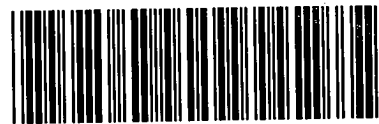

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 August 2014

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COMBERTON ACADEMY TRUST
(A company limited by guarantee)

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COMBERTON ACADEMY TRUST
(A company limited by guarantee)

**Reference and administrative details of the Academy Trust, its governors and advisers
for the year ended 31 August 2014**

Trustees

Mrs J Banks, Trustee
Mr A Coles, Trustee
Mr C Greenhalgh, Trustee (appointed 13 March 2014)
Mrs C Handley, Trustee
Ms L Jeffrey, Trustee (appointed 9 December 2013, resigned 15 July 2014)
Dr G Johnson, Chair of Trustees
Dr R Mellors-Bourne, Trustee
Mr S Munday, Executive Principal
Mr G Pearson, Trustee (appointed 12 May 2014)
Mr P Tebbit, Trustee
Mr S Terrell, Trustee

Company registered number

07491945

Registered office

West Street, Comberton, Cambridge, CB23 7DU

Academies

Comberton Village College, West Street, Comberton, Cambridge CB23 7DU

The Voyager Academy, Mountsteven Avenue, Walton, Peterborough, PE4 6HX

Melbourn Village College, The Moor, Melbourn, Royston, Herts, SG8 6EF

Cambourne Village College, Cambourne, Cambridge, CB23 3PU

Executive Principal

Mr Stephen Munday

Independent auditors

Chater Allan LLP, 4a Newmarket Road, Cambridge, CB5 8DT

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Trustees' report
for the year ended 31 August 2014

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Comberton Academy Trust (the Trust) for the year ended 31 August 2014. The trustees confirm that the annual report and financial statements of the Academy Trust comply with the current statutory requirements, the requirements of the Academy Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. CONSTITUTION

Comberton Academy Trust is a charitable company limited by guarantee and was set up by a Memorandum of Association on 13th January 2011.

b. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Comberton Educational Trust, the predecessor Trust, can appoint up to 6 of the trustees. Other governing bodies of other Academies within the Federation can appoint up to 5 trustees. The Executive Principal is also a trustee and director under the Articles of Association.

c. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The training and induction of trustees depends on their existing experience. All trustees are provided with copies of policies and procedures and take part in activities which allow them to meet with staff and students. Where required, training in charity, educational, legal and financial matters is offered.

d. ORGANISATIONAL STRUCTURE

Ten trustees together with the Executive Principal act as the trustees for the charitable activities of Comberton Academy Trust and are also the directors of the charitable company for the purposes of company law. The trustees are responsible for setting general policy, adopting annual plans and budgets, monitoring the Academies by the use of budgets and making major decisions about the direction of the Academies, capital expenditure and senior staff appointments.

Members of the individual academy governing bodies develop and implement annual plans together with the individual academy leadership teams. The teams control the individual academies at an executive level, implement the policies laid down by the trustees and governors and report back to them. Each team is responsible for the authorisation of spending within agreed budgets and the appointment of staff. Each team is also responsible for the day to day operation of the individual academy in particular organising the teaching staff, facilities and students. Details of the governors of individual Academies who are not directors of the charitable company or trustees can be found, together with details of the Senior Management Teams, on the websites of the individual Academies.

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2014

e. RISK MANAGEMENT

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Academy, and its finances. The trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (eg. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (eg. vetting of school staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

f. TRUSTEES' INDEMNITIES

The Academy through its Articles has indemnified its trustees and governors of the Academies within the Federation to the fullest extent permissible by law. During the period the Academy Trust also purchased and maintained liability insurance for its trustees and governors.

Objectives and Activities

a. OBJECTS AND AIMS

The trust company's Articles of Association set out its object as follows: The Trust's object ("the Object") is specifically restricted to the following:

- a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the Academies") offering a broad and balanced curriculum;
- b) to promote for the benefit of the public 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 Comberton Academy Trust has five guiding principles.

These form the core objectives of the Academies in the Trust:

- High quality educational provision for all pupils.
- Educational provision for students of all abilities: the Comprehensive principle.
- A model of schooling that sees the school at the heart of the community: the Henry Morris principle.
- A model of schooling that is outward-looking and seeks to work in partnership for mutual benefit.
- Education with an international outlook.

c. PUBLIC BENEFIT

The Academies provide educational services to all children in the local area. The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

Achievements and performance

a. GOING CONCERN

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2014

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

b. REVIEW OF ACTIVITIES

Attainment in GCSE examinations at Comberton Village College continues to be significantly higher than the national average. In 2014, 80% per cent of students achieved 5+ A*-C including Maths and English and 86% of students overall achieved 5+ A*-C passes. 39% of grades were at A*/A. Comberton Sixth Form students also achieved excellent results: Total grades at A* - B: 66%; Total grades at A* - C: 90%; Total grades at A* - E: 100%. All figures are higher than last year's results.

The first set of GCSE results from Melbourn Village College since joining the Trust showed the improvement made by an already good college. 75% of students achieved 5+ A*-C including Maths and English, which is a 5% rise on last year, including a 7% rise in the number of students who achieved an A* to C grade in Maths, 86% of students overall achieved A*-C passes. 33% of grades were at A*/A.

At The Voyager Academy, following an unannounced Ofsted inspection earlier this year, Executive Principal Stephen Munday took over the leadership and set staff and students the challenge to record the best results in all measured areas. In 2014, the Academy recorded an increase of 64% in the total number of A* and A grades, and a 75% increase in the number of A* to B grades awarded. The English results were the highest the Academy has recorded with 62% of pupils achieving A* to C grades. The Academy recorded the same overall GCSE pass rate as the previous year with 40% of pupils achieving 5+A*-C grades including English and Maths. The Academy was also above the national average for the level of progress a pupil makes during their time in secondary education in the core subjects, and demonstrated that more students were making above expected levels of progress. Voyager Sixth Form students also achieved fantastic results: Total grades at A* - C: 65%; Total grades at A* - E: 99%. The overall pass rate in 2014 of 99% is the highest since the Academy began working with the Trust in 2011.

Financial review

a. RESULTS FOR THE YEAR

The majority of the Academies' income comes from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA in the period ended 31 August 2014 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. During the year ended 31 August 2014 the Academies incurred expenditure totalling £27,606,000 (31 August 2013: £22,626,000), including £2,243,000 (2013: £1,160,000) of depreciation. The balance of expenditure of £25,369,000 (2013: £21,466,000) was covered by the EFA grant for the period along with other grants or other incoming resources leading to a surplus on general funds for the period of £540,000 (2013: £177,000).

At 31 August 2014, the Trust had restricted fixed asset funds of £71,528,000 (2013: £46,958,000); a surplus on general funds of £701,000 (2013: £161,000); and a pension fund deficit of £5,334,000 (2012: £3,090,000). The surplus on general and other restricted funds consists of a balance of £227,000 relating to The Voyager Academy; £116,000 in respect of Comberton Village College; £576,000 relating to Melbourn Village College and £88,000 relating to Cambourne Village College.

b. RESERVES POLICY

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2014

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

Plans for the future

a. FUTURE DEVELOPMENTS

The Academy Trust will continue to strive to improve the levels of performance of its students at all levels. The main objective for the year, stemming from the five core principles, is to confirm a rigorous self-review process, under the new Ofsted framework, that indicates outstanding standards of all Academies within the Trust.

Our aim is to use the expertise and experience that the Trust can provide to improve all our academies both academically and operationally while at the same time achieving economies of scale. This will involve a number of different strands: staff development, including courses and joint training days; seeking joint opportunities for students; sharing good practice at all levels; correlating policies and management systems where appropriate and making use of joint staffing and procurement to provide best value

During 2014/15 we will seek to consolidate the position and performance of all of the Academies within the Trust. In particular, we will look to: secure a positive outcome from the Ofsted inspection of the new Free School of Cambourne Village College that is due this year; to see The Voyager Academy move out of Special Measures; and to consolidate the high performance of Comberton and Melbourn Village Colleges.

We will continue to engage both with local Primary Schools and Secondary Schools in the area that have an interest in joining the Trust, seeking to build appropriate partnerships with them. Where mutually desired, such schools might join the Comberton Academy Trust.

We will continue to develop the remit of the Trust within the wider Teaching School Network and agenda as we play a major role in training teachers, providing professional development and supporting the performance of other schools.

We will seek to continue to strengthen the financial position of the Trust whilst pursuing these educational developments.

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.

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 Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

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

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2014

In accordance with the Trust's Equal opportunities 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 Trust's offices.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that trustee has 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 company's auditors are aware of that information.

This report was approved by order of the members of the Board of Trustees on and signed on its behalf by:



Dr G Johnson
Chair of Trustees

9 December 2014

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Governance Statement

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Comberton Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Governor	Meetings attended	Out of a possible
Mrs J Banks, Trustee	5	6
Mr A Coles, Trustee	6	6
Mrs C Handley, Trustee	6	6
Ms L Jeffrey, Trustee	2	4
Dr G Johnson, Chair of Trustees	6	6
Dr R Mellors-Bourne, Trustee	3	6
Mr S Munday, Executive Principal	6	6
Mr G Pearson, Trustee	1	1
Mr P Tebbit, Trustee	4	6
Mr S Terrell, Trustee	6	6

As part of main Board meetings, the Trustees review the finances of the Trust. Finance subcommittees of individual academy governing bodies review the performance of individual academies and report back to the main Trust Board.

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 Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Comberton Academy Trust for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Governance Statement (continued)

Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (as set purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees have appointed an external consultant, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees's financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting officer, the Principal 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 Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting officer has been advised of the implications of the result of their review of the system of internal control by the Responsible Officer 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:



Dr G Johnson
Chair of Trustees

9 December 2014



S Munday
Accounting officer

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As Accounting officer of Comberton Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the Academy Trust Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy Trust, or material non compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook (2013).

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



S Munday
Accounting officer

Date: 9 DECEMBER 2014

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Trustees' responsibilities statement
for the year ended 31 August 2014

The Trustees (who act as trustees for charitable activities of Comberton Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Dr G Johnson
Chair of Trustees

Date: 9 DECEMBER 2014

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Independent auditors' report to the members of Comberton Academy Trust

We have audited the financial statements of Comberton Academy Trust for the year ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2013/14 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy Trust 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2013/14 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

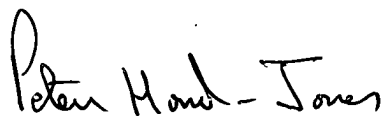
COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Independent auditors' report to the members of Comberton Academy Trust

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Peter Howard-Jones (Senior statutory auditor)

for and on behalf of

Chater Allan LLP

Chartered Accountants
Statutory Auditors

4a Newmarket Road
Cambridge
CB5 8DT

Date:

9 DECEMBER 2014

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Independent auditors' assurance report on regularity to Comberton Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 16 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies: Accounts Direction 2013/14, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Comberton Academy Trust during the year 1 September 2013 to 31 August 2014 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 Comberton Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Comberton Academy Trust and the EFA 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 Comberton Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF COMBERTON ACADEMY TRUST'S ACCOUNTING OFFICER AND THE AUDITORS

The Accounting officer is responsible, under the requirements of Comberton Academy Trust's funding agreement with the Secretary of State for Education dated 31 January 2011, and the Academies Financial Handbook as published by DfE in 2013, 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 2013/14. 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 2013 to 31 August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies: Accounts Direction 2013/14 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Independent auditors' assurance report on regularity to Comberton Academy Trust and the Education Funding Agency (continued)

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Chater Allan LLP

Chater Allan LLP

Chartered Accountants
Statutory Auditors

4a Newmarket Road
Cambridge
CB5 8DT

Date: *9 DECEMBER 2014*

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

**Statement of financial activities
for the year ended 31 August 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	3	464,707	102,715	4,585,119	5,152,541	20,012,811
Activities for generating funds	4	1,207,069	900,339	-	2,107,408	2,096,919
Incoming resources from charitable activities	5	-	23,495,538	347,889	23,843,427	19,630,037
TOTAL INCOMING RESOURCES		1,671,776	24,498,592	4,933,008	31,103,376	41,739,767
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income	6	355,626	-	-	355,626	302,802
Charitable activities	11	775,653	24,219,891	2,152,587	27,148,131	22,274,411
Governance costs	7	-	102,409	-	102,409	49,213
TOTAL RESOURCES EXPENDED	10	1,131,279	24,322,300	2,152,587	27,606,166	22,626,426
NET INCOMING RESOURCES BEFORE REVALUATIONS		540,497	176,292	2,780,421	3,497,210	19,113,341
Gains and losses on pension revaluation		-	(2,244,000)	-	(2,244,000)	(123,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		540,497	(2,067,708)	2,780,421	1,253,210	18,990,341
<i>Total funds at 1 September 2013</i>		<i>161,163</i>	<i>(2,960,614)</i>	<i>68,748,251</i>	<i>65,948,800</i>	<i>46,958,459</i>
TOTAL FUNDS AT 31 AUGUST 2014		701,660	(5,028,322)	71,528,672	67,202,010	65,948,800

All activities relate to continuing operations.

The notes on pages 18 to 37 form part of these financial statements.

COMBERTON ACADEMY TRUST
(A company limited by guarantee)
Registered number: 07491945

**Balance sheet
as at 31 August 2014**

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	15		71,385,063		68,856,267
CURRENT ASSETS					
Stocks	16	9,832		11,315	
Debtors	17	1,177,409		656,947	
Cash at bank and in hand		1,841,052		797,742	
		<u>3,028,293</u>		<u>1,466,004</u>	
CREDITORS: amounts falling due within one year	18	(1,877,346)		(1,283,471)	
NET CURRENT ASSETS			1,150,947		182,533
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>72,536,010</u>		<u>69,038,800</u>
Defined benefit pension scheme liability	23		(5,334,000)		(3,090,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>67,202,010</u>		<u>65,948,800</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	19	(5,028,322)		(2,960,614)	
Restricted fixed asset funds	19	71,528,672		68,748,251	
Total restricted funds			66,500,350		65,787,637
Unrestricted funds	19		701,660		161,163
TOTAL FUNDS			<u>67,202,010</u>		<u>65,948,800</u>

The financial statements were approved by the Trustees, and authorised for issue, on 9 December 2014 and are signed on their behalf, by:



Dr G Johnson, Chair of Trustees

The notes on pages 18 to 37 form part of these financial statements.

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

**Cash flow statement
for the year ended 31 August 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	21	5,815,077	19,023,108
Capital expenditure and financial investment		(4,771,767)	(20,503,911)
INCREASE/(DECREASE) IN CASH IN THE YEAR		1,043,310	(1,480,803)

**Reconciliation of net cash flow to movement in net funds
for the year ended 31 August 2014**

	2014 £	2013 £
Increase/(Decrease) in cash in the year	1,043,310	(1,480,803)
MOVEMENT IN NET FUNDS IN THE YEAR	1,043,310	(1,480,803)
Net funds at 1 September 2013	797,742	2,278,545
NET FUNDS AT 31 AUGUST 2014	1,841,052	797,742

The notes on pages 18 to 37 form part of these financial statements.

COMBERTON ACADEMY TRUST
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Notes to the financial statements
for the year ended 31 August 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2011/12 issued by the EFA, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The Academy Trust is a company limited by guarantee. 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.

1.3 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

COMBERTON ACADEMY TRUST
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Notes to the financial statements
for the year ended 31 August 2014

1. ACCOUNTING POLICIES (continued)

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the Academy Trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

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

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the Academy Trust's educational operations.

Governance costs include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.6 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. They make this assessment in respect of a period of one year from the date of approval of the financial statements.

COMBERTON ACADEMY TRUST
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2014

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £2,500 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are stated at cost less depreciation. 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 property	-	2% per annum on a straight line basis
L/Term Leasehold Property	-	2% per annum on a straight line basis
Motor vehicles	-	25% per annum on a straight line basis
Fixtures and fittings	-	10%-33% per annum on a straight line basis

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Taxation

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

COMBERTON ACADEMY TRUST
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Notes to the financial statements
for the year ended 31 August 2014

1. ACCOUNTING POLICIES (continued)

1.10 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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 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 gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

COMBERTON ACADEMY TRUST
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Notes to the financial statements
for the year ended 31 August 2014

2. GENERAL ANNUAL GRANT (GAG)

Comberton Village College

	2014 £	2013 £
Result and Carry Forward for the year		
GAG Brought forward from previous year	24,115	171,378
GAG Allocation for current year	7,715,461	7,745,271
Total GAG Available to spend	7,739,576	7,916,649
Recurrent expenditure from GAG	(7,728,072)	(7,888,091)
Fixed assets purchased from GAG	-	(4,443)
GAG Carried forward to next year	11,504	24,115
Maximum permitted GAG carried forward at end of current year (12% allocation for current year)	(925,855)	(929,433)
GAG to surrender to DfE	(914,351)	(905,318)
(12% rule breached if result is positive)	No breach	No breach
Use of GAG brought forward from previous year for recurrent purposes		
Recurrent expenditure from GAG in current year	7,728,072	7,888,091
GAG allocation for current year	(7,715,461)	(7,745,271)
GAG allocation for previous year x 2%	(154,905)	(142,820)
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year	(142,294)	-
(2% rule breached if result is positive)	No breach	No breach

The Voyager Academy

	2014 £	2013 £
Result and Carry Forward for the year		
GAG Allocation for current year	8,334,389	8,647,574
Total GAG Available to spend	8,334,389	8,647,574
Recurrent expenditure from GAG	(8,334,389)	(8,647,574)
GAG Carried forward to next year	-	-
Maximum permitted GAG carried forward at end of current year (12% allocation for current year)	(1,000,127)	(1,037,709)
GAG to surrender to DfE	(1,000,127)	(1,037,709)
(12% rule breached if result is positive)	No breach	No breach

COMBERTON ACADEMY TRUST
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**Notes to the financial statements
for the year ended 31 August 2014**

Melbourn Village College

	2014 £	2013 £
Result and Carry Forward for the year		
GAG Allocation for current year	2,265,469	-
Total GAG Available to spend	2,265,469	-
Recurrent expenditure from GAG	(2,265,469)	-
GAG Carried forward to next year	-	-
Maximum permitted GAG carried forward at end of current year (12% allocation for current year)	(271,856)	-
GAG to surrender to DfE	(271,856)	-
(12% rule breached if result is positive)	No breach	No breach

Cambourne Village College

	2014 £	2013 £
Result and Carry Forward for the year		
GAG Allocation for current year	974,243	-
Total GAG Available to spend	974,243	-
Recurrent expenditure from GAG	(974,243)	-
GAG Carried forward to next year	-	-
Maximum permitted GAG carried forward at end of current year (12% allocation for current year)	(116,909)	-
GAG to surrender to DfE	(116,909)	-
(12% rule breached if result is positive)	No breach	No breach

3. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Donations	464,707	4,687,834	5,152,541	20,012,811

COMBERTON ACADEMY TRUST
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Notes to the financial statements
for the year ended 31 August 2014

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Hire of facilities	81,087	-	81,087	60,958
Catering income	460,903	-	460,903	373,854
Other income	665,079	900,339	1,565,418	1,662,107
	<u>1,207,069</u>	<u>900,339</u>	<u>2,107,408</u>	<u>2,096,919</u>

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/EFA revenue grant				
General Annual Grant (GAG)	-	20,135,352	20,135,352	15,905,254
Capital grants	-	482,167	482,167	398,856
Other DfE / EFA grants	-	1,222,067	1,222,067	1,673,126
Local authority grants	-	941,407	941,407	1,306,212
Sundry income	-	1,062,434	1,062,434	346,589
	<u>-</u>	<u>23,843,427</u>	<u>23,843,427</u>	<u>19,630,037</u>

6. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Voluntary income costs	42,418	-	42,418	12,542
Voluntary income staff costs	313,208	-	313,208	290,260
	<u>355,626</u>	<u>-</u>	<u>355,626</u>	<u>302,802</u>

COMBERTON ACADEMY TRUST
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**Notes to the financial statements
for the year ended 31 August 2014**

7. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Auditors' remuneration	-	29,477	29,477	12,055
Legal and professional fees	-	72,028	72,028	37,158
Governors' reimbursed expenses	-	904	904	-
	-	102,409	102,409	49,213

8. DIRECT COSTS

	Charitable Activities £	Total 2014 £	Total 2013 £
Technology costs	307,747	307,747	168,681
Educational supplies	1,898,594	1,898,594	1,524,982
Examination fees	357,502	357,502	358,648
Staff development	347,470	347,470	301,503
Other direct costs	19,065	19,065	23,116
Wages and salaries	10,912,333	10,912,333	11,170,069
National insurance	2,044,491	2,044,491	805,408
Pension cost	2,274,701	2,274,701	1,399,617
Depreciation	84,727	84,727	25,525
	18,246,630	18,246,630	15,777,549

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Notes to the financial statements
for the year ended 31 August 2014

9. SUPPORT COSTS

	Educational Activities £	Total 2014 £	Total 2013 £
Technology costs	52,665	52,665	65,895
Recruitment and support	152,473	152,473	179,136
Maintenance of premises and equipment	311,000	311,000	154,544
Cleaning	174,310	174,310	93,956
Rent & rates	1,486,894	1,486,894	1,420,831
Energy costs	358,892	358,892	221,331
Insurance	158,631	158,631	145,087
Security and transport	112,106	112,106	101,745
Catering	430,560	430,560	360,731
Bank interest and charges	10,160	10,160	10,545
Other support costs	446,853	446,853	482,958
Wages and salaries	2,213,551	2,213,551	1,769,763
National insurance	310,192	310,192	101,685
Pension cost	530,627	530,627	254,642
Depreciation	2,152,587	2,152,587	1,134,013
	<u>8,901,501</u>	<u>8,901,501</u>	<u>6,496,862</u>

10. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2014 £	Depreciation 2014 £	Other costs 2014 £	Total 2014 £	Total 2013 £
Costs of generating voluntary income	313,208	-	42,418	355,626	391,707
Costs of generating funds	313,208	-	42,418	355,626	391,707
Direct costs - Education	18,285,895	2,237,314	6,624,922	27,148,131	22,184,907
Governance	-	-	102,409	102,409	49,213
	<u>18,599,103</u>	<u>2,237,314</u>	<u>6,769,749</u>	<u>27,606,166</u>	<u>22,625,827</u>

11. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2014 £	Support costs 2014 £	Total 2014 £	Total 2013 £
Direct costs - Education	18,246,630	8,901,501	27,148,131	22,184,907

COMBERTON ACADEMY TRUST
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**Notes to the financial statements
for the year ended 31 August 2014**

No central services were provided by the Trust to its academies during the period and no central charges arose.

ANALYSIS OF ACADEMIES BY COST

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs -excluding depreciation	2014
	£	£	£	£	£
Comberton Village College	8,717,970	359,345	1,658,177	1,336,672	12,072,164
The Voyager Academy	6,718,365	130,610	746,276	1,835,266	9,430,517
Melbourn Village College	1,840,114	-	376,877	481,406	2,698,397
Cambourne Village College	832,699	-	149,049	186,026	1,167,774
Total	<u>18,109,148</u>	<u>489,955</u>	<u>2,930,379</u>	<u>3,839,370</u>	<u>25,368,852</u>

12. NET INCOMING RESOURCES

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets: - owned by the charity	<u>2,237,313</u>	<u>1,159,539</u>

During the year, no Trustees received any benefits in kind (2013 - £NIL).

During the year, one trustee received reimbursement of expenses totalling £309. Other non- trustee governors received reimbursed expenses totalling £595. (2013 - £NIL).

COMBERTON ACADEMY TRUST
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**Notes to the financial statements
for the year ended 31 August 2014**

13. STAFF COSTS

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	13,377,763	13,271,487
Social security costs	2,384,562	921,327
Other pension costs (Note 23)	2,836,777	1,687,535
	<u>18,599,102</u>	<u>15,880,349</u>

The average number of persons (including the senior management team) employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	2014 No.	2013 No.
Senior Leadership	27	19
Teachers	264	195
Administration and support	208	209
	<u>499</u>	<u>423</u>

The number of employees whose emoluments fell within the following bands was:

	2014 No.	2013 No.
In the band £60,001 - £70,000	10	5
In the band £70,001 - £80,000	5	2
In the band £80,001 - £90,000	1	0
In the band £110,000 - £120,000	0	2
In the band £121,001 - £130,000	1	0
	<u>17</u>	<u>9</u>

17 of the above participated in the Teachers' Pension Scheme and contributions to the scheme in respect of these employees totalled £155,400 (2013:£89,469). The Executive Principal only receives remuneration in respect of services he provides undertaking the role of Executive Principal and not in respect of services as trustee. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees. The value of trustees' remuneration was as follows: £116,148 (2013:£115,000). Owing to the nature of the Academy Trust's operations and the composition of the board of trustees and local governing bodies being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which trustees or governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

COMBERTON ACADEMY TRUST
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**Notes to the financial statements
for the year ended 31 August 2014**

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1 million on any one claim.

The cost of this insurance is included in the total insurance cost.

15. TANGIBLE FIXED ASSETS

	Freehold property £	L/Term Leasehold Property £	Motor vehicles £	Fixtures and fittings £
Cost				
At 1 September 2013	50,704,890	19,750,000	27,920	1,145,884
Additions	-	4,409,692	-	362,075
At 31 August 2014	50,704,890	24,159,692	27,920	1,507,959
Depreciation				
At 1 September 2013	2,440,272	-	7,880	324,275
Charge for the year	1,014,098	885,517	6,980	336,376
At 31 August 2014	3,454,370	885,517	14,860	660,651
Net book value				
At 31 August 2014	47,250,520	23,274,175	13,060	847,308
At 31 August 2013	48,264,618	19,750,000	20,040	821,609

COMBERTON ACADEMY TRUST
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**Notes to the financial statements
for the year ended 31 August 2014**

15. TANGIBLE FIXED ASSETS (continued)

	Total £
Cost	
At 1 September 2013	71,628,694
Additions	4,771,767
At 31 August 2014	<u>76,400,461</u>
Depreciation	
At 1 September 2013	2,772,427
Charge for the year	2,242,971
At 31 August 2014	<u>5,015,398</u>
Net book value	
At 31 August 2014	<u>71,385,063</u>
At 31 August 2013	<u>68,856,267</u>

16. STOCKS

	2014 £	2013 £
Catering supplies	<u>9,832</u>	<u>11,315</u>

17. DEBTORS

	2014 £	2013 £
Trade debtors	215,004	226,006
Other debtors	664,336	185,109
Prepayments and accrued income	298,069	245,832
	<u>1,177,409</u>	<u>656,947</u>

COMBERTON ACADEMY TRUST
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**Notes to the financial statements
for the year ended 31 August 2014**

18. CREDITORS:
Amounts falling due within one year

	2014 £	2013 £
Trade creditors	481,560	884,782
Other taxation and social security	193,226	-
Other creditors	694,615	60,587
Accruals and deferred income	507,945	338,102
	<u>1,877,346</u>	<u>1,283,471</u>

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds					
General funds	161,163	1,671,776	(1,131,279)	-	701,660
Restricted funds					
Restricted funds	129,386	24,498,592	(24,322,300)	-	305,678
Restricted pension fund	(3,090,000)	-	-	(2,244,000)	(5,334,000)
	<u>(2,960,614)</u>	<u>24,498,592</u>	<u>(24,322,300)</u>	<u>(2,244,000)</u>	<u>(5,028,322)</u>
Restricted fixed asset funds					
Restricted fixed asset fund	68,748,251	4,933,008	(2,152,587)	-	71,528,672
Total restricted funds	<u>65,787,637</u>	<u>29,431,600</u>	<u>(26,474,887)</u>	<u>(2,244,000)</u>	<u>66,500,350</u>
Total of funds	<u>65,948,800</u>	<u>31,103,376</u>	<u>(27,606,166)</u>	<u>(2,244,000)</u>	<u>67,202,010</u>

Fund balances at 31 August 2014 were allocated as follows:

	2014 £
Comberton Village College	116,686
The Voyager Academy	226,251
Melbourn Village College	576,074
Cambourne Village College	88,327
Restricted fixed asset fund	71,528,672
Pension reserve	(5,334,000)
Total	<u>67,202,010</u>

COMBERTON ACADEMY TRUST
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Notes to the financial statements
for the year ended 31 August 2014

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
General funds	161,163	1,671,776	(1,131,279)	-	701,660
Restricted funds	(2,960,614)	24,498,592	(24,322,300)	(2,244,000)	(5,028,322)
Restricted fixed asset funds	68,748,251	4,933,008	(2,152,587)	-	71,528,672
	<u>65,948,800</u>	<u>31,103,376</u>	<u>(27,606,166)</u>	<u>(2,244,000)</u>	<u>67,202,010</u>

The Trust held £305,678 of restricted fund balances at 31 August 2014 relating to teacher training and other educational projects. It also held £347,888 in respect of capital funding for capital projects in progress.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	204,279	-	71,180,784	71,385,063	68,856,266
Current assets	2,374,727	305,678	347,888	3,028,293	1,478,644
Creditors due within one year	(1,877,346)	-	-	(1,877,346)	(1,296,111)
Pension liability	-	(5,334,000)	-	(5,334,000)	(3,090,000)
	<u>701,660</u>	<u>(5,028,322)</u>	<u>71,528,672</u>	<u>67,202,010</u>	<u>65,948,800</u>

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	Continuing £	Discontinued £	2014 Total £	2013 £
Net incoming resources before revaluations	3,497,210	-	3,497,210	19,113,341
Depreciation of tangible fixed assets	2,242,971	-	2,242,971	-
Decrease/(increase) in stocks	1,483	-	1,483	(1,132)
Increase in debtors	(520,462)	-	(520,462)	(57,537)
Increase/(decrease) in creditors	593,875	-	593,875	(31,564)
Net cash inflow from operations			<u>5,815,077</u>	<u>19,023,108</u>

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**Notes to the financial statements
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	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(4,771,767)</u>	<u>(20,503,911)</u>

22. ANALYSIS OF CHANGES IN NET DEBT

	September 1 2012 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	797,742	1,043,310	-	1,841,052
Net funds	<u>797,742</u>	<u>1,043,310</u>	<u>-</u>	<u>1,841,052</u>

23. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 August 2014.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. 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.

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay as you go' basis, and employers' contributions are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' 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.

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23. PENSION COMMITMENTS (continued)

The Government Actuary ('GA'), using normal actuarial principles, conducts formal actuarial reviews of the TPS. The aim of the reviews is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ('SCR') is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

From 1 April 2013 to 31 March 2014, the employee contribution rate ranged between 6.4% and 11%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no

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23. PENSION COMMITMENTS (continued)

decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40:80:100% basis.

Under the definitions set out in Financial Reporting Standard (FRS17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy Trust has taken advantage of the exemption in FRS17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme and the implications for the Academy Trust in terms of the anticipated contribution rates.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £1,111,000, of which employer's contributions totalled £851,000.

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.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

The amounts recognised in the Balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(11,637,000)	(6,316,000)
Fair value of scheme assets	6,303,000	3,226,000
Net liability	<u>(5,334,000)</u>	<u>(3,090,000)</u>

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23. PENSION COMMITMENTS (continued)

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

	2014 £	2013 £
Opening defined benefit obligation	6,316,000	5,076,000
Contributions by scheme participants	260,000	182,000
Interest cost	377,000	226,000
Actuarial losses	2,443,000	158,000
Current service cost	1,000,000	674,000
Liabilities transferred in from Melbourn Village College	1,241,000	-
	-	-
Closing defined benefit obligation	<u>11,637,000</u>	<u>6,316,000</u>

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

	2014 £	2013 £
Opening fair value of scheme assets	3,226,000	2,109,000
Actuarial gains and losses	845,000	265,000
Contributions by employees	260,000	182,000
Contributions by employer	851,000	551,000
Expected return on assets	198,000	119,000
Assets transferred in from Melbourn Village College	923,000	-
	<u>6,303,000</u>	<u>3,226,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £2,154,000(2013:£556,000).

The Academy Trust expects to contribute £892,000 to its Defined benefit pension scheme in 2015.

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

	2014	2013
Equities	74.00 %	69.00 %
Bonds	16.00 %	15.00 %
Property	7.00 %	7.00 %
Cash	3.00 %	9.00 %

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

	2014	2013
Discount rate for scheme liabilities	3.70 %	4.60 %
Expected return on scheme assets at 31 August	5.60 %	5.80 %
Rate of increase in salaries	4.50 %	5.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.80 %

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23. PENSION COMMITMENTS (continued)

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

	2014	2013
Retiring today		
Males	22	21
Females	25	24
Retiring in 20 years		
Males	24	23
Females	27	26

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014	2013
	£	£
Defined benefit obligation	(11,637,000)	(6,316,000)
Scheme assets	6,303,000	3,226,000
Deficit	<u>(5,334,000)</u>	<u>(3,090,000)</u>