

Company Registration Number: 07899393 (England & Wales)

**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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

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**MORRIS EDUCATION TRUST**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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**Members**                    Huw Jones  
                                    Jane Lucas (resigned 26 February 2019)  
                                    Julian Mellor  
                                    Hildegard O'Kane  
                                    Martin Rigby

**Trustees**                    Robert Campbell, CEO  
                                    Joanne Garner  
                                    David Jenkins  
                                    Martin Rigby, Chairman  
                                    Alan Rodger  
                                    Keith Thomson  
                                    Victoria Stubbs

**Company registered  
number**                    07899393

**Company name**            Morris Education Trust

**Principal and registered  
office**                    Impington Village College New Road  
                                    Impington  
                                    Cambridge  
                                    Cambridgeshire  
                                    CB24 9LX

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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<b>Company secretary</b>	Fran Difranco (appointed 1 September 2018) Amanda Hartwright (appointed 1 September 2018, resigned 22 February 2019) Jenna Louise Bickley (appointed 26 February 2019)
<b>Chief executive officer</b>	Robert Campbell
<b>Senior management team</b>	Robert Campbell, Chief Executive Officer (CEO) and Accounting Officer Fran Difranco, Chief Operating Officer Ryan Kelsall, Principal Impington Village College Daniel Baxby, Principal Witchford Village College
<b>Independent auditors</b>	MHA MacIntyre Hudson Chartered Accountants Statutory Auditors 1 The Forum Minerva Business Park Lynch Wood Peterborough PE2 6FT
<b>Bankers</b>	Barclays Bank PLC 9-11 St Andrews Street Cambridge CB5 3AA
<b>Solicitors</b>	Hewitsons LLP Shakespeare House 42 Newmarket Road Cambridge CB5 8EP

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

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Academy Trust currently operates 2 secondary academies in Eastern England.

Impington Village College (for students aged 11 to 18) has a pupil capacity of 1350 and serves a catchment area in South Cambridgeshire.

Witchford Village College (for students aged 11 to 16) has a pupil capacity of 850 and serves a catchment area in East Cambridgeshire.

**Structure, governance and management**

**a. 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 Morris Education Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Morris Education Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

**b. 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.

**c. Trustees' indemnities**

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £292 and details are provided in note 12.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Structure, governance and management (continued)**

**d. Method of recruitment and appointment or election of Trustees**

The Members of the Academy Trust comprise of the Chairman of the Trustees, Martin Rigby and 4 other Members appointed by Ordinary Resolution. The Members are self-appointing.  
(One position vacant at the financial year end 31 August 2019).

The number of Trustees shall not be less than three but (unless otherwise determined by ordinary resolution) shall not exceed seven. The Academy Trust shall have the following Trustees:

- a. Up to 6 Trustees
- b. The Chief Executive Officer

The Members may appoint by ordinary resolution up to 6 Trustees.

The total number of Trustees including the Chief Executive Officer if they so choose to act as Trustee who are employees of the Trust shall not exceed one third of the total number of Trustees.

The Trustees shall ensure that at least 2 Parent Local Governors shall be elected to each Local Governing Body or, if the number of parents, or individuals exercising parental responsibility, standing for election is less than the number of vacancies appointed (in accordance with the terms of reference determined by the Trustees from time to time).

In the event of a casual vacancy arising among the Trustees due to a retirement, resignation, removal or disqualification, the Trustees shall co-opt new Trustees to ensure the number of Trustees stays as set out in the Articles of Association. Any co-opted Trustees shall retire and submit themselves for election by Members at the next General Meeting.

The term of office for any Trustee shall be four years except for any ex officio post. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-elected at a General Meeting or Annual General Meeting.

In determining membership of the Trust Board the Members take into account skills, knowledge and experience of potential Trustees. In addition the members seek to ensure that all Trustees have a passion for education and a determination to assist the Trust Management in securing improvement of attainment in Trust schools. The Board similarly takes into account the skills, knowledge and experience of potential Trustees who could then be co-opted to join the Board.

**e. Policies adopted for the induction and training of Trustees**

Trustees are made aware of their responsibilities prior to appointment and provided with an induction pack prior to joining the Trust. Training is dependent on experience but active use of the National Governors association and Specialist Schools Academies Trust (SSAT) is drawn upon as necessary. All Trustees are provided with copies of policies, procedures, accounts, plans and any other documentation they will need to undertake their role as Trustees. In addition, introductory meetings for new Trustees with key staff employed by the Trust are arranged to ensure they have the opportunity to explore working practices and any other information they wish to access.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Structure, governance and management (continued)**

**f. Organisational structure**

The Trust has a clear organisational structure that consists of four levels; the Members, Trust Board, Academies and Local Governing Bodies.

The Members appoint Trustees on competence/skills based interviews and monitors progress of the Trust. The Members formally meet once a year or as need arises.

The Trust Board sets and monitors strategy, key objectives, budgets, HR policies, Schemes of Delegation. It also receives input from and reports to the Local Governing Bodies. Meetings of the Board are held monthly. In addition there is an Audit and Risk Committee, and Pay Review Committee which meet termly.

The Chief Executive is the Accounting Officer for the Trust.

The Academies deal with day to day management, standards, quality assurance, outcomes, community and parental engagement. Senior Leadership teams meet at least weekly.

Each Academy within the Trust will have its own Local Governing Body (LGB). The LGB monitors and assesses progress and outcomes of the local academy and communicates with stakeholders. The LGB meets circa every half term.

**g. Pay Policy for Key Management Personnel**

Arrangements for setting the pay and remuneration of the Academy Trust's key management personnel are reviewed by the Pay Review Committee and ratified by the full Board of Directors.

For key management staff employed directly by the Trust such as the Chief Executive Officer, Trustees from the Board will carry out an annual review of performance. Salaries are based on evaluation of individual roles and responsibilities of the post taking into account market rate factors, comparability of responsibilities and differentials. An annual performance pay appraisal is undertaken which is reported to the Trust Board and changes in salaries which result are with the Board's approval.

For key management staff in Academies an annual whole school pay policy is applied in which the Trust follows the pay and conditions arrangements from the national provisions used for maintained schools in England and Wales – both for teachers and support staff. The teachers' pay policy is based on the national agreed pay scale as outlined in the School Teachers Pay and Conditions Document. The Trust adheres to Local Government pay arrangements for support staff and follows the Local Government pay spines as they are applied in the Local Authority areas in which the academies are based.

The Trust is an equal opportunity employer and as such treats all applicants and employees, whether disabled or not on an equal basis. All staff who may be disabled or become disabled whilst in the employment of the Trust are supported through whatever needs arise including continuing their career progression with relevant continuing professional development (CPD).

The Trust aims to be a fair and responsible employer. Any material changes to policies, structure or material matters affecting employees of the Trust are consulted upon before implementation. This will include staff associations and unions if matters of policy change are outside standard agreed models.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Structure, governance and management (continued)**

**h. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	5
Full-time equivalent employee number	4

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	-
1%-50%	5
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time**

	£	
Total cost of facility time	6,118	
Total pay bill	9,673,111	
Percentage of total pay bill spent on facility time	-	%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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**i. Connected organisations, including related party relationships**

The Morris Education Trust currently comprises two Academies in Cambridgeshire (Impington Village College and Witchford Village College) on a not for profit basis. It also oversees the sports and leisure facilities at both Academies and owns the subsidiary company known as MET Living Limited.

There are no other financial connections with organisations however links with wider networks and organisations such as those listed below are drawn upon to enhance the educational and other activities of the Trust:

Morris Teaching School Alliance (MTSA)  
Cambridge Area Partnership (CAP)  
Cambridge and Suffolk Schools Association (CASSA)  
Cambridgeshire Secondary Heads Forum  
East and South Cambridgeshire Inclusion Partnership  
Cambridge University Faculty of Education  
Cambridge University



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Objectives and activities**

**a. Objects and aims**

The Trust's objectives (the Objects) are specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing as schools offering a broad and balanced curriculum.

To promote for the benefit of the inhabitants of Impington and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

**b. Objectives, strategies and activities**

The Trust's Development Plan for the period 2016 to 2019 sets out the ongoing plan and strategy with specific reference to the following strategic Aims:

1. To establish and grow a family of local schools operating successfully as a mixed phase/setting Multi-Academy Trust
2. To be an excellent Trust where students flourish and thrive as learners securing outstanding outcomes and all work in a climate of 'high challenge, low threat' (Myatt, 2016)
3. To ensure the Trust grows through efficient and effective use of all resources and maximises income generation through appropriate and ethical activities across the Trust
4. To communicate successfully and engage positively with all stakeholders of the Trust
5. To ensure the Trust continues to promote its role at the heart of the whole community and its composite local communities

The activities associated with the above aims form the basis for all Trust activity whilst also ensuring support for existing academies within the Trust is ongoing.

**c. Public benefit**

The Trustees have complied with their duty to have due regard to the guidance on Public Benefit in line with the guidance provided by the Charity Commission.

The charitable company's aims are set out in this report. The Trustees have complied with their duty to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charitable company should undertake.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Strategic report**

**Achievements and performance**

**a. Achievements and Performance**

2018-19 saw MET strengthen its achievements and performance. IVC continues to go from strength to strength and is considered one of the strongest comprehensive schools in the region. With its new Principal and SLT, WVC was able to halt its decline. Stability has been secured and the school is clearly and confidently improving. MET Living, which was formed in July 2017, to oversee both Impington and Witchford sport centres has enjoyed a successful year. It has now included Adult Learning and Community staff and operations and the team here is developing new pathways following the cessation of county council funding.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**b. Key performance indicators**

The Trust KPI's are primarily focussed upon the setting and evaluation of targets at school level for pupil performance/outcomes and the quality of provision. These targets are regularly monitored and presented to the Trustees in the form of the Data Dashboard. The CEO will also meet and discuss performance with the Principal of each academy ensuring that the focus on addressing the development strategy is being achieved. In addition financial KPIs are shown below for each Academy as at the end of August 2019:

**Ofsted Ratings:**

Impington Village College (Good with outstanding features – March 2016)

Witchford Village College (Good – October 2016)

**IVC**

Excellent results for the IB, BTEC and A Level cohorts (with the latter being the final one at IVC):

- 74% A-C/Merit & Distinction (A Level and BTEC)
- 96% IB pass with average points of 33 (equivalent to ABB at A Level)
- 93% A-E/Pass for A Level/BTEC

Importantly the BTEC results were outstanding in all three subject areas with 100% Pass and approx. 75% Merit+ and 50% at Distinction.

IVC once again delivered a very strong set of GCSE results with the Progress 8 score for all students at +0.67, the fourth year of a strong positive score using this measure. The analysis reveals the overwhelmingly positive outcomes achieved with over 80% of students achieving the government benchmark of a Grade 4+ in English and Maths. 16% of all GCSE grades were secured at the highest Grade 9.

**WVC**

Much of the focus last year had been in further improving behaviour and the learning environment as a whole, which have been secured. The GCSE results came in as expected, with many students securing good progress, including one girl securing nine (all) at Grade 9. Last year, the school was one of the worst performing for attainment. This year there were six schools lower than WVC in the country for the 'Basics' measure (the % of students securing 4+ in English and Maths). The cohort was still very much affected by the legacy issues, with 11 students either not in school for the duration of their GCSE years or on very amended/off-site programmes due to their challenging behaviours. When these are taken into account, the forecast Progress 8 score improved significantly. Importantly the school notably improved the progress of disadvantaged students, a key issue from 2017-18. The message from the new SLT is an upbeat one and they are clear looking forward positively to even stronger outcomes in 2020.

**The Cavendish School**

Following receipt of approval to open the special free school for children with autism, there have been delays in progressing the project. During the year, the Trustees were delighted to learn a contractor had been appointed to build the school. McAvoy's have a track record in this area having opened a successful school for children with autism in West London. The plans for the school have been drawn up and are due to be submitted to the district council by December 2019.

Financial Indicators (2018/19)	Impington VC	Witchford VC
Teachers' Salaries (inc Supply teachers)	5,338,728	2,651,582
Total Employee cost	6,593,992	3,823,288

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Strategic report (continued)**

**Achievements and performance (continued)**

Funded Income (excl. capital)	7,512,243	4,849,803
Total Income (excl. capital)	8,085,605	5,162,116
Teachers' salaries as % of income	71.1%	54.7%
Employee costs as % of total income	81.6%	74.1%
Pupil/Teacher Ratio	14.69	16.20

**c. Going Concern**

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

**Financial review**

**a. Reserves Policy**

The Trust is operating in surplus holding reserves from all Academies and subsidiary Sports centres within its oversight. These reserves are held for the benefit of the Trust as a whole and re-invested as agreed by Trustees to individual Academies after operating costs have been covered for each entity.

Ring fenced reserves are held on behalf of Sport England, Impington Sports Centre, Capital Grants and at Impington on behalf of ESCIP for whom they act as Banker.

The Trustees will review the reserve levels of the trust in accordance with the Academies Financial Handbook recommendations. This review encompasses the nature of income and expenditure streams, the need to match income commitment and the nature of reserves. The aim is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. However, most reserves held in the current year are not considered as revenue funds available for schools but held in for restricted purposes. The only available reserves held are those generated from the sports and leisure arm of the Trust. These reserves are held separately but Trustees can deploy them to Academies should they wish.

At 31 August 2019 the total funds comprised:

Unrestricted	£518,390
Restricted fixed asset	£15,484,225
Restricted pension deficit	£(5,099,000)
Restricted other	£827,925
Total	£11,731,540

Reserves held by individual academies are on a ring fenced basis only as below:

Impington Village College	£770,487
Witchford Village College	£544,253

**b. Investment Policy**

The Trust has not set an investment policy for this year.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Strategic report (continued)**

**Financial review (continued)**

**c. Principal risks and uncertainties**

The Trust Board considers the principal risks and uncertainties which could impact on their objectives to be:

1. lack of resource expenditure in the short and medium term.
2. lack of capital investment in the short and medium term.
3. fall in student numbers
4. reputational risk

**d. Financial Review**

The accounting policies adopted by the Trust are in line with the Academy Financial Handbook.

**Income:**

The Trust is principally funded by the General Annual Grant and subsidises this through its own activities to ensure that a balanced budget is achieved on an on-going basis. Income is based on national funding formulas but the rate per pupil in Cambridgeshire is much lower than the national average.

**Expenditure:**

The predominant expenditure category, as in all schools, is salaries for teaching and non-teaching staff. This equates to approximately 94.1% of funding with the remainder applied to educational resources, administration and utility costs.

During the year ended 31 August 2019, total expenditure (excluding restricted fixed assets and pension) of £14,481,625 was covered by recurrent grant funding from the ESFA together with other incoming resources, including profit donated from the subsidiary. The excess of income over expenditure for the period (excluding restricted fixed assets and pension) was £657,522.

At 31 August 2019 the net book value of fixed assets for the group was £14,618,832 and movements in tangible fixed assets are shown in the note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy. Included in group fixed assets is £239,067 relating to fixed assets held by MET Living Limited, however, these are treated as having been funded by unrestricted income.

The Trust held fund balances at 31 August 2019 of £11,731,540 comprising £827,925 of restricted funds, £15,484,225 of restricted fixed asset funds, £518,390 of unrestricted funds and a pension reserve deficit of £5,099,000.

In accordance with FRS102, the Academy received an actuarial assessment of pension scheme deficit. The deficit balance is included within the balance sheet as at 31 August 2019 and is shown in note 23 to the financial statements.

**Fundraising**

We do not engage with any professional fundraising organisations. All fundraising is monitored by the Trustees. We raise donations for specific charities and also fund raise for the Academy through various events.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

The Trust was established in October 2016 with the conversion of Impington Village College as its first (and founding) academy. The objective of expanding to a Trust comprising of at least 5 schools within the next 2 years is a strategy which the Trustees are pursuing to ensure a viable and efficient model for the future. It has identified and is developing a school improvement strategy called 'Excellence as Standard' which it is employing to support improvements to its existing (and joining) schools.

Witchford Village College joined the Trust in April 2017. The Trust has also been awarded the opening of a new Special Free School (The Cavendish School) for children with Autism in September 2021 and will take in Girton Glebe Primary School by the autumn of 2020. Further expansion will include more primary schools which will link to MET's vision to be a Trust that represents all phases and educational settings. It has existing knowledge of primary education and is committed to developing expertise in this domain.

**FUNDS HELD AS CUSTODIAN**

During 2018-19 the Trust, through IVC, acted as banker school for East and South Cambridgeshire Improvement Partnership (ESCIP) which represents 14 schools in the locality. Funding for provision of Education Other Than at School (EOTAS) is devolved by the local authority to this group to deliver this provision, the annual sum devolved can be found in note 27.

Funds were held in a control account within the Trust's accounting software and reported on at the regular ESCIP meetings and an annual statement was agreed by the committee. These transactions and balances were included as part of the external audit.

**Employee involvement and employment of the disabled**

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The academy and the group carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Academy and the group have implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust and its Equality and diversity policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academies and the Trust offices.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Disclosure of information to auditors**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are 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 and signed on its behalf by:

  
.....  
**Martin Rigby**  
Chairman of Trustees

*Date: 10 DECEMBER 2019*

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**MORRIS EDUCATION TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Morris Education 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, 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 Morris Education 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.



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**MORRIS EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**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 11 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
Robert Campbell, CEO	11	11
Joanne Garner	9	11
David Jenkins	9	11
Martin Rigby, Chairman	11	11
Alan Rodger	11	11
Keith Thomson	10	11
Victoria Stubbs	9	11

The Trust continues to evaluate its performance and effectiveness. Its latest appointment comes with a background in Risk, an area requiring expertise on the Board. It is working with Academy Ambassadors to seek the appointment of a Trustee with school educational leadership expertise. It is already confident in its use and interrogation of all school-level data, but feels this expansion would support further its ability to support and challenge the CEO.

The Pay Review Committee meets twice a year. Its purpose is to review the trust pay policy, approve pay awards and pay for key personnel such as the CEO.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Keith Thompson	1	2
Robert Campbell	2	2
Joanne Garner	2	2
Alan Rodger	2	2

The Audit Committee is also a sub-committee of the main board of Trustees. Its purpose is to meet termly at least to ensure financial audit and controls:

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Joanne Garner	4	4
Alan Rodger	4	4
David Jenkins	4	4
Robert Campbell, CEO	4	4
Victoria Stubbs	3	3

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**MORRIS EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money**

As Accounting Officer, the Chief Executive 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:

1. Applying the four principles of best value (challenge, compare, consult, competition)
2. Applying those principles when making decisions about allocation and use of resources
3. Making comparisons with other/similar academies using available data to ensure the MET's use of funds is at least in line with other similar organisations, or using such data to highlight areas for improvement
4. Challenging proposals, examining them for efficiency and cost
5. Reviewing staffing structures annually with each principal to ensure deployment is effective and best value for money
6. Considering best use of premises to ensure the best environment for teaching and learning and assessing opportunities to generate income from the premises assets
7. Having clear processes for purchasing, with procedures for assessing need, and obtaining goods and services which provide best value in terms of suitability, efficiency, time and cost
8. Reviewing the quality of the environment in order to provide a safe working environment for pupils, staff and visitors

These areas are monitored for best value by:

1. Departmental reviews by the Principals and senior leadership teams
2. Target setting meetings between CEO and Principals
3. Annual performance management
4. Annual budget planning
5. Feedback from auditors (internal and external)
6. Analysis of individual academy performance data
7. Benchmarking across the Trust with similar schools
8. Trustee committee meetings

**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 Morris Education Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

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**MORRIS EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**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 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees and the Audit and Risk Committee.

**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
- monthly reviews by the board 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 not to appoint an internal auditor. However, the Trustees have appointed MHA MacIntyre Hudson, the external auditors, to perform additional checks.

The reviewer'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 payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a termly basis, the external auditors report to the board of Trustees through the Audit and Risk committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of effectiveness**

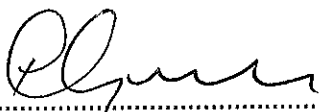
As accounting officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust's 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 and Risk 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 and signed on their behalf by:

  
.....  
**Martin Rigby**  
Chairman of Trustees

  
.....  
**Robert Campbell**  
CEO and Accounting Officer

DATE: 10 DECEMBER 2019

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Morris Education Trust I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2018.

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



.....  
**Robert Campbell**  
CEO and Accounting Officer  
Date: 10 DECEMBER 2019

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the charitable company and of their incoming resources and application of resources, including their 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 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply 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 group'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 and signed on its behalf by:



.....  
**Martin Rigby**  
Chairman of Trustees

Date: 10 DECEMBER 2019

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MORRIS EDUCATION TRUST**

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**Opinion**

We have audited the financial statements of Morris Education Trust (the 'parent Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2019 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Academy balance sheet, the Consolidated 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Academy's affairs as at 31 August 2019 and of the Group's 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 2018 to 2019 issued by the Education & Skills Funding Agency.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Group's or the parent 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.

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MORRIS EDUCATION TRUST (CONTINUED)**

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustee's Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and Administrative details, Trustees Report, incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees Responsibilities Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**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 (incorporating the Strategic Report and the Trustee's directors Report) including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements and.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the Group and the parent Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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:

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



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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MORRIS EDUCATION TRUST (CONTINUED)**

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**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 Group's and the parent Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Trust or to cease operations, or have no realistic alternative but to do so.


**Auditors' 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 Auditors' 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

This report is made solely to the Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Trust's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

  
**Atul Kariya FCCA (Senior statutory auditor)**  
for and on behalf of  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors  
Chartered Accountants and Statutory Auditors  
1 The Forum  
Minerva Business Park  
Lynch Wood  
Peterborough  
PE2 6FT

Date: 11 December 2017

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MORRIS EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 17 June 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Morris Education Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Morris Education Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Morris Education Trust's funding agreement with the Secretary of State for Education dated 23 January 2012 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MORRIS EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by 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 work undertaken to draw to our conclusion includes:

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

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Reporting Accountant**

**MHA MacIntyre Hudson**

Chartered Accountants and Statutory Auditors  
1 The Forum  
Minerva Business Park  
Lynch Wood  
Peterborough  
PE2 6FT

Date: 11 December 2019

**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>						
Donations and capital grants	3	-	77,722	1,511,191	1,588,913	17,905
Charitable activities	4	-	12,400,267	-	12,400,267	11,916,885
Teaching schools	28	53,125	-	-	53,125	60,000
Other trading activities	5	1,478,142	62,827	-	1,540,969	1,471,447
Other income		159,229	538,279	-	697,508	603,205
<b>Total income</b>		<b>1,690,496</b>	<b>13,079,095</b>	<b>1,511,191</b>	<b>16,280,782</b>	<b>14,069,442</b>
<b>Expenditure on:</b>						
Raising funds		1,121,927	114,574	-	1,236,501	947,750
Charitable activities		316,236	13,433,276	580,235	14,329,747	14,383,002
Teaching School Expenditure	28	69,612	-	-	69,612	46,386
<b>Total expenditure</b>	6	<b>1,507,775</b>	<b>13,547,850</b>	<b>580,235</b>	<b>15,635,860</b>	<b>15,377,138</b>
<b>Net income/(expenditure)</b>		<b>182,721</b>	<b>(468,755)</b>	<b>930,956</b>	<b>644,922</b>	<b>(1,307,696)</b>
Transfers between funds	17	-	369,555	(369,555)	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>182,721</b>	<b>(99,200)</b>	<b>561,401</b>	<b>644,922</b>	<b>(1,307,696)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	23	-	(2,522,000)	-	(2,522,000)	1,845,000
<b>Net movement in funds</b>		<b>182,721</b>	<b>(2,621,200)</b>	<b>561,401</b>	<b>(1,877,078)</b>	<b>537,304</b>

**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	335,668	(1,649,875)	14,922,825	13,608,618	13,071,314
Net movement in funds	182,721	(2,621,200)	561,401	(1,877,078)	537,304
<b>Total funds carried forward</b>	<b>518,389</b>	<b>(4,271,075)</b>	<b>15,484,226</b>	<b>11,731,540</b>	<b>13,608,618</b>

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 33 to 65 form part of these financial statements.

**MORRIS EDUCATION TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07899393**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	13	14,618,832	15,155,726
		<u>14,618,832</u>	<u>15,155,726</u>
<b>Current assets</b>			
Debtors	14	1,236,490	296,536
Cash at bank and in hand	21	2,033,230	1,025,832
		<u>3,269,720</u>	<u>1,322,368</u>
Creditors: amounts falling due within one year	15	(983,541)	(866,476)
<b>Net current assets</b>		<u>2,286,179</u>	<u>455,892</u>
<b>Total assets less current liabilities</b>		<u>16,905,011</u>	<u>15,611,618</u>
Creditors: amounts falling due after more than one year	16	(74,470)	-
<b>Net assets excluding pension liability</b>		<u>16,830,541</u>	<u>15,611,618</u>
Defined benefit pension scheme liability	23	(5,099,000)	(2,003,000)
<b>Total net assets</b>		<u><u>11,731,541</u></u>	<u><u>13,608,618</u></u>
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	15,484,226	14,922,825
Restricted income funds	17	827,925	353,125
		<u>16,312,151</u>	<u>15,275,950</u>
Restricted funds excluding pension asset	17	16,312,151	15,275,950
Pension reserve	17	(5,099,000)	(2,003,000)
<b>Total restricted funds</b>	17	<u>11,213,151</u>	<u>13,272,950</u>
<b>Unrestricted income funds</b>	17	<u>518,390</u>	<u>335,668</u>
<b>Total funds</b>		<u><u>11,731,541</u></u>	<u><u>13,608,618</u></u>

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MORRIS EDUCATION TRUST  
(A company limited by guarantee)

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CONSOLIDATED BALANCE SHEET (CONTINUED)  
AS AT 31 AUGUST 2019

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The financial statements on pages 26 to 65 were approved by the Trustees, and authorised for issue on  
*10 DECEMBER 2019* and are signed on their behalf, by:

  
.....  
Martin Rigby  
Chairman of Trustees

The notes on pages 33 to 65 form part of these financial statements.

**MORRIS EDUCATION TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07899393**

**ACADEMY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	13	14,379,765	14,922,824
		<u>14,379,765</u>	<u>14,922,824</u>
<b>Current assets</b>			
Debtors	14	2,001,057	954,017
Cash at bank and in hand		1,478,730	563,440
		<u>3,479,787</u>	<u>1,517,457</u>
Creditors: amounts falling due within one year	15	(954,541)	(828,664)
<b>Net current assets</b>		<u>2,525,246</u>	<u>688,793</u>
<b>Total assets less current liabilities</b>		<u>16,905,011</u>	<u>15,611,617</u>
Creditors: amounts falling due after more than one year	16	(74,470)	-
<b>Net assets excluding pension liability</b>		<u>16,830,541</u>	<u>15,611,617</u>
Defined benefit pension scheme liability	23	(5,099,000)	(2,003,000)
<b>Total net assets</b>		<u><u>11,731,541</u></u>	<u><u>13,608,617</u></u>



**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

**ACADEMY STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	15,484,226	14,922,824
Restricted income funds	17	827,927	53,125
Restricted funds excluding pension liability	17	16,312,153	15,275,949
Pension reserve	17	(5,099,000)	(2,003,000)
<b>Total restricted funds</b>	17	<b>11,213,153</b>	<b>13,272,949</b>
Unrestricted income funds			
Unrestricted funds excluding pension asset	17	-	335,668
<b>Total unrestricted income funds</b>	17	<b>518,388</b>	<b>335,668</b>
<b>Total funds</b>		<b>11,731,541</b>	<b>13,608,617</b>

The financial statements on pages 26 to 65 were approved by the Trustees, and authorised for issue on  
and are signed on their behalf, by:

10 DECEMBER  
2019



**Martin Rigby**  
Chairman of Trustees

The notes on pages 33 to 65 form part of these financial statements.

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	19	(502,251)	14,640
<b>Cash flows from investing activities</b>	20	1,509,649	(1,365)
<b>Change in cash and cash equivalents in the year</b>		1,007,398	13,275
Cash and cash equivalents at the beginning of the year		1,025,832	1,012,557
<b>Cash and cash equivalents at the end of the year</b>	21	<u>2,033,230</u>	<u>1,025,832</u>

The notes on pages 33 to 65 form part of these financial statements

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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

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**1. Accounting policies**

The Morris Education Trust is a private company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1 and 2. The nature of the academy trust's operations and principal activity are detailed in the Trustees Report.

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.

The financial statements are prepared in £ sterling, rounded to the nearest £1.

**1.1 Basis of preparation of financial statements**

The financial statements of the Academies, which are a public benefit entity under FRS 102, have been prepared under the historic 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Morris Education Trust meets the definition of a public benefit entity under FRS 102.

The Consolidated statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academies have taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

**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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

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**1. Accounting policies (continued)**

**1.3 Income**

All incoming resources are recognised when the Academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

**Grants**

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

General Annual Grant is recognised in full in the Consolidated statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

**Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Consolidated statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

**Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

**Other income**

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

**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 raising funds**

This includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

**Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of Morris Education Trust and all of its subsidiary undertaking ('subsidiaries').

The income and expenditure account for the year can be broken down as follows:

Impington Village College	£207,785
Witchford Village College	£404,557
MET Living	£45,180
Pension movements (P&L)	£(574,000)
Restricted Fixed Asset movements	<u>£561,401</u>
Sub-total	£644,923
Pension actuarial gains	<u>£(2,522,000)</u>
Total movement for the year	<b>£(1,877,077)</b>

**1.7 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019

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1. Accounting policies (continued)

1.8 Tangible fixed assets

All assets costing more than £5,000 for both Impington Village College and Witchford Village College are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. 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 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. Where tangible fixed assets have been acquired with unrestricted funds, a transfer is made to the restricted fixed asset fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	- 50 years straight line
Leasehold buildings	- 20 years straight line
Furniture and fixtures	- 10 years straight line
Plant and equipment	- 5 and 10 years straight line
Freehold and Leasehold land	- not depreciated

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 Consolidated statement of financial activities.

1.9 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.

1.10 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.

1.11 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

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**1. Accounting policies (continued)**

**1.12 Provisions**

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

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

**1.13 Financial instruments**

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group and their measurement bases 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 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

**1.14 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. Accounting policies (continued)**

**1.15 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 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**1.16 Agency arrangements**

The academy trust acts as an agent for East and South Cambridgeshire Improvement Partnership (ESCIP) which represents 14 schools in the locality. ESCIP payments received and subsequent disbursements are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid, and any balances held at the year end are disclosed in note 27.

**1.17 Fund accounting**

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. 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.

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The judgements that have had a significant effect on amounts recognised in the Financial Statements are those concerning the choice of depreciation policies, property valuations and asset lives.

**3. Income from donations and capital grants**

	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Government grants	1,588,913	1,588,913	17,905

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**4. Funding for the Academy's education operations**

	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
General Annual Grant (GAG)	9,376,594	<b>9,376,594</b>	10,231,557
Pupil Premium	392,140	<b>392,140</b>	308,333
DfE/EFA capital grants	-	-	27,811
Other DfE/EFA grants	1,307,192	<b>1,307,192</b>	224,574
	<u>11,075,926</u>	<u><b>11,075,926</b></u>	<u>10,792,275</u>
<b>Other government grants</b>			
Local authority grants	974,682	<b>974,682</b>	848,903
Other government grants	246,742	<b>246,742</b>	275,707
	<u>1,221,424</u>	<u><b>1,221,424</b></u>	<u>1,124,610</u>
<b>Other funding</b>			
Other funding	102,917	<b>102,917</b>	-
	<u>102,917</u>	<u><b>102,917</b></u>	<u>-</u>
<b>Total 2019</b>	<u><u>12,400,267</u></u>	<u><u><b>12,400,267</b></u></u>	<u><u>11,916,885</u></u>

**5. Income from other trading activities**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Hire of facilities	160,673	4,445	<b>165,118</b>	224,970
Catering income	13,749	-	<b>13,749</b>	15,000
Other fundraising income	1,303,720	58,382	<b>1,362,102</b>	1,231,477
	<u>1,478,142</u>	<u>62,827</u>	<u><b>1,540,969</b></u>	<u>1,471,447</u>
<i>Total 2018</i>	<u><u>1,299,826</u></u>	<u><u>171,621</u></u>	<u><u>1,471,447</u></u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**6. Expenditure**

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income	802,801	-	433,700	1,236,501	947,750
Education operations:					
Direct costs	8,233,412	-	1,081,655	9,315,067	8,914,348
Allocated support costs	2,631,588	355,447	2,027,645	5,014,680	5,468,654
Other expenditure	-	-	69,612	69,612	-
	<u>11,667,801</u>	<u>355,447</u>	<u>3,612,612</u>	<u>15,635,860</u>	<u>15,330,752</u>
<i>Total 2018</i>	<u>11,582,644</u>	<u>236,365</u>	<u>3,511,743</u>	<u>15,330,752</u>	

In 2019, of the total expenditure £1,507,775 (2018: £1,776,620) was to unrestricted funds and £14,128,085 (2018: £13,610,518) was to restricted funds.

Expenditure on raising voluntary income was £1,121,927 (2018: £897,401) from unrestricted funds and £114,574 (2018: £50,349) from restricted funds.

**7. Analysis of expenditure by activities**

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education operations	<u>9,315,067</u>	<u>5,014,680</u>	<u>14,329,747</u>	<u>14,383,002</u>
<i>Total 2018</i>	<u>8,914,348</u>	<u>5,468,654</u>	<u>14,383,002</u>	

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7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Education operations 2019 £	Total funds 2019 £	Total funds 2018 £
Staff costs	8,233,412	8,233,412	8,023,565
Technology costs	76,412	76,412	106,940
Educational supplies	687,457	687,457	535,397
Examination fees	147,830	147,830	127,440
Staff development	63,797	63,797	36,984
Educational consultancy	36,546	36,546	24,244
Other direct costs	69,613	69,613	59,778
	<u>9,315,067</u>	<u>9,315,067</u>	<u>8,914,348</u>

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**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Education operations 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Pension income	62,000	<b>62,000</b>	87,000
Staff costs	2,631,588	<b>2,631,588</b>	2,940,180
Depreciation	580,235	<b>580,235</b>	628,693
Technology costs	6,262	<b>6,262</b>	(169,227)
Educational supplies	36,569	<b>36,569</b>	46,394
Examination fees	71,125	<b>71,125</b>	48,203
Staff development	13,809	<b>13,809</b>	6,952
Recruitment and support	30,662	<b>30,662</b>	39,453
Maintenance of premises & equipment	355,447	<b>355,447</b>	236,365
Cleaning	289,437	<b>289,437</b>	291,295
Rent and rates	79,390	<b>79,390</b>	92,121
Energy costs	251,811	<b>251,811</b>	255,950
Insurance	61,516	<b>61,516</b>	73,215
Security and transport	22,179	<b>22,179</b>	22,977
Catering	252,904	<b>252,904</b>	270,524
Bank interest and charges	683	<b>683</b>	621
Profit on disposal of fixed assets	-	-	(2,815)
Other support costs	269,063	<b>269,063</b>	600,753
	<u>5,014,680</u>	<u><b>5,014,680</b></u>	<u>5,468,654</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	27,534	20,247
Depreciation of tangible fixed assets	616,158	663,313
Fees paid to auditors for:		
- audit	20,000	31,500
- other services	15,295	6,375
	<u>678,987</u>	<u>721,435</u>

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**9. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Academy 2019 £</b>	<i>Academy 2018 £</i>
Wages and salaries	8,651,671	8,483,734	8,009,014	7,960,014
Social security costs	776,996	774,570	738,657	744,181
Pension costs	1,874,446	1,931,111	1,788,954	1,866,771
	<u>11,303,113</u>	<u>11,189,415</u>	<u>10,536,625</u>	<u>10,570,966</u>
Supply teacher costs	270,660	332,286	270,660	332,286
Staff restructuring costs	94,028	60,943	94,028	60,493
	<u>11,667,801</u>	<u>11,582,644</u>	<u>10,901,313</u>	<u>10,963,745</u>
Staff restructuring costs comprise:				
Severance payments	<u>94,028</u>	<u>60,943</u>	<u>94,028</u>	<u>60,493</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £40,665 (2018: £60,943). Individually, the payments were: £2,620, £3,449, £5,537, £7,760, £9,340 and £11,959.

**c. Staff numbers**

The average number of persons employed by the Group and the Academy during the year was as follows:

	<b>Group 2019</b>	<i>Group 2018</i>
Teachers	169	173
Admin and support	189	192
Management	12	12
	<u>370</u>	<u>377</u>

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**9. Staff costs (continued)**

**d. Higher paid staff**

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

	<b>Group 2019 No.</b>	<i>Group 2018 No.</i>
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	2	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	1

The above banding states employee remuneration before pension contributions from the employer. Three (2018: Four) of the above employees participated in the Teachers' Pension Scheme in the year ended 31 August 2019, pension contributions for these employees amounted to £46,644 (2018: £55,602). The other employee participated in the Local Government Pension Scheme. Pension contributions for this employee amounted to £14,969 (2018: £14,748).

**e. Key management personnel**

The key management personnel of the academy comprise the trustees and the senior management team as listed on pages 1 and 2. The total amount of employee benefits (including employer national insurance and employer pension contributions) received by key management personnel for their services to the academy was £471,688 (2018: £438,549).

Miss K Baxendale, the partner of the Chairman Martin Rigby, is employed by the academy. Her remuneration is discussed by the trustees and is in line with all other teaching staff of a similar grade. Mr M Rigby is not involved in the discussions relating to the remuneration of Miss K Baxendale. The remuneration of Miss K Baxendale is not included in the aggregate remuneration of Key Management Personnel disclosed above.



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**10. Central services**

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

- Human resources
- Financial services
- Legal services

The Group charges for these services on the following basis:

As a flat percentage of 4.8% of GAG income of each Academy in the Multi-Academy Trust.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Impington Village College	295,951	283,356
Witchford Village College	196,845	177,660
<b>Total</b>	<b>492,796</b>	<b>461,016</b>

**11. 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 principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees.

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

Robert Campbell (Chief Executive Officer and Accounting Officer)  
Remuneration £110,000 - £115,000 (2018: £100,000 - £105,000)  
Employer's pension contributions £15,000 - £20,000 (2018: £15,000 - £20,000)

During the year ended 31 August 2019, travel and subsistence expenses totalling £824 were reimbursed or paid directly to one Trustee (2018 - £1,007 to one Trustee).

**12. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Group 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £292 (2018 - £5,277). The cost of this insurance is included in the total insurance cost.

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**13. Tangible fixed assets**

**Group**

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Total £
<b>Cost</b>					
At 1 September 2018	11,412,000	4,810,577	672,575	778,595	17,673,747
Additions	-	-	65,934	13,330	79,264
Disposals	-	-	-	(44,697)	(44,697)
At 31 August 2019	<u>11,412,000</u>	<u>4,810,577</u>	<u>738,509</u>	<u>747,228</u>	<u>17,708,314</u>
<b>Depreciation</b>					
At 1 September 2018	1,442,000	361,772	231,219	483,030	2,518,021
Charge for the year	206,000	255,370	77,517	77,271	616,158
On disposals	-	-	-	(44,697)	(44,697)
At 31 August 2019	<u>1,648,000</u>	<u>617,142</u>	<u>308,736</u>	<u>515,604</u>	<u>3,089,482</u>
<b>Net book value</b>					
At 31 August 2019	<u>9,764,000</u>	<u>4,193,435</u>	<u>429,773</u>	<u>231,624</u>	<u>14,618,832</u>
At 31 August 2018	<u>9,970,000</u>	<u>4,448,805</u>	<u>441,356</u>	<u>295,565</u>	<u>15,155,726</u>

Included in land and buildings is freehold land at valuation of £1,112,000 (2018: £1,112,000) and leasehold land at a valuation of £1,107,712 (2018: £1,107,712), which is not depreciated.

The freehold and leasehold properties were valued on conversion to academy status for both Impington Village College and Witchford Village College by a RICS Registered Valuer using the Depreciated Replacement Cost Method.

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**13. Tangible fixed assets (continued)**

**Academy**

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Total £
<b>Cost</b>					
At 1 September 2018	11,412,000	4,810,577	541,280	571,786	17,335,643
Additions	-	-	23,846	13,330	37,176
Disposals	-	-	-	(44,697)	(44,697)
At 31 August 2019	<u>11,412,000</u>	<u>4,810,577</u>	<u>565,126</u>	<u>540,419</u>	<u>17,328,122</u>
<b>Depreciation</b>					
At 1 September 2018	1,442,000	361,772	176,697	432,350	2,412,819
Charge for the year	206,000	255,370	63,084	55,781	580,235
On disposals	-	-	-	(44,697)	(44,697)
At 31 August 2019	<u>1,648,000</u>	<u>617,142</u>	<u>239,781</u>	<u>443,434</u>	<u>2,948,357</u>
<b>Net book value</b>					
At 31 August 2019	<u>9,764,000</u>	<u>4,193,435</u>	<u>325,345</u>	<u>96,985</u>	<u>14,379,765</u>
At 31 August 2018	<u>9,970,000</u>	<u>4,448,805</u>	<u>364,583</u>	<u>139,436</u>	<u>14,922,824</u>

Included in land and buildings is freehold land at valuation of £1,112,000 (2018: £1,112,000) and leasehold land at a valuation of £1,107,712 (2018: £1,107,712), which is not depreciated.

The freehold and leasehold properties were valued on conversion to academy status for both Impington Village College and Witchford Village College by a RICS Registered Valuer using the Depreciated Replacement Cost Method.

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**14. Debtors**

	Group 2019 £	Group 2018 £	Academy 2019 £	Academy 2018 £
<b>Due within one year</b>				
Trade debtors	48,550	48,947	96,868	47,788
Amounts owed by group undertakings	-	-	734,419	673,520
Other debtors	75,441	30,869	68,970	27,306
Prepayments and accrued income	1,112,499	216,720	1,100,800	205,403
	<u>1,236,490</u>	<u>296,536</u>	<u>2,001,057</u>	<u>954,017</u>

**15. Creditors: Amounts falling due within one year**

	Group 2019 £	Group 2018 £	Academy 2019 £	Academy 2018 £
Trade creditors	(453)	43,145	(453)	43,145
Other taxation and social security	193,588	138,925	190,415	130,580
Other creditors	404,036	258,429	397,068	258,430
Accruals and deferred income	386,370	425,977	367,511	396,509
	<u>983,541</u>	<u>866,476</u>	<u>954,541</u>	<u>828,664</u>

	Group 2019 £	Group 2018 £	Academy 2019 £	Academy 2018 £
<b>Deferred income</b>				
Deferred income at 1 September 2018	267,656	149,079	243,218	124,636
Resources deferred during the year	272,092	267,656	253,232	243,218
Amounts released from previous periods	(267,656)	(149,079)	(243,218)	(124,636)
	<u>272,092</u>	<u>267,656</u>	<u>253,232</u>	<u>243,218</u>

Deferred income is made up of school trip income of £168,607 (2018: £243,218), rates relief of £56,891 (2018: £nil), sports centre income of £18,860 (2018: £24,438) and other income of £27,734 (2018: £nil).

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16. Creditors: Amounts falling due after more than one year

	<b>Group</b> <b>2019</b> £	<i>Group</i> <i>2018</i> £	<b>Academy</b> <b>2019</b> £	<i>Academy</i> <i>2018</i> £
Other loans	<u>74,470</u>	<u>-</u>	<u>74,470</u>	<u>-</u>

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**17. Statement of funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds	335,668	1,690,497	(1,507,775)	-	-	518,390
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	9,520,667	(9,890,222)	369,555	-	-
Other DfE/ESFA Grants	-	1,636,343	(1,636,343)	-	-	-
Other Government Grants	53,989	1,183,868	(1,237,857)	-	-	-
Other Restricted Funds	299,136	738,217	(209,428)	-	-	827,925
Pension reserve	(2,003,000)	-	(574,000)	-	(2,522,000)	(5,099,000)
	<u>(1,649,875)</u>	<u>13,079,095</u>	<u>(13,547,850)</u>	<u>369,555</u>	<u>(2,522,000)</u>	<u>(4,271,075)</u>
<b>Restricted fixed asset funds</b>						
NBV of fixed assets	14,922,825	-	(580,235)	37,176	-	14,379,766
Unspent Capital Grants	-	1,511,191	-	(406,731)	-	1,104,460
	<u>14,922,825</u>	<u>1,511,191</u>	<u>(580,235)</u>	<u>(369,555)</u>	<u>-</u>	<u>15,484,226</u>
<b>Total Restricted funds</b>	<u>13,272,950</u>	<u>14,590,286</u>	<u>(14,128,085)</u>	<u>-</u>	<u>(2,522,000)</u>	<u>11,213,151</u>
<b>Total funds</b>	<u>13,608,618</u>	<u>16,280,783</u>	<u>(15,635,860)</u>	<u>-</u>	<u>(2,522,000)</u>	<u>11,731,541</u>

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

The Unrestricted General fund has been created to recognise the incoming and outgoing resources in respect of activities undertaken by the Academy Trust which fall outside the scope of its core activities, at the disposal of the Trustees.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Statement of funds (continued)**

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy Trust via the Education and Skills Funding Agency (ESFA) by the Department for Education (DfE). The GAG fund has been established because the GAG must be used for the normal running costs of the Academy Trust.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2019.

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

The Pension reserve has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy status, and through which all the pension scheme movements are recognised. The pension reserve is in deficit, but given the nature of the liability, it is not payable immediately.

The restricted fixed asset fund was predominately from funds inherited on conversion from Cambridgeshire County Council local authority and capital grants received for the acquisition of fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

During the year, funds transfers of £369,555 between the General Annual Grant and the restricted fixed asset fund have taken place, which represents building repairs expenditure during the year that has been funded by capital grants.

**Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Impington Village College	770,487	562,702
Witchford Village College	544,253	139,697
Morris Education Trust (Central Services)	31,575	(13,606)
Total before fixed asset funds and pension reserve	<u>1,346,315</u>	<u>688,793</u>
Restricted fixed asset fund	15,484,226	14,922,825
Pension reserve	(5,099,000)	(2,003,000)
<b>Total</b>	<u><u>11,731,541</u></u>	<u><u>13,608,618</u></u>

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**17. 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 depreciation £	Total 2019 £	Total 2018 £
Impington Village College	5,338,728	1,255,264	488,309	1,106,419	<b>8,188,720</b>	7,735,035
Witchford Village College	2,651,582	1,171,706	39,106	1,141,983	<b>5,004,377</b>	4,913,244
MET Living Limited	-	802,801	-	319,126	<b>1,121,927</b>	897,400
Morris Education Trust (Central Services)	243,102	204,618	160,042	70,839	<b>678,601</b>	557,766
	<u>8,233,412</u>	<u>3,434,389</u>	<u>687,457</u>	<u>2,638,367</u>	<u><b>14,993,625</b></u>	<u>14,103,445</u>



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**17. Statement of funds (continued)**

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2018 £</i>
<b>Unrestricted funds</b>					
General Funds	724,162	1,378,126	(1,766,620)	-	335,668
	<u>724,162</u>	<u>1,378,126</u>	<u>(1,766,620)</u>	<u>-</u>	<u>335,668</u>
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	10,231,557	(10,231,557)	-	-
Other DfE/ESFA Grants	-	532,907	(532,907)	-	-
Other Government Grants	-	1,124,610	(1,070,621)	-	53,989
Other Restricted Funds	-	757,048	(457,912)	-	299,136
Pension Reserve	(3,203,000)	-	(645,000)	1,845,000	(2,003,000)
	<u>(3,203,000)</u>	<u>12,646,122</u>	<u>(12,937,997)</u>	<u>1,845,000</u>	<u>(1,649,875)</u>
<b>Restricted fixed asset funds</b>					
NBV of fixed assets	15,550,152	45,194	(672,521)	-	14,922,825
	<u>15,550,152</u>	<u>45,194</u>	<u>(672,521)</u>	<u>-</u>	<u>14,922,825</u>
<b>Total Restricted funds</b>	<u>12,347,152</u>	<u>12,691,316</u>	<u>(13,610,518)</u>	<u>1,845,000</u>	<u>13,272,950</u>
<b>Total funds</b>	<u><u>13,071,314</u></u>	<u><u>14,069,442</u></u>	<u><u>(15,377,138)</u></u>	<u><u>1,845,000</u></u>	<u><u>13,608,618</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	14,618,832	14,618,832
Current assets	1,380,060	1,024,266	865,394	3,269,720
Creditors due within one year	(787,200)	(196,341)	-	(983,541)
Creditors due in more than one year	(74,470)	-	-	(74,470)
Pension liability	-	(5,099,000)	-	(5,099,000)
<b>Total</b>	<u>518,390</u>	<u>(4,271,075)</u>	<u>15,484,226</u>	<u>11,731,541</u>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	232,901	14,922,825	15,155,726
Current assets	1,202,144	120,224	-	1,322,368
Creditors due within one year	(866,476)	-	-	(866,476)
Pension liability	-	(2,003,000)	-	(2,003,000)
<b>Total</b>	<u>335,668</u>	<u>(1,649,875)</u>	<u>14,922,825</u>	<u>13,608,618</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Reconciliation of net movement of funds to net cash flow from operating activities**

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of financial activities)	644,922	(1,307,696)
<b>Adjustments for:</b>		
Depreciation	616,158	663,313
Capital grants from DfE and other capital income	(1,588,913)	-
Defined benefit pension scheme cost less contributions payable	512,000	558,000
Defined benefit pension scheme finance cost	62,000	87,000
Increase in debtors	(1,145,695)	(87,512)
Increase in creditors	397,277	101,535
<b>Net cash (used in)/provided by operating activities</b>	<b>(502,251)</b>	<b>14,640</b>

**20. Cash flows from investing activities**

	Group 2019 £	Group 2018 £
Purchase of tangible fixed assets	(79,264)	(12,383)
Proceeds from the sale of tangible fixed assets	-	11,018
Capital grants from DfE Group	1,588,913	-
<b>Net cash provided by/(used in) investing activities</b>	<b>1,509,649</b>	<b>(1,365)</b>

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	Group 2019 £	Group 2018 £
Cash in hand	2,033,230	1,025,832
<b>Total</b>	<b>2,033,230</b>	<b>1,025,832</b>

The cash in hand includes a large proportion of cash which relates to capital and the Trust acting as a banker school for ESCIP.

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**22. Capital commitments**

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Academy 2019 £</b>	<i>Academy 2018 £</i>
<b>Contracted for but not provided in these financial statements</b>				
Building works	1,061,882	-	1,061,882	-
IT Equipment	64,220	62,665	64,220	62,665
	<u>1,126,102</u>	<u>62,665</u>	<u>1,126,102</u>	<u>62,665</u>

**23. Pension commitments**

The Academy's employees belong to two principal pension schemes: the Teachers' 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 schemes.

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

**Introduction**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

**NOTES TO THE FINANCIAL STATEMENTS  
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**23. Pension commitments (continued)**

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

**Valuation of the Teachers' Pension Scheme**

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found on the Teachers' Pension Scheme website

**Scheme Changes**

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the year amounted to £755,770 (2018 - £815,771).

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

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**23. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £652,000 (2018 - £646,000), of which employer's contributions totalled £491,000 (2018 - £493,000) and employees' contributions totalled £ 161,000 (2018 - £153,000). The agreed contribution rates for future years are 19.4% and 17.4% per cent for employers and 5.5%-12.5% per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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**

	2019 %	2018 %
Rate of increase in salaries	2.6	2.6
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8
Inflation assumption (CPI)	1.8	2.4
Commutation of pensions to lump sums	63	63

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.5	22.4
Females	23.5	24.4
<i>Retiring in 20 years</i>		
Males	22.4	24
Females	24.9	26.3

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**23. Pension commitments (continued)**

**Sensitivity analysis**

	2019 £000	2018 £000
Discount rate +0.1%	2,327,000	1,091,000
Discount rate -0.1%	(2,327,000)	(1,091,000)
Mortality assumption - 1 year increase	348,000	366,000
Mortality assumption - 1 year decrease	(348,000)	(366,000)
CPI rate +0.1%	1,933,000	911,000
CPI rate -0.1%	(1,933,000)	(911,000)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	8,429,000	8,044,000
Bonds	1,461,000	1,120,000
Property	1,236,000	713,000
Cash and other liquid assets	112,000	305,000
<b>Total market value of assets</b>	<b>11,238,000</b>	<b>10,182,000</b>

The actual return on scheme assets was £499,000 (2018 - £725,000).

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

	2019 £	2018 £
Current service cost	(949,000)	(1,051,000)
Past service cost	54,000	-
Interest income	293,000	229,000
Interest cost	(355,000)	(316,000)
	<b>(957,000)</b>	<b>(1,138,000)</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**23. Pension commitments (continued)**

Changes in the present value of the defined benefit obligations were as follows:

	2019 £	2018 £
<b>At 1 September</b>	<b>12,185,000</b>	<b>12,101,000</b>
Current service cost	949,000	1,051,000
Past service cost	54,000	-
Interest cost	355,000	316,000
Employee contributions	161,000	153,000
Actuarial losses/(gains)	2,728,000	(1,349,000)
Benefits Paid	(94,000)	(87,000)
<b>At 31 August</b>	<b>16,338,000</b>	<b>12,185,000</b>

Changes in the fair value of the Group's share of scheme assets were as follows:

	2019 £	2018 £
<b>At 1 September</b>	<b>10,182,000</b>	<b>8,898,000</b>
Return on assets	293,000	229,000
Actuarial losses	206,000	496,000
Employer contributions	491,000	493,000
Employee contributions	161,000	153,000
Benefits paid	(94,000)	(87,000)
<b>At 31 August</b>	<b>11,239,000</b>	<b>10,182,000</b>

**Total remeasurements recognised in Other Comprehensive Income:**

	2019 £	2018 £
Changes in financial assumptions	2,728,000	(1,349,000)
Actuarial losses	(206,000)	(496,000)
	<b>2,522,000</b>	<b>(1,845,000)</b>



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**NOTES TO THE FINANCIAL STATEMENTS  
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The amounts recognised in the Balance Sheet are as follows:

	2019 £	2018 £
Present value of funded obligations	(16,338,000)	(12,185,000)
Fair value of scheme assets	11,239,000	10,182,000
<b>Defined benefit pension liability</b>	<b>(5,099,000)</b>	<b>(2,003,000)</b>

**24. Operating lease commitments**

At 31 August 2019 the Group and the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Academy 2019 £</b>	<i>Academy 2018 £</i>
Not later than 1 year	63,939	21,195	63,939	21,195
Later than 1 year and not later than 5 years	321,151	79,751	321,151	79,751
Later than 5 years	968,328	236,273	968,328	236,273
	<b>1,353,418</b>	<i>337,219</i>	<b>1,353,418</b>	<i>337,219</i>

**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.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. Related party transactions**

Owing to the nature of the Academy'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 a trustee has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transaction took place in the period of account;

Carole Kelsall has provided cover teacher services during the previous year. Carole Kelsall's son is Ryan Kelsall, the Head of Impington Village College.

Ryan Kelsall had no involvement in the determining the consideration paid to Carole Kelsall. Payments of £nil (2018: £8,562) made were on normal commercial terms at the same rates as those for all other cover teachers. There were no amounts outstanding at the balance sheet date.

Sue Campbell is employed as the leader of personalised learning at Impington Village College. Sue Campbell's husband is Rob Campbell, the CEO of Morris Education Trust.

Rob Campbell had no involvement in the determining the consideration paid to Sue Campbell. Payments of £38,794 (2018: £37,076) made were on normal commercial terms at the same rates as those for other staff in similar roles. There were no amounts outstanding at the balance sheet date.

Alison DiFranco is employed as an exams officer at Impington Village College. Alison DiFranco's husband is Fran DiFranco, the Chief Operations Officer of Morris Education Trust.

Fran DiFranco had no involvement in the determining the consideration paid to Alison DiFranco. Payments of £18,519 (2018: £17,273) made were on normal commercial terms at the same rates as those for other staff in similar roles. There were no amounts outstanding at the balance sheet date.

No further related party transactions took place in the year, other than certain trustees' remuneration and expenses already disclosed in note 11.

**27. Agency arrangements**

The academy trust acts as an agent for East and South Cambridgeshire Improvement Partnership (ESCIP) which represents 14 schools in the locality. In the accounting period ending 31 August 2019 the trust received £1.65m and disbursed £1.47m from the fund. An amount of £294k (2018: £114k) is included in other creditors at 31 August 2019 relating to undistributed ESCIP funds repayable.

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**MORRIS EDUCATION TRUST**  
(A company limited by guarantee)

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

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**28. Teaching school trading account**

	2019 £	2019 £	2018 £	2018 £
<b>Income</b>				
<b>Direct income</b>				
Other income	53,125		60,000	
Trading activities	-		2,873	
<b>Total income</b>		53,125		62,873
<b>Expenditure</b>				
Direct staff costs	69,612		35,243	
Support staff costs	-		7,660	
Other support costs	-		3,483	
<b>Total direct expenditure</b>	69,612		46,386	
<b>Total expenditure</b>		69,612		46,386
<b>(Deficit)/surplus from all sources</b>		(16,487)		16,487
Teaching school balances at 1 September 2018		16,487		-
<b>Teaching school balances at 31 August 2019</b>		-		16,487