

Company Registration Number: 07491945 (England & Wales)

THE CAM ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

THE CAM ACADEMY TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 8
Governance statement	9 - 12
Statement on regularity, propriety and compliance	13
Statement of Trustees' responsibilities	14
Independent auditor's report on the financial statements	15 - 17
Independent reporting accountant's assurance report on regularity	18 - 19
Statement of financial activities incorporating income and expenditure account	20
Balance sheet	21 - 22
Statement of cash flows	23
Notes to the financial statements	24 - 51

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

Members

Dr G. Johnson
Mrs J. Banks
Mrs C. Handley (resigned 31 August 2017)
Mrs J. Womack (appointed 18 October 2016)
Mr J. Dix (appointed 15 December 2016)

Trustees

Dr G. Johnson, Chair
Mr A. Coles (resigned 1 January 2017)
Mr C. Greenhaigh CBE
Mr S. Munday CBE, CEO and Accounting Officer
Mr G. Pearson
Mr A. Read
Mrs K. Stutchbury
Mr S. Terrell
Mrs S. Williamson
Mr J. Hartley
Ms T. Kelleher (appointed 23 March 2017)
Mr R. Warsap (appointed 23 March 2017)
Mr M. Goodridge (appointed 23 March 2017)
Mr G. Daniels (appointed 19 July 2017)
Dr N. Walshé (appointed 19 July 2017)

Company registered number

07491945

Company name

The Cam Academy Trust

Principal and registered office

West Street, Comberton, Cambridge, CB23 7DU

THE CAM ACADEMY TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017**

Advisers (continued)

Company secretary

Mr M. Norman

Chief executive officer

Mr S. Munday CBE

Senior management team

Mr S. Munday, CEO and Accounting Officer
Mr P. Lawrence, Director of Education
Mr M. Norman, Director of Finance and Operations
Mrs R. Hawkes, Director of International Education and Research
Mrs C. Coates, Principal of Cambourne Village College
Mr P. Law, Head of Comberton Village College
Mr S. Holmes, Principal of Melbourn Village College
Mrs S. Desborough, Head of Gamlingay First School
Mr C. Jukes, Primary Executive Leader
Mr C. Bennet, Headteacher, St. Peter's School, Huntingdon
Mrs R. Lee, Head of Hartford Infant School
Mr S. Davis, Head of Hartford Junior School
Mrs S. Wright, Head of Jeavons Wood Primary School

Independent auditor

Streets Audit LLP, 3 Wellbrook Court, Girton, Cambridge, CB3 0NA

Bankers

Clydesdale and Yorkshire Bank, 10 Church Street, Peterborough, PE1 1XB

Solicitors

Stone King LLP, Boundary Lane, 91 Charthouse Street, London, EC1M 6HR

THE CAM ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Members and Directors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2016 to 31st August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates 8 primary/secondary academies in Cambridgeshire. Its academies have a combined pupil capacity of 5,920 and had a roll of 4,917 in the school census on 18th May 2017.

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 The Cam Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Cam Academy Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The Academy Trust has purchased insurance to cover Members and Directors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust Business. Such qualifying third party indemnity provision has a limit of £10,000,000.

Method of Recruitment and Appointment or Election of Trustees

Trustees are recruited by the Board depending upon perceived need (including an audit of trustee skills) and known opportunities to bring highly capable and experienced people onto the Board. Any nominations for Trustee posts come through the Chair of the Board. Appointments are officially confirmed by the members of the Board.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new Trustees are given a tour of the academies and the chance to meet with staff and students.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Consideration is given to progression at recruitment as well as during the fulfillment of their role.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Organisational Structure

Certain strategic decisions are reserved for the Board to make final decisions upon. These include: the appointment of Principals to any schools in the Trust; all decisions regarding the potential addition of new schools into the Trust, including decisions to make Free School proposals; final decisions on budgets for all schools in the Trust and the over-arching Trust budget (following suggestions from Local Governing Bodies); confirmation of all policies that operate at Trust level; and decisions and confirmations regarding key Trust priorities that are expected to drive development and inform priorities for each school within the Trust. Trust staff are then expected to see through these key areas and ensure high standards in each school. Local Governing Bodies carry out local governance matters within these over-arching Trust parameters. The CEO is the named accounting officer for the Trust.

Employment of Disabled Persons

The trust's policy is to give full and fair consideration to applications for employment made by disabled persons, having regard for their particular aptitudes and abilities.

Employees with disabilities receive appropriate training to promote their career development within the trust. Employees who become disabled are retained in their existing posts where possible or retrained for suitable alternative posts.

Employee Involvement

The trust is an equal opportunities employer and its policies for the recruitment, training, career development and promotion of employees are based on the relevant merits and abilities of the individuals concerned. This is regardless of race, colour, ethnic or national origin, religious belief, political opinion or affiliation, sex, marital status, sexual orientation, gender reassignment, age or disability.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

There is no remuneration agreement for any Trustee with the exception of the Chief Executive Officer. The Board of Trustees (excluding the Chief Executive Officer) reviews the Chief Executive Officer's pay on at least an annual basis and the Chair of the Board approves any pay review.

The Board of Trustees review and approve the pay for the Senior Leadership Team on at least an annual basis and in making such determinations they take into account a range of factors including; the nature of the post, the level of qualifications, skills and experience required, market conditions, the wider school context and external activity and achievement against performance targets.

Related Parties and other Connected Charities and Organisations

Mrs S. Williamson is a director and shareholder of SSAT (The Schools Network) Limited. The Academy Trust has subscribed for services for a number of years as well as receiving services free of charge. Further details of the transactions are included in note 26.

Mr J Hartley is a director of John Hartley Education Consultants Limited. The Academy Trust has utilised the services of John Hartley Education Consultants Limited to mentor Principals and Heads in their development. Further details of the transactions are also included in note 26.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Objectives and Activities

Objects and Aims

The over-arching aim is to provide excellent education for all pupils in all of the Trust schools. This over-arching aim is articulated through 5 core principals/aims:

- Educational excellence
- A comprehensive education for all types of pupils
- Schools rooted in and serving their community
- Schools working strongly in partnership with others
- A clear international dimension to education.

Objectives, Strategies and Activities

Priorities for development are stated as:

- Development of Primary Schools within the locally based Trust
- Submitting of Free School proposals where these are required within the local area of the Trust.

The appointment of new Primary Executive Leader will be crucial in helping to see through these priorities.

Public Benefit

The Trustees have reviewed the objectives and activities of the charity as detailed above and are satisfied that they are for the public benefit as detailed in the Charity Commission guidance note on this subject.

Strategic Report

Achievements and Performance

The first primary phase school, Gamlingay First School, joined the Trust in April 2016, joining the secondary schools that were already in the Trust. Since then, the Trust has grown further:

- In September 2016, St Peter's School, a secondary school in Huntingdon, joined the Trust as a transferring Academy.
- In January 2017, Hartford Junior School in Huntingdon joined the Trust as a convertor Academy. Hartford Infants School joined the Trust as a convertor Academy.
- In July 2017, Jeavons Wood Primary School joined the Trust as a convertor Academy.
- In September 2017 Gamlingay Village College, a middle school in Gamlingay, Cambridgeshire, joined the Trust under the understanding that it would shut in summer 2018 as Gamlingay First School became a full Primary School and fed into Comberton Village College, a secondary school in the Trust.

In July 2016, St Peter's School, Huntingdon was placed in Special Measures. This was prior to it joining the Trust in September 2016. Since joining the Trust, the school has received two monitoring inspections. The second of these in March 2017 was turned into a full Section 5 inspection and this re-graded the school as 'Good'. This is the first time in the school's history that it has received a 'Good' grading from an Ofsted inspection.

In September 2017, Melbourn Village College received a monitoring inspection from Ofsted given its 'Good' grading and the time since its previous inspection. The inspection confirmed that the school should still be graded as 'Good'. However, it reported on strong development and improvement since the last inspection and reported on many strengths at the school.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

The other two secondary schools in the Trust, Cambourne Village College and Comberton Village College, remain graded as 'outstanding' by Ofsted. Given the timing of their Academy conversions, none of the Primary Schools in the Trust have a current Ofsted grade. However, Hartford Infants School technically retains its 'Outstanding' grade.

All three secondary schools in the Trust with KS4 outcomes achieved positive value added (Progress 8) measures. For St Peter's School, this represented a very large improvement in pupil outcomes from previous years, the strongest outcomes in the school's history.

Hartford Junior School joined the Trust in January 2017 with very low KS2 results recorded from summer 2016. A priority for the Trust was to improve these low results rapidly. The results for this school in summer 2017 were considerably higher than in 2016, clearly moving towards national averages. Progress is anticipated to continue in this fashion for this school.

Key Performance Indicators

The overall financial position of the Trust, accounting for all of the schools in the Trust, is positive with costs kept within income. Budgets are set to maintain this situation.

Ofsted grades are either strong or improving for the schools. As mentioned above 3 are graded 'outstanding', 2 are graded as 'good' and 3 have no current grade. Overall pupil progress figures are strongly positive across the Trust's secondary schools. Progress figures for the Primaries that have recently joined the Trust are clearly improving.

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.

Financial Review

The majority of the Trust's income is obtained from the ESFA (Education and Skills Funding Agency) in the form of the General Annual Grant ("GAG"), the use of which is restricted to particular purposes. The grants received from the ESFA during the period reported on and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2017, total expenditure was £29,802,945.

As 31 August 2017, the net book value of fixed assets was £97,873,592 (including a transfer upon conversion of £18,675,552 & upon transfer from existing academy trusts of £10,592,958 relating to the schools that joined during 2016/17). The assets were used for providing education and the associated support services to the students of the Trust.

The Trust held fund balances at 31 August 2017 of £94,397,086, comprising of £1,269,092 of restricted funds (Net of pension deficit and fixed assets); a pension reserve deficit of £6,034,000, restricted fixed asset reserve of £98,737,466 and £424,528 unrestricted general funds.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

During the academic year, the following happened within the Trust :

Sep 1st 2016 St.Peters School Huntingdon an existing Academy joined The CAM Academy Trust
Dec 31st 2016 The Voyager Academy left The CAM Academy Trust
Jan 1st 2017 Hartford Infant School converted and joined The CAM Academy Trust
Jan 1st 2017 Hartford Junior School converted and joined The CAM Academy Trust
July 1st 2017 Jeavons Wood Primary School converted and joined The CAM Academy Trust

The Trust's non teaching staff are entitled to membership of the Local Government Pension Scheme. The Trust's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme and consequently the Trust's balance sheet shows a net liability of £6,034,000. However, the deficit does not mean that an immediate liability for this amount crystallises. The contribution rate to reduce the liability is calculated by an independent actuary and is reported within the notes to the financial statements.

Reserves Policy

The Trustees aim to build the general reserves of the Trust to provide sufficient working capital to cover delays between spending and receipt of grant funding and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The Academy Trust is currently reviewing its reserves policy in line with the ESFA's guidance. The level of free reserves at the year end was £424,526.

Funds that can only be realised through the disposal of fixed assets amounts to £97,873,592.

Investment Policy

Should the level of free cash reserves held by the Trust exceed that which is necessary to service its on-going working capital needs, the Trustees, with reference to the short and longer-term forecasts will consider investment of any excess funds over an appropriate period, to maximise the return on any such surplus funds, while ensuring that risk is avoided insofar as is possible.

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust and its finances. The Trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. The Trust has an effective system of internal financial controls.

A risk management register for each academy, which covers all aspects of the Trust's activities, is reviewed on an annual basis.

Plans for Future Periods

The two key stated priorities for development are:

- To develop more Primary Schools within the Trust in the local area. There are currently several local Primary Schools speaking with the Trust regarding possible membership.
- To submit further Free School proposals where new schools are required within the Trust's local area or develop existing sites.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

The appointment of a new Primary Executive Leader, who started working for the Trust in January 2017, has been crucial in enabling the Primary School development that has taken place and is planned for the future. Primary development is seen as crucial to develop the strongest possible educational model that can have the greatest impact in achieving the core aims of the Trust. It is seen as the obvious area for the Trust's next phase of development.

Past experience has shown also that opening a new school can enable the Trust to ensure that its core educational aims are enshrined in a school from the outset and have a very positive impact (the Free School within the Trust has already been graded as 'outstanding'). We are looking at models also of developing a new campus of a pre-existing school (such as Cambourne Village College) as a means by which to cater for further pupil number growth.

Funds Held as Custodian Trustee on Behalf of Others

There are no funds held as Custodian Trustees on behalf of others for the year ending 31 August 2017.

Auditor

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12 December 2017 and signed on the board's behalf by:



Dr G. Johnson
Chair of Trustees

THE CAM ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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 of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Cam Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 5 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
Dr G. Johnson, Chair	5	5
Mr A. Coles	2	2
Mr C. Greenhalgh CBE	2	5
Mr S. Munday CBE, CEO	5	5
Mr G. Pearson	5	5
Mr A. Read	4	5
Mrs K. Stutchbury	3	5
Mr S. Terrell	5	5
Mrs S. Williamson	5	5
Mr J. Hartley	5	5
Ms T. Kelleher	2	3
Mr R. Warsap	3	3
Mr M. Goodridge	2	3
Mr G. Daniels	0	0
Dr N. Walshe	0	0

During the year the Academy Trust reviewed the skills base of the board and members and where able to make additional appointments. In addition the structure was amended to incorporate members independent of the Board of Trustees. The Academy Trust is looking to commission an external review of governance in the current year.

The Resources & finance committee is a sub-committee of the main board of trustees. Its purpose is to:

- Oversee the budgetary situation in each of the Trust's school, ensuring that budgets are on track with the budgets that have been set
- Oversee the total financial position of the Trust and make strategic suggestions for the Board about key future financial decisions and suggested required strategic actions
- Oversee the setting and monitoring of the central staff budget
- Oversee the principle of good value through the Trust's budget
- Confirm key HR recommendations for Trust Board approval.

THE CAM ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J. Hartley	4	5
Mr S. Munday	5	5
Mr S. Terrell	5	5

The Audit and Risk Committee is also a sub-committee of the main board of trustees. Its purpose is to

- Oversee the risk and control framework of the Trust
- Oversee the internal & external audit process.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J. Dix (Member)	1	2
Mr S. Munday	3	3
Mr G. Pearson	3	3
Mrs J. Womack (Member)	2	3

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 where appropriate. The Accounting Officer for the trust has delivered improved value for money during the year by:

- Insisting that all appropriate financial protocols regarding best value on all contracts are properly followed by relevant staff.
- Clarifying with the Heads of each school that resources are committed where they have the greatest impact upon educational standards for pupils in the school.
- Encouraging new ways of working across the Trust and involving all schools that can secure economies for all schools and thus maximise the resource available for committing to high-quality education.
- Using the resources of the Trust to employ high-quality staff with appropriate expertise who can ensure excellent use of resources by schools and support the achievement of very high standards for all pupils in all schools.

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 ongoing process designed to identify and prioritise the risks to the achievement of 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 The Cam Academy Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

THE GAM ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Resources & finance 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.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint CEFM as internal auditor.

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

- Testing of the purchasing system
- Testing of the income systems
- Testing of the payroll systems.

On a triannual basis, the internal auditor reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The Trust confirms that the internal audit function has been delivered in line with the ESFA's requirements and that no material control issues have arisen as a result of the reports.

THE CAM ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

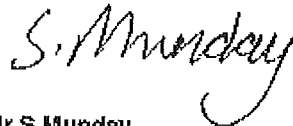
- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 12 December 2017 and signed on their behalf, by:



Dr G Johnson
Chair of Trustees



Mr S Munday
Accounting Officer

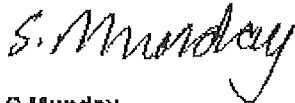
THE CAM ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Cam Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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



Mr S Munday
Accounting Officer

Date: 12 December 2017

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

The Trustees (who act as governors of The Cam Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic report, the Trustees' report and the financial statements in accordance with the Annual Accounts Direction Issued 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 of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 12 December 2017 and signed on its behalf by:



Dr G Johnson
Chair of Trustees

THE CAM ACADEMY TRUST
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CAM ACADEMY TRUST**

OPINION

We have audited the financial statements of The Cam Academy Trust for the year ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an Auditor's 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

THE CAM ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CAM ACADEMY TRUST**

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 Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' report including the Strategic report for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law 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 academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

THE CAM ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CAM ACADEMY TRUST**

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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. The description forms part of our Auditor's report.



Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

3 Wellbrook Court
Girton
Cambridge
CB3 0NA
14 December 2017

THE CAM ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CAM
ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 8 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Cam Academy Trust during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Cam Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Cam Academy Trust 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 The Cam Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE CAM ACADEMY TRUST'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The Cam Academy Trust's funding agreement with the Secretary of State for Education dated 31 January 2011, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

THE CAM ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CAM
ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

Our audit work involved:

- a review of the Academy systems and controls and confirmation of their operation and effectiveness during the year;
- a detailed review of purchase transactions confirming the purpose, value for money and that appropriate tendering / quotation procedures had been followed in line with the Academy finance policy; and
- a review of the Internal Audit reports.

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 year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

3 Wellbrook Court
Girton
Cambridge
CB3 0NA

14 December 2017

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations & capital grants:					
Transferred on conversion from the local authority	4	329,046	(1,595,000)	16,675,552	15,409,600
Transfer from existing academies	4	127,831	(2,133,121)	10,592,958	8,587,668
Other donations and capital grants	4	120,726	-	1,833,594	1,954,320
Charitable activities	5	718,565	28,194,739	-	28,913,304
Other trading activities	6	993,011	-	-	993,011
Investments	7	-	-	-	8,699
Teaching school		-	1,068,113	-	1,068,113
TOTAL INCOME	2,289,161	25,534,731	29,102,104	56,926,016	30,215,293
EXPENDITURE ON:					
Teaching school		-	838,584	-	838,584
Charitable activities:					
Transfer of assets and liabilities out of the trust		155,908	(4,718,000)	44,716	(4,517,376)
Other charitable activities		2,351,284	28,799,857	2,330,596	33,481,737
TOTAL EXPENDITURE	8	2,507,192	24,920,441	2,375,312	29,002,945
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		(218,011)	614,290	26,726,792	27,123,071
Transfers between Funds	19	(3,054)	-	3,054	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(221,065)	614,290	26,729,846	27,123,071
Actuarial gains/(losses) on defined benefit pension schemes	24	-	5,538,000	-	5,538,000
NET MOVEMENT IN FUNDS		(221,065)	6,152,290	26,729,846	32,661,071
RECONCILIATION OF FUNDS:					
Total funds brought forward		645,593	(10,917,199)	72,007,620	61,736,015
TOTAL FUNDS CARRIED FORWARD		424,528	(4,764,908)	98,737,466	94,397,086

THE CAM ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07491945

BALANCE SHEET
AS AT 31 AUGUST 2017


	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	15		97,873,592		72,007,620
CURRENT ASSETS					
Debtors	16	1,113,693		714,944	
Cash at bank and in hand		3,262,886		2,838,859	
		<u>4,376,579</u>		<u>3,553,803</u>	
CREDITORS: amounts falling due within one year	17	<u>(1,806,392)</u>		<u>(2,717,408)</u>	
NET CURRENT ASSETS			<u>2,570,187</u>		<u>836,395</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			100,443,779		72,844,015
CREDITORS: amounts falling due after more than one year	18		<u>(12,693)</u>		
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			100,431,086		72,844,015
Defined benefit pension scheme liability	24		<u>(6,034,000)</u>		<u>(11,108,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>94,397,086</u>		<u>61,736,015</u>

THE CAM ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	19	1,269,092		190,802	
Restricted fixed asset funds	19	98,737,466		72,007,620	
Restricted income funds excluding pension liability		100,006,558		72,198,422	
Pension reserve		(6,034,000)		(11,108,000)	
Total restricted income funds			93,972,558		61,090,422
Unrestricted income funds	19		424,528		645,593
TOTAL FUNDS			94,397,086		61,736,015

The financial statements on pages 20 to 51 were approved by the Trustees, and authorised for issue, on 12 December 2017 and are signed on their behalf, by:


Dr G Johnson
 Chair of Trustees

THE CAM ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	<u>(1,093,087)</u>	<u>291,590</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		-	8,699
Purchase of tangible fixed assets		(1,017,490)	(127,191)
Capital grants from DfE/ESFA		1,833,594	131,716
Cash transferred on conversion to an academy trust		204,048	65,505
Cash transferred from existing academy		650,092	-
Cash transferred out of academy trust		(151,544)	-
Net cash provided by investing activities		<u>1,518,700</u>	<u>78,729</u>
Cash flows from financing activities:			
Repayment of Salix loan		(1,586)	-
Net cash used in financing activities		<u>(1,586)</u>	<u>-</u>
Change in cash and cash equivalents in the year		424,027	370,319
Cash and cash equivalents brought forward		<u>2,838,859</u>	<u>2,468,540</u>
Cash and cash equivalents carried forward	22	<u><u>3,262,886</u></u>	<u><u>2,838,859</u></u>

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Cam Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy 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.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

1.4 Expenditure

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

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £2,500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% per annum on a straight line basis
Long-term leasehold property	-	2% per annum on a straight line basis
Motor vehicles	-	25% per annum on a straight line basis
Fixtures and fittings	-	10%, 33% per annum on a straight line basis
Assets under construction	-	None

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 incorporating income and expenditure account.

1.6 Liabilities and provisions

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

1.7 Cash at Bank and in hand

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

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.8 Debtors

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

1.9 Taxation

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

1.10 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account 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.

THE GAM ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.11 Fund accounting

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

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

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

1.12 Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.13 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The academy 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.

Tangible fixed assets are recognised at cost or valuation, less accumulated depreciation and any impairments. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the academy's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. 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.

1.14 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for ENIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Hartford Infant School, Huntingdon, Hartford Junior School, Huntingdon & Jeavons Wood Primary School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 2.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.15 Transfer of existing academies

Transfer into the trust

The transfer of existing single academy trusts into the multi-academy trust involved the transfer of identifiable assets and liabilities and the operation of the academies for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred from St Peter's School, Huntingdon to the trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from existing academies in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 3.

Transfer out of the trust

The transfer of an existing academy out of the multi-academy trust involved the transfer of identifiable assets and liabilities and the operation of the academy for £NIL consideration. The substance of the transfer is that of a cost and it has been accounted for on that basis as set out below.

The assets and liabilities transferred from The Voyager academy out of the trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in costs in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 27.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

2. CONVERSION TO AN ACADEMY TRUST

On 1 January 2017 (x2) & 1 July 2017 Hartford Infant School, Huntingdon, Hartford Junior School, Huntingdon & Jeavons Wood Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Cam Academy Trust from Cambridgeshire County Council for ENIL 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 incorporating income and expenditure account as Donations - 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 Statement of financial activities incorporating income and expenditure account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Leasehold land and buildings	-	-	16,675,552	16,675,552
Other assets	329,048	-	-	329,048
LGPS pension surplus/(deficit)	-	(1,595,000)	-	(1,595,000)
Net assets/(liabilities)	329,048	(1,595,000)	16,675,552	15,409,600

The above net assets include £204,048 that were transferred as cash.

The land and buildings were transferred as freehold for Jeavons Wood Primary School and on an 125 year lease from Cambridgeshire County Council for the other two schools. The property has been brought in using an insurance valuation for Jeavons Wood Primary School and local authority valuations for the other two schools.

Split by Academy

	Hartford Junior School, Huntingdon £	Jeavons Wood Primary School £	Hartford Infant School, Huntingdon £	Combined £	Total £
Freehold & Leasehold land & buildings	4,532,950	9,637,852	2,504,750	-	16,675,552
Budget surplus on funds	33,275	125,000	170,773	-	329,048
LGPS deficit	-	-	-	(1,595,000)	(1,595,000)
Total	4,566,225	9,762,852	2,675,523	(1,595,000)	15,409,600

The net liability of the LGPS transferred into the Trust on conversion was not split the the actuary and therefore no split between individual schools can be disclosed.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

3. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY

St Peter's School, Huntingdon

	Value reporting by transferring trust £	Fair value adjustments £	Transfer in recognised £
Tangible fixed assets			
Freehold property	9,341,799	-	9,341,799
Plant and machinery	1,198,787	-	1,198,787
Office equipment	22,779	-	22,779
Computer equipment	29,593	-	29,593
Stock	6,993	-	6,993
Debtors due within one year	77,436	-	77,436
Cash in bank and in hand	650,092	-	650,092
Liabilities			
Creditors due within one year	(335,946)	-	(335,946)
Creditors due after one year	(15,865)	-	(15,865)
Pensions			
Pensions - pension scheme assets	3,219,000	-	3,219,000
Pensions - pension scheme liabilities	(5,607,000)	-	(5,607,000)
Net assets	8,587,668	-	8,587,668

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Transferred on conversion from the local authority	329,048	(1,595,000)	16,675,552	15,409,600	3,296,353
Transfer from existing academies	127,831	(2,133,121)	10,592,958	8,587,668	-
	<u>456,879</u>	<u>(3,728,121)</u>	<u>27,268,510</u>	<u>23,997,268</u>	<u>3,296,353</u>
Donations	120,726	-	-	120,726	89,730
Capital Grants	-	-	1,833,594	1,833,594	131,716
	<u>120,726</u>	<u>-</u>	<u>1,833,594</u>	<u>1,954,320</u>	<u>221,446</u>
	<u>577,605</u>	<u>(3,728,121)</u>	<u>29,102,104</u>	<u>25,951,588</u>	<u>3,517,799</u>
Total 2016	<u>155,235</u>	<u>(345,000)</u>	<u>3,707,564</u>	<u>3,517,799</u>	

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	23,055,495	23,055,495	20,746,762
Pupil premium	-	910,847	910,847	744,227
Other DfE/ESFA Grants	-	1,293,650	1,293,650	731,809
	-	<u>25,259,992</u>	<u>25,259,992</u>	<u>22,222,798</u>
Other government grants				
Local authority grants	-	1,659,297	1,659,297	1,295,301
	-	<u>1,659,297</u>	<u>1,659,297</u>	<u>1,295,301</u>
Other funding				
Other income from the academy trust's educational operations	718,565	1,275,450	1,994,015	1,904,475
	<u>718,565</u>	<u>1,275,450</u>	<u>1,994,015</u>	<u>1,904,475</u>
	<u>718,565</u>	<u>28,194,739</u>	<u>28,913,304</u>	<u>25,422,574</u>
<i>Total 2016</i>	<u>604,430</u>	<u>24,818,144</u>	<u>25,422,574</u>	

6. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hire of facilities	164,519	-	164,519	155,992
Other income	828,492	-	828,492	437,845
	<u>993,011</u>	<u>-</u>	<u>993,011</u>	<u>593,837</u>
<i>Total 2016</i>	<u>593,837</u>	<u>-</u>	<u>593,837</u>	

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

7. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	-	-	-	8,699
<i>Total 2016</i>	<i>8,699</i>	<i>-</i>	<i>8,699</i>	

8. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Teaching school	-	-	838,584	838,584	672,384
Activities:					
Direct costs	19,550,954	-	2,565,463	22,116,417	18,528,852
Support costs	4,789,426	1,845,442	213,076	6,847,944	10,417,525
	<u>24,340,380</u>	<u>1,845,442</u>	<u>3,617,123</u>	<u>29,802,945</u>	<u>29,618,761</u>
<i>Total 2016</i>	<i><u>20,561,617</u></i>	<i><u>2,377,157</u></i>	<i><u>6,679,987</u></i>	<i><u>29,618,761</u></i>	

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

9. CHARITABLE ACTIVITIES

	Total funds 2017 £	Total funds 2016 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	14,614,864	12,619,442
National insurance	1,466,026	1,046,284
Pension cost	3,470,064	2,460,980
Pension finance cost	193,000	242,000
Technology costs	407,243	280,879
Educational supplies	1,364,933	1,152,834
Examination fees	346,865	370,895
Staff development	99,919	67,707
Other direct costs	153,503	176,382
	22,116,417	18,417,403
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	3,881,542	3,602,188
National insurance	228,417	193,596
Pension cost	679,467	622,497
Depreciation	2,375,312	1,945,061
Recruitment and support	144,152	118,485
Maintenance of premises and equipment	309,016	284,967
Cleaning	357,467	213,992
Rent & rates	661,981	1,515,131
Energy costs	502,978	353,337
Insurance	152,001	160,377
Security and transport	158,210	140,531
Catering	638,501	421,084
Bank interest and charges	8,818	13,529
Other support costs	1,267,368	944,199
Transfer out of Voyager Academy Trust (Note 27)	(4,517,376)	-
	6,847,944	10,528,974
	28,964,361	28,946,377

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the Trust	2,375,312	1,945,061
Auditors' remuneration - audit related	22,500	22,500
Auditors' remuneration - non-audit related	4,500	-
	<u>2,402,312</u>	<u>1,967,561</u>

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for both the year ended 31 August 2017 and 31 August 2016 was included in the total insurance cost.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

12. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	18,050,169	15,738,472
Social security costs	1,694,443	1,239,880
Operating costs of defined benefit pension schemes	4,149,531	3,083,477
	<u>23,894,143</u>	<u>20,061,829</u>
Apprenticeship levy	33,889	-
Supply teacher costs	412,348	483,158
Staff restructuring costs	-	16,630
	<u>24,340,380</u>	<u>20,561,617</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2016: £16,630). Individually, the payments in the prior year were: £10,600, £3,500 and £2,530.

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

	2017 No.	2016 No.
Management	64	37
Teachers	398	320
Administration and support	356	253
	<u>818</u>	<u>610</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	4	6
In the band £70,001 - £80,000	6	2
In the band £90,001 - £100,000	1	1
In the band £120,001 - £130,000	1	1

11 (2016 - 9) of the above participated in the Teacher's Pension Scheme. 1 (2016 - 1) of the above participated in the LGPS.

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. This team increased due to the expansion of the academy trust. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,022,772 (2016 - £711,922).

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

13. CENTRAL SERVICES

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

- CEO
- Director of Education
- Director of International Development
- Teaching and Learning Support
- Human Resources Services
- Central Finance
- IT Services
- Legal and Professional including external and internal audit
- Publicity

The academy charges for these services on the following basis:

4% of General Annual Grant.

The actual amounts charged during the year were as follows:

	2017	2016
	£	£
Comberton Village College	306,000	318,818
The Voyager Academy	70,000	302,294
Melbourn Village College	86,016	89,966
Cambourne Village College	138,044	94,486
Gamlingay First School	32,172	12,555
Hartford Infant School, Huntingdon	20,355	-
Hartford Junior School, Huntingdon	23,812	-
St Peter's School, Huntingdon	200,004	-
Jeavons Wood Primary School	9,785	-
Total	<u>886,188</u>	<u>818,119</u>

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

14. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The CEO and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2017 £	2016 £
S Munday	Remuneration	125,000-130,000	125,000-130,000
	Pension contributions paid	20,000-25,000	20,000-25,000

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year ended 31 August 2017, one Trustee received £429 reimbursement of expenses (2016 - £NIL).

15. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Assets under construction £
Cost					
At 1 September 2016	50,704,890	27,735,540	27,920	2,744,011	-
Additions	-	320,606	-	159,339	537,545
Transferred in	18,979,651	7,037,700	-	1,251,159	-
Transferred out	-	-	-	(260,841)	-
At 31 August 2017	69,684,541	35,093,846	27,920	3,893,668	537,545
Depreciation					
At 1 September 2016	5,482,566	2,282,068	27,920	1,412,187	-
Charge for the year	1,163,283	511,034	-	700,995	-
Transferred out	-	-	-	(216,125)	-
At 31 August 2017	6,645,849	2,793,102	27,920	1,897,057	-
Net book value					
At 31 August 2017	63,038,692	32,300,744	-	1,996,611	537,545
At 31 August 2016	45,222,324	25,453,472	-	1,331,824	-

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

15. TANGIBLE FIXED ASSETS (continued)

	Total £
Cost	
At 1 September 2016	81,212,361
Additions	1,017,490
Transferred in	27,268,510
Transferred out	(260,841)
At 31 August 2017	109,237,520
Depreciation	
At 1 September 2016	9,204,741
Charge for the year	2,375,312
Transferred out	(216,125)
At 31 August 2017	11,363,928
Net book value	
At 31 August 2017	97,873,592
<i>At 31 August 2016</i>	<i>72,007,620</i>

Long-term leasehold property relates to 125-year leases from the relevant local authority.

Property values are based on ESFA valuations where available. Where not available other suitable methods are adopted by the Trustees.

16. DEBTORS

	2017 £	2016 £
Trade debtors	442,527	290,049
Other debtors	86,599	49,832
Prepayments and accrued income	584,567	375,063
	1,113,693	714,944

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

17. CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	514,129	673,509
Other taxation and social security	335,863	270,016
Salix loan	1,586	-
Other creditors	-	115,491
Accruals and deferred income	954,814	1,658,392
	1,806,392	2,717,408
	1,806,392	2,717,408
	2017	2016
	£	£
Deferred income		
Deferred income at 1 September	1,073,972	638,912
Resources deferred during the year	823,709	1,073,972
Amounts released from previous years	(1,073,972)	(638,912)
	823,709	1,073,972
	823,709	1,073,972

Deferred income includes UIFSM income received in the year that relates to the 2017/18, school trips occurring in 2017/18 and provision of other services including transportation in 2017/18.

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

	2017	2016
	£	£
Salix loan	12,693	-
	12,693	-
	12,693	-

The Salix balances due within and after one year are loan balances repayable at £1,586 per annum.

THE GAM ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds	645,593	2,289,181	(2,507,192)	(3,054)	-	424,528
Restricted funds						
General Annual Grant (GAG)	-	23,055,495	(22,164,354)	-	-	891,141
Other DfE/ESFA grants	113,603	2,204,497	(2,235,645)	-	-	82,455
Other Government Grants	77,199	1,659,297	(1,670,529)	-	-	65,967
Other income	-	1,530,329	(1,530,329)	-	-	-
Teaching school	-	1,068,113	(838,584)	-	-	229,529
Pension reserve	(11,108,000)	(3,983,000)	3,519,000	-	5,538,000	(6,034,000)
	<u>(10,917,198)</u>	<u>25,534,731</u>	<u>(24,920,441)</u>	<u>-</u>	<u>5,538,000</u>	<u>(4,764,908)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	72,007,620	29,102,104	(2,375,312)	3,054	-	98,737,466
Total restricted funds	<u>61,090,422</u>	<u>54,636,835</u>	<u>(27,295,753)</u>	<u>3,054</u>	<u>5,538,000</u>	<u>93,972,558</u>
Total of funds	<u><u>61,736,015</u></u>	<u><u>56,926,016</u></u>	<u><u>(29,802,945)</u></u>	<u><u>-</u></u>	<u><u>5,538,000</u></u>	<u><u>94,397,086</u></u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Unrestricted funds						
General Funds	684,273	1,362,201	(1,352,640)	-	(48,241)	645,593
	<u>684,273</u>	<u>1,362,201</u>	<u>(1,352,640)</u>	<u>-</u>	<u>(48,241)</u>	<u>645,593</u>

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS (continued)

Restricted funds

General Annual Grant (GAG)	-	20,746,762	(20,746,762)	-	-	-
Other DfE/ESFA grants	12,244	1,476,036	(1,374,677)	-	-	113,603
Other Government Grants	231,913	1,295,301	(1,450,015)	-	-	77,199
Other income	128,177	1,300,045	(1,428,222)	-	-	-
Teaching school	-	672,384	(672,384)	-	-	-
Pension reserve	(6,024,000)	(345,000)	(649,000)	-	(4,090,000)	(11,108,000)
	<u>(5,651,666)</u>	<u>25,145,528</u>	<u>(26,321,060)</u>	-	<u>(4,090,000)</u>	<u>(10,917,198)</u>

Restricted fixed asset funds

Restricted Fixed Asset Funds	70,196,876	3,707,564	(1,945,061)	-	48,241	72,007,620
	<u>70,196,876</u>	<u>3,707,564</u>	<u>(1,945,061)</u>	-	<u>48,241</u>	<u>72,007,620</u>
Total restricted funds	<u>64,545,210</u>	<u>28,853,092</u>	<u>(28,266,121)</u>	-	<u>(4,041,759)</u>	<u>61,090,422</u>
Total of funds	<u>65,229,483</u>	<u>30,215,293</u>	<u>(29,618,761)</u>	-	<u>(4,090,000)</u>	<u>61,736,015</u>

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

Unrestricted Fund

General Funds represent those resources which may be used towards meeting any of the objects of the Trust at the discretion of the Trustees. These are not currently designated for particular purposes.

Restricted Funds

Restricted funds include the following:

General Annual Grant (GAG) must be used for the normal running costs of the Trust.

Other DfE/ESFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education from pupils from a disadvantaged background.

Other Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the trust to assist with student's education.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted based upon the nature of the income.

Teaching school relates to the income and associated expenditure of the Trust associated with its status as a teaching school.

The pension reserve represents the current deficit balance of the Local Government Pension Scheme.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS (continued)

Restricted Fixed Asset Funds

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

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

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
CVC	232,287	130,754
TVA	-	204,455
MVC	170,350	325,939
Cam VC	391,977	44,967
GFS	48,727	68,209
HIS	152,130	-
HJS	9,663	-
St Peter's School	287,453	-
Jeavons Wood	170,790	-
The CAM Trust	714	62,071
Teaching School	229,529	-
Total before fixed asset fund and pension reserve	<u>1,693,620</u>	<u>836,395</u>
Restricted fixed asset fund	98,737,466	72,007,620
Pension reserve	(6,034,000)	(11,108,000)
Total	<u><u>94,397,086</u></u>	<u><u>61,736,015</u></u>

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding dep'tion £	Total 2017 £	Total 2016 £
CVC	5,940,969	2,981,214	423,467	1,688,467	10,434,117	11,133,285
TVA	1,777,986	275,109	82,956	(3,265,078)	(1,129,027)	8,817,033
MVC	1,664,851	514,971	84,392	503,886	2,768,100	2,713,229
Cam VC	2,685,148	440,873	489,751	378,417	3,994,189	2,753,836
GFS	624,281	85,997	61,836	151,231	923,345	390,627
HIS	432,053	47,690	59,520	71,304	610,567	-
HJS	573,528	62,703	18,985	101,396	756,612	-
St Peter's School	4,074,669	638,449	128,735	925,446	5,767,299	-
Jeavons Wood	194,191	44,176	15,291	23,210	276,868	-
The CAM Trust	577,278	298,244	-	305,457	1,180,979	544,307
II The CAM Trust - LGPS adjustment	1,006,000	-	-	-	1,006,000	649,000
Teaching School	-	-	128,619	709,965	838,584	672,384
	<u>19,550,954</u>	<u>4,789,426</u>	<u>1,493,552</u>	<u>1,593,701</u>	<u>27,427,633</u>	<u>27,673,700</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	97,873,592	97,873,592
Current assets	424,528	3,088,177	863,874	4,376,579
Creditors due within one year	-	(1,806,392)	-	(1,806,392)
Creditors due in more than one year	-	(12,693)	-	(12,693)
Provisions for liabilities and charges	-	(6,034,000)	-	(6,034,000)
	<u>424,528</u>	<u>(4,764,908)</u>	<u>98,737,466</u>	<u>94,397,086</u>

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	2016	2016	2016	2016
	£	£	£	£
Tangible fixed assets	-	-	72,007,620	72,007,620
Current assets	645,593	2,908,210	-	3,553,803
Creditors due within one year	-	(2,717,408)	-	(2,717,408)
Provisions for liabilities and charges	-	(11,108,000)	-	(11,108,000)
	<u>645,593</u>	<u>(10,917,198)</u>	<u>72,007,620</u>	<u>61,736,015</u>

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017	2016
	£	£
Net income for the year (as per Statement of Financial Activities)	27,123,071	596,532
Adjustment for:		
Depreciation charges	2,375,312	1,945,061
Investment income	-	(8,699)
Decrease in stocks	-	12,711
(Increase)/decrease in debtors	(309,912)	16,473
(Decrease)/increase in creditors	(534,732)	508,581
Capital grants from DfE and other capital income	(1,833,594)	(131,716)
LGPS adjustments	1,199,000	649,000
Assets and liabilities from local authority conversion	(15,205,552)	(3,296,353)
Assets and liabilities on transfer from existing academy	(9,237,760)	-
Assets and liabilities transferred out of the academy trust	(4,668,920)	-
Net cash (used in)/provided by operating activities	<u>(1,093,087)</u>	<u>291,590</u>

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017	2016
	£	£
Cash in hand	3,262,886	2,838,859
Total	<u>3,262,886</u>	<u>2,838,859</u>

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

23. CAPITAL COMMITMENTS

At 31 August 2017 the academy had capital commitments as follows:

	2017	2016
	£	£
Contracted for but not provided in these financial statements	<u>72,967</u>	<u>-</u>

24. PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

24. PENSION COMMITMENTS (continued)

- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £2,037,000 (2016 - £2,163,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £1,412,000 (2016 - £1,265,000), of which employer's contributions totalled £1,106,000 (2016 - £992,000) and employees' contributions totalled £306,000 (2016 - £273,000). The agreed contribution rates for future years are 19.55% for employers and a maximum of 12.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.10 %
Rate of increase in salaries	2.70 %	4.10 %
Rate of increase for pensions in payment / inflation	2.40 %	2.10 %

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

	2017	2016
Retiring today		
Males	22.4	22.5
Females	24.4	24.5
Retiring in 20 years		
Males	24.0	24.4
Females	26.3	26.9

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

24. PENSION COMMITMENTS (continued)

	At 31 August 2017 £	At 31 August 2016 £
Sensitivity analysis		
0.5% decrease in Real Discount Rate	2,586,000	2,958,000
0.5% increase in the Salary Increase Rate	403,000	1,056,000
0.5% increase in the Pension Increase Rate	2,144,000	1,803,000

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	10,708,000	8,159,000
Corporate bonds	1,808,000	1,632,000
Property	973,000	762,000
Cash and other liquid assets	418,000	326,000
Total market value of assets	13,907,000	10,879,000

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost	(2,112,000)	(1,399,000)
Net interest	(193,000)	(242,000)
Total	(2,305,000)	(1,641,000)
Actual return on scheme assets	729,000	1,675,000

Movements in the present value of the defined benefit obligation were as follows:

	2017 £	2016 £
Opening defined benefit obligation	21,987,000	13,950,000
Current service cost	2,112,000	1,399,000
Interest cost	402,000	587,000
Employee contributions	306,000	273,000
Changes in assumptions	(5,018,000)	5,440,000
Benefits paid	(165,000)	(70,000)
Effect of business combinations and disposals	317,000	428,000
Closing defined benefit obligation	19,941,000	21,987,000

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

24. PENSION COMMITMENTS (continued)

Movements in the fair value of the academy's share of scheme assets:

	2017	2016
	£	£
Opening fair value of scheme assets	10,879,000	7,926,000
Interest income	209,000	325,000
Expected return	520,000	1,350,000
Employer contributions	1,106,000	992,000
Employee contributions	306,000	273,000
Benefits paid	(165,000)	(70,000)
Effect of business combinations and disposals	1,052,000	83,000
	<u>13,907,000</u>	<u>10,879,000</u>

25. MEMBERS' LIABILITY

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

26. RELATED PARTY TRANSACTIONS

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

Mrs S. Williamson is a director and shareholder of SSAT (The Schools Network) Limited. During the year subscriptions of £20,046 (2016 - £6,817) were paid by the Academy Trust, which incorporates a group discount. In addition services have been received free of charge. Overall the Academy Trust is satisfied that the combined services are provided at below value and procurement policies, in accordance with ESFA guidance, have been complied with.

Mr J Hartley is a director of John Hartley Education Consultants Limited. The Academy Trust has utilised the services of John Hartley Education Consultants Limited to mentor Principals and Heads in their development. During the year purchases of £169 (2016 - £nil) have been made by the Academy Trust.

27. POST BALANCE SHEET EVENTS

Following the year end Gamlingay Village College has joined the Academy Trust & the multi-million pound extension at Cambourne Village College has been transferred into the Trust.

THE CAM ACADEMY TRUST
(A company limited by guarantee)

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

28. TRANSFER OUT ON ACADEMIES LEAVING THE ACADEMY

The Voyager Academy

	Transfer out on academy leaving the trust
	£
Tangible fixed assets	
Plant and machinery	44,716
Debtors due within one year	14,558
Cash in bank and in hand	151,544
Liabilities	
Creditors due within one year	(10,194)
Pensions	
Pensions - pension scheme assets	2,680,000
Pensions - pension scheme liabilities	(7,398,000)
Net liabilities	<u><u>(4,517,376)</u></u>

