School
- Whitehouse Primary School
- Woodnewton - a learning community

Members' liability

Each member of the academy trust undertakes to contribute to the assets of the 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 cease to be a member.

Trustees' Indemnities

There are no specific indemnities given to Trustees.

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. The Oxford Diocesan Board of Education shall appoint up to four Directors. 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 or elected 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.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Subject to the provisions of the Companies Act 2006, the Articles of Association 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 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 Central Executive Team). In addition, specific governance responsibilities are delegated to Local Governing Bodies (LGBs).

As at 31 August 2021, the Trust comprised of 14 open 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 (found at www.iftl.co.uk and due to be reviewed in December 2021).

In addition, a Strategic Board takes this role for Milton Keynes Teaching School Alliance (MKTSA) and Two Mile Ash Initial Teacher Training Partnership (TMA ITTP) and meets 3 times per year.

The Board of Trustees meets at least 3 times per year. Through the academic year 2020-21, the Board of Trustees also ran two sub-committee to review, monitor and make decisions (up to a delegated level) on Trust activities.

- The Trustees' 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 (and it's links with financial performance) with the Chair of the LGB and the Senior Leadership Team.
- The Trustee's Finance and Resources Committee meets on a monthly basis (excepting August (summer break) and December (when the AGM takes place). Up to August 2021, the function of an Audit & Risk Committee was carried out on a separate agenda by members of Finance and Resources Committee. A separate Audit & Risk Committee is to be established from September 2021.

The Chief Executive Officer, Sarah Bennett, is the Accounting Officer for IFtL.

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Promotion of success of the company

Trustees (and all involved in governance and leadership within IFtL) consider and conduct business according to the IFtL Governance Code of Conduct which incorporates the expectations to:

Acknowledge and work within the seven (Nolan) principles of public life, particularly noting their application to Trust / school governance:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

Role model ethical leadership by consistently displaying the following personal characteristics or virtues:

- Trust
- Wisdom
- Kindness
- Justice
- Service
- Courage
- Optimism

As part of their decision making process, Trustees consider the merits of proposals and expect each proposal to outline its relationship to the Trust's long term strategy and vision, benefits and risks to the organisation, consideration of regulatory and statutory positions, details of stakeholder views sought and the likely impact on those stakeholders.

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. Safeguarding awareness training, including modules on Prevent and FGM, is provided in depth to Trustees as part of their induction.

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 have access to a comprehensive governance-focused training and networking programme across the academic year including a bespoke Governor Accredited Programme and regular peer networking opportunities for Trustees and governors relating to their general governance or specific link roles (eg: Chairs and Vice Chairs, Safeguarding, Pupil Support, Mental Health and Wellbeing). Trustees and governors also have ongoing access to IFtL's wide CPD portfolio for employees.

Trustees and governors have access to the support of 2 National Leaders of Governance, the Trust's Head of Governance and independent governance professionals.

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

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, Chief Executive Officer, no Trustees are paid. No pay is awarded for being a Trustee (or governor).

Performance Management processes for IFtL include 3 meetings across the academic year: setting targets, reviewing progress, reviewing success.

CEO pay and remuneration is determined by an annual process of Performance Management, carried out by an external advisor and the Chair of Trustees, determining the success against previous year's targets, appropriate targets for the forthcoming year and providing context / benchmarking to the Trustees' Pay Committee to allow them to determine any remuneration consequences.

Performance Management for the Central Executive Team is carried out by the CEO. The CEO also undertakes the performance management reviews of each of the Senior Management Team, alongside the Chair of the appropriate LGB. Recommendations from all are reviewed and ratified by the Trustees' Pay Committee, including the benchmarking of targets and pay awards.

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

In accordance with the Trade Union (Facility Time Publication Requirements) Regulations 2017, as an educational establishment, Inspiring Futures through Learning notes that:

- "Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake TU duties and activities as a TU representative. There is a statutory entitlement to reasonable paid time off for undertaking union duties. There is no such entitlement to paid time off for undertaking activities."

- Whilst representation of our employees within Trade unions is welcomed, no employees have taken facility time during the year stated in line with the definition above.

- Therefore, the Facility Time Publication Requirements return made before 31st July 2021 showed:

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	Nil
1-50%	3
51-99%	Nil
100%	Nil

Percentage of pay bill spent on facility time

	£
Total cost of facility time	650
Total pay bill	22,120,585

Percentage of the total pay bill spent on facility time calculated as:

$$(\text{total cost of facility time} \div \text{total pay bill}) \times 100 \quad 0\%$$

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:

$$(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100 \quad 100\%$$

Related Parties and other Connected Charities and Organisations

A key part of the values and strategic priorities of IFtL is collaboration - we strongly believe that working together with other schools, Multi Academy Trusts, Local Authorities and other organisations enables the sharing of ideas, support, challenge and opportunities to enhance the lives and education of our communities.

On 1st March 2020, St Mary and St Giles Church of England Primary School joined IFtL. As such, new Articles of Association are now in place which formalises a requirement for representation within IFtL's governance structure for the Diocese of Oxford.

IFtL holds a Memorandum of Understanding with a Milton Keynes, secondary based MAT - 5 Dimensions - in respect of support in the development of IFtL's new all through school at Glebe Farm.

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

There are no Related Party Disclosures to make for this year.

**INSPIRING FUTURES THROUGH LEARNING
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Engagement with employees

IFtL currently has approximately 860 employees - engagement, feedback and discussion is actively encouraged and valued from everyone. Much of the communication with employees is two way through senior leadership teams within schools however this is in addition to:

- Termly newsletters containing school and social news from across all areas of IFtL
- Weekly Heads Up! communications outlining cross-trust activities and information
- Bi-weekly 'Futures' email to all employees outlining all current vacancy and development opportunities
- Collaborative working through a range of networks offering employees opportunities to share ideas, best practice, lessons learnt and research in a variety of areas including Mental Health and Wellbeing, Equity and Diversity, Safeguarding, SEND, subject leadership and middle leadership
- Employee participation on each Local Governing Body and within the IFtL Governance Network
- Business Manager weekly meetings
- Headteachers and Trust Executive Team half termly networking sessions

Cross-Trust working is a key element of the success of IFtL and its employees, a legacy of remote working through the recent Covid pandemic is reflected in the increased ease in which colleagues contact each other remotely individually or in networks through embedded use of MS Teams. In addition, equipment purchased with support from the Trust Capacity Fund allows cross-Trust groups (of employees and / or children) to meet remotely for joint training, discussion and projects.

In addition to surveys of employees in each school, IFtL carries out an employee engagement survey each year. Consistency of questions asked annually allows meaningful discussion to take place regarding progress on the responses received as the Trust has grown. That said, in light of the pandemic, additional information was sought in 2020-21 regarding the effects of the pandemic on changing working practices, wellbeing and the impact of support available for employees throughout.

IFtL's vision is 'to inspire the futures of us all through learning together' and there is a practical commitment to ensuring that every employee is treated with respect, as an individual, fairly and in line with the Equality Act 2000. All HR policies and procedures reflect this approach and all policy review and development is undertaken in conjunction with recognised trade unions with whom our relationships are active, positive and proactively support staff engagement.

Engagement with suppliers, customers and others in a business relationship with the Trust

The relationships IFtL hold with stakeholders is key to its success and, ultimately, the success of us all together including the pupils and communities across IFtL schools.

Engagement with pupils and families is a key focus of all our schools and everyone within at all times. In addition to day to day communications in school, a range of family friendly communication tools are used for formal sharing of news and learning with parent / carers including School Comms and Dojo. Ensuring accessibility to school communications by all is a priority and includes a consideration of translation options required and devices available. Pupil school councils are in place in all of our schools and additionally represent a valuable leadership opportunity for pupils of all ages. Opportunities for parent / carers to share in learning and progress of pupils are ever present through showcases, assemblies, parent's evenings and an open door policy to parent / carers to discuss the wellbeing of their child(ren). During 2020-21, the Covid19 pandemic allowed communication through a range of remote activities, including remote lessons, which enabled families greater visibility of their child(ren)s school life - all of our schools exceeded national engagement levels for remote learning throughout the partial closure periods. This visibility and existing close relationships ensured families were in a position to make the most of support offered by schools such as signposting to services for those in need and provision of foodbanks at schools which was greatly valued.

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

FUNDS HELD AS CUSTODIAN FOR OTHERS

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

STREAMLINED ENERGY AND CARBON REPORTING

**UK Greenhouse gas emissions and energy use data for
the period 1 September 2020 to 31 August 2021**

<u>2020/21</u>	<u>2019/20</u>
Energy consumption used to calculate emissions (kWh)	3,688,900
Energy consumption break down (kWh) (optional):	
- gas	4,262,228
- electricity (standard)	404,834
- electricity (renewable)	917,110
- transport fuel	46,087
Scope 1 emissions in metric tonnes CO2e	
Gas consumption	506.6
Owned transport - mini-buses	0.97
Total Scope 1	507.57
Scope 2 emissions in metric tonnes CO2e	
Purchased electricity	203.76
Scope 3 emissions in metric tonnes CO2e	
Business travel in employee owned vehicles	13.71
Total gross emissions in metric tonnes CO2e	725.04
Intensity ratio Tonnes CO2e per pupil	0.14

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We are retrofitting LED lighting where appropriate and considering this as a priority for our SCA funding over the next couple of years in addition to considering Solar PV for schools. We have also moved towards more video conferencing and implementation of remote CPD and training technologies to reduce the need for travel between sites. As of 1st October 2021, 13 of our 14 schools are buying 100% Renewable for Business electricity from EdF via the CCS Framework. The remaining school will join the contract on expiry of its existing arrangement. In addition, we have submitted a successful bid to write a decarbonisation plan to assist us in further carbon reduction measures.

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021**

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 16 December 2021 and signed on the board's behalf by:

M A Hubbard - Trustee

**INSPIRING FUTURES THROUGH LEARNING
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Inspiring Futures through Learning 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 only provide reasonable and not absolute assurance against material misstatement or loss.

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements and responsibilities assigned to it in the funding agreement between Inspiring Futures through Learning 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.

**INSPIRING FUTURES THROUGH LEARNING
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

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 17 times during the year with additional meetings also held between Trustees with school leaders and local governors throughout the year.

The governance structure for IFtL includes Members, Board of Trustees, Local Governing Bodies (LGBs) and Academy Improvement Boards (AIBs). The roles within the structure are outlined in the Scheme of Delegation (available at www.iftl.co.uk).

The Board of Trustees has two Trustee Committees, Educational Excellence (EEC) and Finance & Resources Committee (F&R), within which educational and financial performance data is first provided to Trustees for scrutiny and challenge. The level of data received is considered appropriately detailed and 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 and also ensure regular communication with schools and their governors. Trustees at least annually visit each school and, during 2021/22 formalised this further into a 'Trust Accountability Board' structure in which Trustees, local governors, school leaders and quality assurance partners meet together for each school to celebrate, support and challenge school performance in all areas.

Further, Trustees welcome Local Governing Bodies into IFtL's 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 school's 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 remit and delegated powers of the AIB are reduced from that of an LGB to particularly determine that:

- Safeguarding is effective and compliant
- The quality of education is undergoing a rapid and sustainable improvement

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.

The Board reflects a high level of education, governance, accountancy, HR, business management, legal and capital programmes experience. In addition, further to the adoption of new 'mixed-MAT' articles of association to welcome a Church of England School into the Trust, representation of the Diocese of Oxford and the Church of England is made appropriately.

An external review of governance across the Trust was carried out in Spring 2020 and reflections further to this review implemented through the academic year 2020-21 including:

- Reviewing the budgetary responsibilities of those in the governance structure that are not Trustees. This has been impactful in encouraging increased ambition around school development priorities (with budgetary responsibilities led by executive teams)
- The implementation of peer networking groups for link role governors incorporating structured training and guidance on the role and related visits. This has been very positively received as link role holders from each LGB come together to discuss findings and share ideas for continued development.

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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

Self-evaluation of Trust Board performance is schedule for Spring 2022.

The Board of Trustees has formally met as a full Board 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
M Hubbard (chair)	5	6
F Bartlett	2	6
S Bennett	6	6
M Dolling	5	6
S Fulton	5	6
M Midgley	4	6
J L Richardson	4	6
K Roberts	6	6
D Rogers	6	6
B Stanley (Chair of Education Excellence Committee)	6	6
G Swepston (Chair of Finance & Resources Committee)	6	6

The Finance & Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to focus on monitoring the performance of each school, department and the Trust overall within the areas of finance, premises and Human Resources. This committee is forward thinking and plans to ensure it protects the future financial and operational viability of each establishment in a supportive and measured way. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
M Hubbard (Chair)	6	8
S Bennett	8	8
M Dolling	6	8
S Fulton	7	8
J L Richardson	7	8
K Roberts	8	8
G Swepston (Chair of Finance & Resources Committee)	7	8

**INSPIRING FUTURES THROUGH LEARNING
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

Review of Value for Money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Appropriately planning and procuring for the use of SCA Capital Funding securing best value through the maximisation of positive impact on the secure and engaging environments in which we thrive
- Effectively using DfE grants for facilitation of projects relating to online learning and development for children and adults
- Ensuring the performance of employees is rewarded appropriately through thorough Performance Management processes which are aligned to the values and vision of the Trust
- Strategically developing the use of IT and devices across the organisation to ensure the enhancement of learning opportunities available to all pupils
- Further developing the CPD pathways for teaching and non-teaching staff, including use of in-house expertise through formal training, coaching and networks
- Consolidating contracts and widening joint procurement opportunities
- Generating additional income through deploying support and expertise into other organisations

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 2020 to 31 August 2021 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 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 for the period 01 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 01 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**INSPIRING FUTURES THROUGH LEARNING
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks.

The Board of Trustees has also considered the need for a specific internal audit function which is carried out through a blend of externally performed work by an appointed auditor (SBS) and internal (by the CFO) work to match the needs of the Trust and schools.

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

- Audit
- Governance
- Procurement
- Payroll and HR
- Financial management
- Systems and Controls
- Fraud
- Cyber Security

The internal auditor / reviewer reports to the Board of Trustees through its Finance & Resources Committee which, during 2020-21, acted as the Audit & Assurance Committee and met as such at least termly (3 times per year). From September 2021, a separate Audit & Risk Committee of the Board of Trustees is in place and will consider and lead the scope of internal and external audits to take place in line with risks identified through risk registers. The Board of Trustees confirm that that the internal auditor has delivered their schedule of work as planned for the period with recommendations made being accepted and planned into work throughout 2021-22.

**INSPIRING FUTURES THROUGH LEARNING
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit & Risk committee and a plan to address any identified recommendations and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 16 December 2021 and signed on its behalf by:

M A Hubbard - Trustee

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 2021**

As accounting officer of Inspiring Futures through Learning 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 2020.

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 2020.

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

16 December 2021

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

Company law requires the trustees to prepare financial statements for each financial 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 2019 and the Academies Accounts Direction 2020 to 2021
- 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 16 December 2021 and signed on its behalf by:

M A Hubbard - Trustee

**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 2021 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 2020 to 2021 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 2021 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 2019 and Academies Accounts Direction 2020 to 2021.

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

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

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

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

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

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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.

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

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.

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. 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.

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

16 December 2021

**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 2020 to 2021, 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 2020 to 31 August 2021 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 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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 2020 to 2021 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 2020 to 31 August 2021 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
Reporting Accountant
Church View Chambers
38 Market Square
Toddington
Bedfordshire
LU5 6BS

16 December 2021

**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 2021**

				31.8.21	31.8.20	
		Unrestricted	Restricted	Restricted		
	Notes	fund	funds	fixed		
		£	£	asset	Total	
				fund	funds	
				£	£	
					Total	
					funds	
					£	
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	22,249	-	2,789,374	2,811,623	5,521,173
Transfer from Local Authority on conversion		-	-	62,459	62,459	12,105,638
Charitable activities	6					
Funding for the academy's educational operations	3	436,131	27,827,370	-	28,263,501	22,887,344
Initial Teacher Training Partnership		800	657,053	-	657,853	594,090
Other trading activities	4	465,944	17,947	-	483,891	439,360
Investment income	5	683	72	-	755	4,797
Other income		-	267,000	-	267,000	248,000
Total		925,807	28,769,442	2,851,833	32,547,082	41,800,402
EXPENDITURE ON						
Raising funds	8	678,182	942,545	-	1,620,727	1,362,441
Charitable activities	10					
Academy's educational operations	3	87,469	28,881,659	1,559,957	30,529,085	23,639,475
Initial Teacher Training Partnership		-	566,374	-	566,374	488,138
Total	7	765,651	30,390,578	1,559,957	32,716,186	25,490,054
NET INCOME/(EXPENDITURE)		160,156	(1,621,136)	1,291,876	(169,104)	16,310,348
Transfers between funds	24	(48,349)	(232,492)	280,841	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	(2,799,000)	-	(2,799,000)	(1,809,000)
Net movement in funds		111,807	(4,652,628)	1,572,717	(2,968,104)	14,501,348

The notes form part of these financial statements

**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 2021**

				31.8.21	31.8.20
	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £	Total funds £
RECONCILIATION OF FUNDS					
Total funds brought forward	1,874,003	(13,336,725)	57,324,663	45,861,941	31,360,593
TOTAL FUNDS CARRIED FORWARD	<u>1,985,810</u>	<u>(17,989,353)</u>	<u>58,897,380</u>	<u>42,893,837</u>	<u>45,861,941</u>

CONTINUING OPERATIONS

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

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

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

BALANCE SHEET
31 AUGUST 2021

	Notes	31.8.21 £	31.8.20 £
FIXED ASSETS			
Tangible assets	17	57,740,908	56,583,522
CURRENT ASSETS			
Debtors	18	906,362	994,908
Investments	19	1	1
Cash at bank		<u>7,342,858</u>	<u>5,856,167</u>
		8,249,221	6,851,076
CREDITORS			
Amounts falling due within one year	20	(2,961,068)	(2,940,649)
NET CURRENT ASSETS		<u>5,288,153</u>	<u>3,910,427</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		63,029,061	60,493,949
CREDITORS			
Amounts falling due after more than one year	21	(52,224)	(71,008)
PROVISIONS FOR LIABILITIES	22	(25,000)	-
PENSION LIABILITY	25	(20,058,000)	(14,561,000)
NET ASSETS		<u>42,893,837</u>	<u>45,861,941</u>

The notes form part of these financial statements

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

BALANCE SHEET - continued
31 AUGUST 2021

FUNDS	24		
Restricted funds:			
General Annual Grant (GAG)		1,351,644	719,356
Restricted pension fund		(20,058,000)	(14,561,000)
Pupil premium		13,965	-
Other restricted funds		417,971	286,352
Initial Teacher Training		285,067	219,746
Milton Keynes Teaching School Alliance		<u>-</u>	<u>(1,179)</u>
		<u>(17,989,353)</u>	<u>(13,336,725)</u>
Unrestricted funds:			
General fund		1,985,812	1,874,003
Restricted fixed asset funds:			
Restricted Fixed Asset		<u>58,897,378</u>	<u>57,324,663</u>
TOTAL FUNDS		<u>42,893,837</u>	<u>45,861,941</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16 December 2021 and were signed on its behalf by:

M A Hubbard - Trustee

S E Bennett - Trustee

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

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	31.8.21 £	31.8.20 £
Cash flows from operating activities			
Cash generated from operations	29	2,923,095	2,634,676
Interest paid		<u>(2,484)</u>	<u>(2,846)</u>
Net cash provided by operating activities		<u>2,920,611</u>	<u>2,631,830</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,719,937)	(910,231)
Capital grants from DfE/EFA		1,285,262	874,599
Interest received		<u>755</u>	<u>4,797</u>
Net cash used in investing activities		<u>(1,433,920)</u>	<u>(30,835)</u>
Change in cash and cash equivalents in the reporting period			
		1,486,691	2,600,995
Cash and cash equivalents at the beginning of the reporting period		<u>5,856,167</u>	<u>3,255,172</u>
Cash and cash equivalents at the end of the reporting period		<u>7,342,858</u>	<u>5,856,167</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 2021**

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 under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued

Other income

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.

Transfer of existing academies into the academy trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net 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 for the transfer of an existing academy into the academy trust within Donations and capital grant income to the net assets acquired.

Donated fixed assets

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

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

Freehold property	- over 50 years
Long leasehold	- over 50 years
Improvements to property	- 10% on cost

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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 the relevant assets is charged to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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. 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. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

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.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued

Liabilities

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. There is no readily available market value and the cost of valuation exceeds the benefit derived.

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, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021.

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 2021**

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	31.8.21 Total funds £	31.8.20 Total funds £
Transfer in from academy trust					
Fixed assets	-	-	-	-	5,687,999
Other net assets	-	-	-	-	385,572
Pension deficit	-	-	-	-	(1,453,000)
Total transfer in from academy trust	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,618,571</u>
Donations	22,249	-	1,631,050	1,653,299	28,0006
Capital grants	<u>-</u>	<u>-</u>	<u>1,158,324</u>	<u>1,158,324</u>	<u>874,599</u>
Total donations and capital grants	<u>22,249</u>	<u>-</u>	<u>2,789,374</u>	<u>2,811,623</u>	<u>902,605</u>
	<u><u>22,249</u></u>	<u><u>-</u></u>	<u><u>2,789,374</u></u>	<u><u>2,811,623</u></u>	<u><u>5,521,173</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS	31.8.21	31.8.20
	Total	Total
	funds	funds
	£	£
Unrestricted funds	£	£
Restricted funds	£	£
Restricted fixed asset funds	£	£
DfE/ESFA grants		
General Annual Grant(GAG)	- 20,686,809	- 20,686,809
Pupil premium	- 1,210,600	- 1,210,600
Teaching School Grants	- 182,768	- 182,768
Other grants	- 2,220,512	- 2,220,512
	<u>- 24,300,689</u>	<u>- 24,300,689</u>
Other Government grants		
Local Authority grants	- 2,660,148	- 2,660,148
Other grants	- 31,015	- 31,015
Coronavirus Job Retention Scheme	- 59,556	- 59,556
Other Coronavirus funding	- 442,963	- 442,963
	<u>- 3,193,682</u>	<u>- 3,193,682</u>
Other income from the academy trust's educational operations	<u>436,131</u>	<u>332,999</u>
	<u><u>436,131</u></u>	<u><u>332,999</u></u>
	<u>-</u>	<u>-</u>
	<u><u>769,130</u></u>	<u><u>949,770</u></u>
	<u><u>28,263,501</u></u>	<u><u>22,887,344</u></u>

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under other government funding.

- The academy furloughed some of its wraparound care, nursery and catering staff under the government's CJRS. The funding received of £59,556 (2020: £163,375) relates to staff costs in respect of 80 staff which are included within note 13 below as appropriate.
- The funding received for other coronavirus support covers £442,963 (2020: £54,411) of coronavirus catch up premium, covid expense claims and covid-19 response grants. These costs are included in notes 9 and 10 as appropriate.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

4. OTHER TRADING ACTIVITIES

	31.8.21	31.8.20
	£	£
Hire of facilities	92,388	82,116
Catering income	290,338	265,879
Other income	<u>101,165</u>	<u>91,365</u>
	<u>483,891</u>	<u>439,360</u>

5. INVESTMENT INCOME

	31.8.21	31.8.20
	£	£
Deposit account interest	<u>755</u>	<u>4,797</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.8.21	31.8.20
		£	£
Initial teacher training partnership	Initial Teacher Training Partnership	656,653	594,090
Educational development income	Initial Teacher Training Partnership	<u>1,200</u>	<u>-</u>
		<u>657,853</u>	<u>594,090</u>

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

	31.8.21	31.8.20
	£	£
General Annual Grant(GAG)	20,686,809	16,499,101
Pupil premium	1,210,600	930,043
Teaching School Grants	182,768	42,500
Local Authority grants	2,660,148	1,938,457
Other grants	31,015	24,999
Coronavirus Job Retention Scheme	59,556	163,375
Other Coronavirus funding	442,963	54,411
Other grants	<u>2,220,512</u>	<u>2,284,688</u>
	<u>27,494,371</u>	<u>21,937,574</u>

**INSPIRING FUTURES THROUGH LEARNING
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

7. EXPENDITURE

	Non-pay expenditure			31.8.21	31.8.20
	Staff costs £	Premises £	Other costs £	Total £	Total £
Raising funds					
Costs of fundraising					
Direct costs	691,114	-	929,613	1,620,727	1,362,441
Charitable activities					
Academy's educational operations					
Direct costs	20,351,128	1,182,963	1,837,778	23,371,869	17,489,774
Allocated support costs	4,772,014	1,369,929	1,015,273	7,157,216	6,149,701
	<u>25,814,256</u>	<u>2,552,892</u>	<u>3,782,664</u>	<u>32,149,812</u>	<u>25,001,916</u>

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

	31.8.21	31.8.20
	£	£
Auditors' remuneration	44,400	52,000
Depreciation - owned assets	1,562,551	1,270,137
Operating leases	26,364	32,911
Fees payable to auditor for other services	<u>2,300</u>	<u>2,350</u>

8. RAISING FUNDS

Costs of fundraising	31.8.21	31.8.20
	£	£
Staff costs	691,114	739,554
Catering expenses	883,559	545,317
School clubs and activities	<u>46,054</u>	<u>77,570</u>
	<u>1,620,727</u>	<u>1,362,441</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

9. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	31.8.21 Total funds £	31.8.20 Total funds £
Direct costs	18,501	23,351,771	1,597	23,371,869	17,489,774
Support costs	<u>68,966</u>	<u>5,529,888</u>	<u>1,558,362</u>	<u>7,157,216</u>	<u>6,149,701</u>
	<u>87,467</u>	<u>28,881,659</u>	<u>1,559,959</u>	<u>30,529,085</u>	<u>23,639,475</u>

	31.8.21 Total £	31.8.20 Total £
Analysis of support costs		
Support staff costs	4,772,014	4,160,587
Depreciation	516,168	428,635
Technology and consultancy	270,913	180,771
Premises costs	1,369,929	1,115,179
Other support costs	2,483	2,782
Governance costs	<u>225,709</u>	<u>261,747</u>
Total support costs	<u>7,157,216</u>	<u>6,149,701</u>

10. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 11) £	Totals £
Initial Teacher Training Partnership	419,100	147,274	566,374
Academy's educational operations	<u>23,371,869</u>	<u>7,157,216</u>	<u>30,529,085</u>
	<u>23,790,969</u>	<u>7,304,490</u>	<u>31,095,459</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

11. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Initial Teacher Training Partnership	137,936	9,338	147,274
Academy's educational operations	<u>6,931,507</u>	<u>225,709</u>	<u>7,157,216</u>
	<u>7,069,443</u>	<u>235,047</u>	<u>7,304,490</u>

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

	Initial Teacher Training Partnership £	Academy's educational operations £	Total activities £	Total activities £
			31.8.21	31.8.20
Wages	46,745	3,752,389	3,799,134	3,348,119
Social security	3,236	264,646	267,882	234,391
Pensions	8,783	754,979	763,762	634,089
Technology and consultancy	3,647	270,913	274,560	181,836
Other costs	75,524	323,545	399,069	276,074
Depreciation of tangible and heritage assets	-	1,562,552	1,562,552	1,270,137
Interest payable and similar charges	1	2,483	2,484	2,846
Other costs	7,338	183,309	190,647	209,747
Auditors' remuneration	<u>2,000</u>	<u>42,400</u>	<u>44,400</u>	<u>52,000</u>
	<u>147,274</u>	<u>7,157,216</u>	<u>7,304,490</u>	<u>6,209,239</u>

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: £150,000 - £155,000 (2020: £185,000 - £190,000)

Employer's pension contributions paid: £35,000 - £40,000 (2020: £35,000 - £40,000)

During the year a total of £Nil (2020: £1,610) was reimbursed to S Bennett for expenditure incurred personally on behalf of the trust. All expenditure was in connection to her employment duties.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

12. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

During the period ended 31 August 2021, travel and subsistence expenses totalling £Nil (2020: £381) were reimbursed or paid directly to trustees.

13. STAFF COSTS

	31.8.21	31.8.20
	£	£
Wages and salaries	17,906,254	15,021,212
Social security costs	1,626,874	1,342,899
Operating costs of defined benefit pension schemes	<u>6,322,667</u>	<u>3,467,022</u>
	25,855,795	19,831,133
Supply teacher costs	119,615	123,725
Compensation payments	<u>37,178</u>	<u>17,790</u>
	<u><u>26,012,588</u></u>	<u><u>19,972,648</u></u>

Staff restructuring costs comprise:

	31.08.21	31.08.20
	£	£
Redundancy payments	5,023	17,790
Severance payments	32,155	-
Other restructuring costs	<u>-</u>	<u>-</u>
	<u><u>37,178</u></u>	<u><u>17,790</u></u>

Individually, the payments were: £4,457, £566, £27,314 and £4,841.

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 £1,699,288 (2020: £1,751,920).

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

	31.8.21	31.8.20
Teachers	278	233
Administration and support	540	457
Management (SLT)	<u>45</u>	<u>48</u>
	<u><u>863</u></u>	<u><u>738</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

13. STAFF COSTS - continued

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

	31.8.21	31.8.20
£60,001 - £70,000	-	6
£70,001 - £80,000	5	3
£80,001 - £90,000	2	-
£90,001 - £100,000	2	5
£100,001 - £110,000	1	-
£150,001 - £160,000	1	-
£180,001 - £190,000	-	1
	11	15

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 £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	352,800	(1,394,225)	6,562,598	5,521,173
Transfer from Local Authority on conversion	64,674	(1,937,260)	13,978,224	12,105,638
Charitable activities				
Funding for the academy's educational operations	443,176	22,444,168	-	22,887,344
Initial Teacher Training Partnership	-	594,090	-	594,090
Other trading activities	432,241	7,119	-	439,360
Investment income	4,403	394	-	4,797
Other income	-	248,000	-	248,000
	1,297,294	19,962,286	20,540,822	41,800,402
EXPENDITURE ON				
Raising funds	779,380	583,061	-	1,362,441

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Charitable activities				
Academy's educational operations	79,679	22,268,926	1,290,870	23,639,475
Initial Teacher Training Partnership	-	488,138	-	488,138
	<hr/>	<hr/>	<hr/>	<hr/>
Total	859,059	23,340,125	1,290,870	25,490,054
	<hr/>	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE)	438,235	(3,377,839)	19,249,952	16,310,348
Transfers between funds	<u>(67,305)</u>	<u>(46,823)</u>	<u>114,128</u>	<u>-</u>
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	-	(1,809,000)	-	(1,809,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds	370,930	(5,233,662)	19,364,080	14,501,348
RECONCILIATION OF FUNDS				
Total funds brought forward	1,503,074	(8,103,063)	37,960,582	31,360,593
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>1,874,004</u>	<u>(13,336,725)</u>	<u>57,324,662</u>	<u>45,861,941</u>

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.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

16. CENTRAL SERVICES - continued

	31.08.21	31.08.20
	£	£
Chestnuts Primary School	81,297	81,730
Olney Infant Academy	40,805	44,737
Olney Middle School	73,875	70,101
Two Mile Ash School	127,313	114,432
Whitehouse Primary School	89,136	72,829
Fairfields Primary School	63,750	40,845
Heronshaw Infant School	48,081	46,564
Exeter a Learning Community	128,025	147,639
Woodnewton a Learning Community	215,229	212,437
Ashbrook School	36,799	35,358
Holmwood School	31,905	29,228
Priors Hall - A Learning Community	76,067	26,161
Rickley Park School	96,744	15,345
Two Mile Ash Initial Teacher Training Partnership	-	9,600
St Mary & St Giles Church of England	54,803	-
TOTAL	<u>1,163,955</u>	<u>947,005</u>

17. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Improvements to property £
COST			
At 1 September 2020	22,029,071	35,268,445	1,281,572
Additions	-	1,602,000	728,568
At 31 August 2021	<u>22,029,071</u>	<u>36,870,445</u>	<u>2,010,140</u>
DEPRECIATION			
At 1 September 2020	1,189,783	1,282,371	281,083
Charge for year	359,355	687,028	136,315
At 31 August 2021	<u>1,549,138</u>	<u>1,969,399</u>	<u>417,398</u>
NET BOOK VALUE			
At 31 August 2021	<u>20,479,933</u>	<u>34,901,046</u>	<u>1,592,742</u>
At 31 August 2020	<u>20,839,288</u>	<u>33,986,074</u>	<u>1,000,489</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

17. TANGIBLE FIXED ASSETS - continued

	Office equipment £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2020	246,587	702,209	941,862	60,469,746
Additions	<u>9,269</u>	<u>63,195</u>	<u>316,905</u>	<u>2,719,937</u>
At 31 August 2021	<u>255,856</u>	<u>765,404</u>	<u>1,258,767</u>	<u>63,189,683</u>
DEPRECIATION				
At 1 September 2020	174,976	343,936	614,075	3,886,224
Charge for year	<u>36,820</u>	<u>119,991</u>	<u>223,042</u>	<u>1,562,551</u>
At 31 August 2021	<u>211,796</u>	<u>463,927</u>	<u>837,117</u>	<u>5,448,775</u>
NET BOOK VALUE				
At 31 August 2021	<u>44,060</u>	<u>301,477</u>	<u>421,650</u>	<u>57,740,908</u>
At 31 August 2020	<u>71,611</u>	<u>358,273</u>	<u>327,787</u>	<u>56,583,522</u>

Included in land and buildings is freehold land with a net book value amount of £4,061,338 (2020: £4,061,338) which is not depreciated.

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Trade debtors	60,445	112,668
VAT	269,058	191,944
Prepayments and accrued income	576,859	690,296
	<u>906,362</u>	<u>994,908</u>

19. CURRENT ASSET INVESTMENTS

	31.8.21	31.8.20
	£	£
Shares in group undertakings	<u>1</u>	<u>1</u>

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

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Trade creditors	652,899	781,821
Social security and other taxes	424,234	353,799
Other creditors	692,127	701,055
Accruals and deferred income	<u>1,191,808</u>	<u>1,103,974</u>
	<u>2,961,068</u>	<u>2,940,649</u>

Deferred income

	31.08.21	31.08.20
	£	£
Deferred income at 1 September 2020	682,639	615,134
Resources deferred in the year	704,835	682,639
Amounts released from previous years	<u>(682,639)</u>	<u>(615,134)</u>
Deferred income at 31 August 2021	<u>704,835</u>	<u>682,639</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

	31.8.21	31.8.20
	£	£
Other creditors	<u>52,224</u>	<u>71,008</u>

22. PROVISIONS FOR LIABILITIES

	31.8.21	31.8.20
	£	£
Provisions	<u>25,000</u>	<u>-</u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

			31.8.21	
			Restricted	
	Unrestricted	Restricted	fixed	Total
	fund	funds	asset	funds
	£	£	fund	£
Fixed assets	-	4,779	57,736,129	57,740,908
Current assets	1,985,812	5,102,160	1,161,249	8,249,221
Current liabilities	-	(2,961,068)	-	(2,961,068)
Long term liabilities	-	(52,224)	-	(52,224)
Provision for liabilities	-	(25,000)	-	(25,000)
Pension liability	-	(20,058,000)	-	(20,058,000)
	<u>1,985,812</u>	<u>(17,989,353)</u>	<u>58,897,378</u>	<u>42,893,837</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

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

			31.8.20	
	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £
Fixed assets	-	4,779	56,578,743	56,583,522
Current assets	1,874,003	4,231,153	745,920	6,851,076
Current liabilities	-	(2,940,649)	-	(2,940,649)
Long term liabilities	-	(71,008)	-	(71,008)
Pension liability	-	(14,561,000)	-	(14,561,000)
	<u>1,874,003</u>	<u>(13,336,725)</u>	<u>57,324,663</u>	<u>45,861,941</u>

24. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Restricted general funds				
General Annual Grant (GAG)	719,356	767,621	(135,333)	1,351,644
Restricted pension fund	(14,561,000)	(5,497,000)	-	(20,058,000)
Pupil premium	-	13,965	-	13,965
Other restricted funds	286,350	178,636	(47,015)	417,971
Initial Teacher Training	219,746	66,371	(1,050)	285,067
Milton Keynes Teaching School Alliance	<u>(1,177)</u>	<u>50,271</u>	<u>(49,094)</u>	<u>-</u>
	<u>(13,336,725)</u>	<u>(4,420,136)</u>	<u>(232,492)</u>	<u>(17,989,353)</u>
Unrestricted fund				
General fund	1,874,003	160,158	(48,349)	1,985,812
Restricted fixed asset fund				
Restricted Fixed Asset	<u>57,324,663</u>	<u>1,291,874</u>	<u>280,841</u>	<u>58,897,378</u>
TOTAL FUNDS	<u>45,861,941</u>	<u>(2,968,104)</u>	<u>-</u>	<u>42,893,837</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

24. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant (GAG)	20,686,807	(19,919,186)	-	767,621
Restricted pension fund	267,000	(2,965,000)	(2,799,000)	(5,497,000)
Pupil premium	1,210,600	(1,196,635)	-	13,965
Educational visits	287,463	(287,463)	-	-
Other restricted funds	5,412,258	(5,233,622)	-	178,636
Initial Teacher Training	661,401	(595,030)	-	66,371
Milton Keynes Teaching School Alliance	<u>243,913</u>	<u>(193,642)</u>	<u>-</u>	<u>50,271</u>
	<u>28,769,442</u>	<u>(30,390,578)</u>	<u>(2,799,000)</u>	<u>(4,420,136)</u>
Unrestricted fund				
General fund	925,807	(765,649)	-	160,158
Restricted fixed asset fund				
Restricted Fixed Asset	<u>2,851,833</u>	<u>(1,559,959)</u>	<u>-</u>	<u>1,291,874</u>
TOTAL FUNDS	<u><u>32,547,082</u></u>	<u><u>(32,716,186)</u></u>	<u><u>(2,799,000)</u></u>	<u><u>(2,968,104)</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

24. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Restricted general funds				
General Annual Grant (GAG)	364,768	401,411	(46,823)	719,356
Restricted pension fund	(8,669,000)	(5,892,000)	-	(14,561,000)
Educational visits	1,348	(1,348)	-	-
Other restricted funds	81,141	205,211	-	286,352
Initial Teacher Training Milton Keynes Teaching School Alliance	116,503	103,243	-	219,746
	<u>2,177</u>	<u>(3,356)</u>	<u>-</u>	<u>(1,179)</u>
	<u>(8,103,063)</u>	<u>(5,186,839)</u>	<u>(46,823)</u>	<u>(13,336,725)</u>
Unrestricted fund				
General fund	1,503,074	438,234	(67,305)	1,874,003
Restricted fixed asset fund				
Restricted Fixed Asset	37,960,582	19,249,953	114,128	57,324,663
	<u>31,360,593</u>	<u>14,501,348</u>	<u>-</u>	<u>45,861,941</u>
TOTAL FUNDS	<u><u>31,360,593</u></u>	<u><u>14,501,348</u></u>	<u><u>-</u></u>	<u><u>45,861,941</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

24. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant (GAG)	16,557,876	(16,156,465)	-	401,411
Restricted pension fund	(3,163,000)	(920,000)	(1,809,000)	(5,892,000)
Pupil premium	930,043	(930,043)	-	-
Educational visits	454,533	(455,881)	-	(1,348)
Other restricted funds	4,486,146	(4,280,935)	-	205,211
Initial Teacher Training Milton Keynes Teaching School Alliance	601,438	(498,195)	-	103,243
	<u>95,250</u>	<u>(98,606)</u>	<u>-</u>	<u>(3,356)</u>
	<u>19,962,286</u>	<u>(23,340,125)</u>	<u>(1,809,000)</u>	<u>(5,186,839)</u>
Unrestricted fund				
General fund	1,297,294	(859,060)	-	438,234
Restricted fixed asset fund				
Restricted Fixed Asset	20,540,822	(1,290,869)	-	19,249,953
	<u>41,800,402</u>	<u>(25,490,054)</u>	<u>(1,809,000)</u>	<u>14,501,348</u>

Total funds analysis by academy

Fund balances as at 31 August 2021 were allocated as follows:

	Total 2021 £	Total 2020 £
Two Mile Ash School	382,233	301,191
Whitehouse Primary School	550,131	464,706
Chestnuts Primary School	103,292	178,221
Olney Infant Academy	50,781	37,470
Olney Middle School	168,337	77,926
Fairfields Primary School	252,460	169,569
Exeter a Learning Community	113,802	129,035
Woodnewton a Learning Community	681,929	449,684
Heronshaw School	498,456	365,242
Two Mile Ash Initial Teacher Training Partnership	285,067	219,746
Milton Keynes Teaching School Alliance (MKTSA)	-	(1,178)
IFTL central services	481,440	291,475
Ashbrook School	(51,209)	1,231
Holmwood School	(100,446)	(95,483)
Priors Hall - A Learning Community	117,479	103,185
Rickley Park School	460,596	406,256
St Mary & St Giles Church of England	<u>60,111</u>	<u>-</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

24. MOVEMENT IN FUNDS - continued

	4,054,459	3,098,278
Restricted fixed asset fund	58,897,378	57,324,663
Pension reserve	(20,058,000)	(14,561,000)
	42,893,837	45,861,941

Total cost analysis by academy

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

	Teaching and Educational Support £	Other Support Staff Costs £	Education Supplies £	Other costs (excluding depreciation) £	2020/21 £	2019/20 £
Chestnuts	1,784,947	246,749	156,248	120,908	2,308,852	2,217,545
Exeter	1,721,643	576,890	204,780	234,592	2,737,908	2,459,277
Fairfields	1,033,270	457,036	169,637	-1,454,192	205,721	1,424,883
Heronshaw	934,342	106,324	110,961	57,659	1,209,287	1,262,705
IFTL Core	307,541	509,145	42,494	335,590	1,194,770	1,457,689
MKTSA	3,711	19,971	12,532	-	36,214	30,862
Olney Infant	645,161	269,077	93,070	55,413	1,062,721	1,144,873
Olney Middle	1,299,400	262,338	72,026	108,620	1,742,385	1,648,262
Two Mile Ash	2,183,992	571,932	256,545	147,636	3,160,104	3,134,009
Two Mile Ash - ITTP	139,568	84,314	35,873	256,686	516,441	487,083
Whitehouse	1,682,207	484,846	161,647	117,540	2,446,240	2,012,384
Woodnewton	2,360,920	870,073	215,992	244,179	3,691,165	3,479,099
Ashbrook	595,011	192,799	107,453	50,649	945,912	794,024
Holmwood	510,900	178,380	83,090	50,442	822,812	868,425
Priors Hall	979,960	323,328	164,823	140,540	1,608,651	584,804
Rickley Park	1,244,831	373,582	126,596	147,279	1,892,289	293,994
St Marys & St Giles	782,326	123,938	78,765	-6,819	978,211	-
	18,209,734	5,650,721	2,092,533	606,724	26,559,712	23,299,917

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.

**INSPIRING FUTURES THROUGH LEARNING
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

24. MOVEMENT IN FUNDS - continued

Funds - continued

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.

25. PENSION AND SIMILAR OBLIGATIONS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £461,035 were payable to the schemes at 31 August 2021 (2020: £398,007) and are included within creditors.

Teachers' pension scheme

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

25. 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 every 4 years. 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. 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% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. 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 including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £2,353,262 (2020 - £1,933,072).

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 scheme. The academy trust has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,894,000 (2020 - £1,611,000), of which employer's contributions totalled £1,474,000 (2020 - £1,244,000). and employees' contributions totalled £420,000 (2020 - £367,000). The agreed contribution rates for future years are 22 per cent for employers and 6.40 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 2021**

25. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Present value of funded obligations	(40,317,000)	(29,560,000)
Fair value of plan assets	<u>20,259,000</u>	<u>14,999,000</u>
	(20,058,000)	(14,561,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(20,058,000)</u>	<u>(14,561,000)</u>
Net liability	<u>(20,058,000)</u>	<u>(14,561,000)</u>

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

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Current service cost	3,449,000	2,989,000
Net interest from net defined benefit asset/liability	243,000	180,000
Past service cost	-	-
Gains/losses on settlements and curtailments	473,000	1,958,000
Employer contributions	(1,474,000)	(1,244,000)
Administration expenses	7,000	5,000
Effect of business combinations and disposals	<u>-</u>	<u>195,000</u>
	<u>2,698,000</u>	<u>4,083,000</u>
Actual return on plan assets	<u>3,058,000</u>	<u>3,000</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

25. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Opening defined benefit obligation	29,560,000	20,117,000
Current service cost	3,449,000	2,989,000
Contributions by scheme participants	420,000	367,000
Interest cost	510,000	428,000
Benefits paid	(102,000)	(68,000)
Business combinations	-	252,000
Settlements	890,000	3,764,000
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(17,000)	(494,000)
Actuarial (gains)/losses from changes in financial assumptions	6,184,000	1,895,000
Oblig other remeasurement	(577,000)	310,000
	<u>40,317,000</u>	<u>29,560,000</u>

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

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Opening fair value of scheme assets	14,999,000	11,448,000
Contributions by employer	1,474,000	1,244,000
Contributions by scheme participants	420,000	367,000
Interest on assets	267,000	248,000
Actuarial gains/(losses)	-	147,000
Benefits paid	(102,000)	(68,000)
Business combinations	-	57,000
Settlements	417,000	1,806,000
Administration expense	(7,000)	(5,000)
Return on plan assets (excluding interest income)	<u>2,791,000</u>	<u>(245,000)</u>
	<u>20,259,000</u>	<u>14,999,000</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

25. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	31.8.21	31.8.20
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	17,000	494,000
Actuarial (gains)/losses from changes in financial assumptions	(6,184,000)	(1,895,000)
Oblig other remeasurement	577,000	(310,000)
Return on plan assets (excluding interest income)	2,791,000	(245,000)
Actuarial gains/(losses)	-	147,000
	<u>(2,799,000)</u>	<u>(1,809,000)</u>

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

	Defined benefit pension plans	
	31.8.21	31.8.20
Gilts	5.48%	5.89%
Equities	59.59%	61.07%
Other Bonds	16.50%	15.82%
Property	8.38%	8.79%
Cash	1.21%	2.79%
Alternative Assets	0.68%	0.50%
Hedge Funds	2.67%	2.65%
Absolute Return Portfolio	5.49%	2.49%
	<u>100.00%</u>	<u>100.00%</u>

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

	Fair value 31.8.21	Fair value 31.8.20
	£000	£000
Gilts	1,111	894
Equities	12,072	9,160
Other bonds	3,342	2,372
Property	1,698	1,318
Cash	244	418
Alternative Assets	137	75
Hedge Funds	541	398
Absolute Return Portfolio	1,113	373

**INSPIRING FUTURES THROUGH LEARNING
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

25. PENSION AND SIMILAR OBLIGATIONS - continued

	20,258	14,999
Total market value of assets		
Present value of scheme liabilities - funded	(40,322)	(29,560)
Surplus/(deficit) in the scheme	(20,064)	(14,561)

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31.8.21	31.8.20
Discount rate	1.66%	1.68%
Future salary increases	3.51%	2.98%
Future pension increases	2.89%	2.23%

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

Retiring today		
Males	21.6	21.6
Females	24.3	24.4
Retiring in 20 years		
Males	22.8	22.7
Females	25.9	25.8

Sensitivity analysis

	31.8.21	31.8.20
	£	£
Discount rate +0.1%	698	511
Discount rate -0.1%	718	526
Mortality assumption - 1 year increase	1,039	1,149
Mortality assumption - 1 year decrease	998	675
CPI rate +0.1%	-	-
CPI rate -0.1%	-	-
Discount rate for scheme liabilities	1.65-1.70%	1.65-1.70%
Rate of increase in salaries	3.40-3.85%	2.70-3.25%
Rate of increase for pensions in payment (CPI)	2.85-2.90%	2.20-2.25%
RPI increases	3.10-3.35%	3.10-3.25%

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 2021**

25. PENSION AND SIMILAR OBLIGATIONS - continued

The assumed life expectancy on retirement age 65 are:

	31.8.21	31.8.20
Retiring today:		
Males	21.6-21.7	21.5-21.8
Females	24.1-25.0	23.7-25.1
Retiring in 20 years:		
Males	22.8-22.9	22.3-23.2
Females	25.8-26.4	25.1-26.7

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

Changes in assumptions at 31 August 2021:	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	14%	3,590
1 year increase in Member Life Expectancy	4%	1,039
0.5% increase in the Salary Increase Rate	1%	47
0.5% increase in the Pension Increase Rate	13%	3,315

26. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

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

	31.8.21	31.8.20
	£	£
Within one year	18,215	21,842
Between one and five years	<u>22,860</u>	<u>22,756</u>
	<u>41,075</u>	<u>44,598</u>

27. RELATED PARTY DISCLOSURES

No related party transactions took place in the period of account.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

28. ULTIMATE CONTROLLING PARTY

There is no controlling party for the period.

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

	31.8.21	31.8.20
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(169,104)	16,310,348
Adjustments for:		
Depreciation charges	1,562,552	1,270,137
Capital grants from DfE/ESFA	(1,285,262)	(874,599)
Transfer from Local Authority on conversion	(62,459)	(12,105,638)
Interest received	(755)	(4,797)
Interest paid	2,484	2,846
Transfer of existing academies	-	(4,618,568)
Decrease in debtors	88,546	254,888
Increase in creditors	1,635	1,008,239
Difference between pension charge and cash contributions	<u>2,785,458</u>	<u>1,391,820</u>
Net cash provided by operations	<u><u>2,923,095</u></u>	<u><u>2,634,676</u></u>

30.. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20	Cash flow	At 31.8.21
	£	£	£
Net cash			
Cash at bank	<u>5,856,167</u>	<u>1,486,691</u>	<u>7,342,858</u>
	<u>5,856,167</u>	<u>1,486,691</u>	<u>7,342,858</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>1</u>	-	<u>1</u>
	<u>1</u>	-	<u>1</u>
Total	<u><u>5,856,168</u></u>	<u><u>1,486,691</u></u>	<u><u>7,342,859</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

31. COMPANY LIMITED BY GUARANTEE

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

32. CONVERSION TO AN ACADEMY TRUST

On 28 February 2021 the St Mary and St Giles Church of England School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Inspiring Futures Through Learning from the Milton Keynes Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total £
Tangible fixed assets	-	-	62,461	62,461
Other net assets	-	-	-	-
LGPS pension deficit	-	-	-	-
Net assets	-	-	62,461	62,461

**INSPIRING FUTURES THROUGH LEARNING
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

33. TEACHING SCHOOL TRADING ACCOUNT

	2020/21	2020/21	2020/21	2019/20	2019/20	2019/20
	£	£	£	£	£	£
Income						
Government grants		182,768			42,500	
Other Income		101,121			81,633	
Fundraising and other trading activities		<u>24</u>			<u>165</u>	
Total income			283,912			124,298
Expenditure						
Direct staff costs	41,546			74,792		
Deployment	36,465			20,509		
Other direct costs	<u>131,710</u>			<u>-</u>		
Total direct costs		209,721			95,300	
Other costs						
Support staff costs	19,971			22,000		
Recruitment and support	-			-		
Other support costs	<u>3,478</u>			<u>10,353</u>		
Total other costs		23,449			32,353	
Total expenditure			(233,170)			(127,654)
Surplus/(Deficit) from all sources			<u>50,742</u>			<u>(3,356)</u>

