

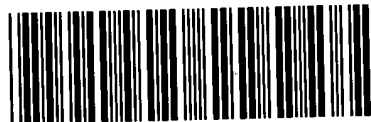
**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE  
COLLEGE)**

**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

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

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**Members**

Huw Jones (appointed 31 October 2016)  
Jane Lucas (appointed 31 October 2016)  
Julian Mellor (appointed 31 October 2016)  
Hildegard O'Kane (appointed 31 October 2016)  
Martin Rigby (appointed 31 October 2016)

**Trustees**

Kate Brierton (appointed 31 October 2016)  
Robert Campbell, CEO (appointed 31 October 2016)  
Joanne Garner (appointed 1 April 2017)  
David Jenkins (appointed 31 October 2016)  
Martin Rigby, Chairman (appointed 31 October 2016)  
Alan Rodger (appointed 31 October 2016)  
Keith Thompson (appointed 1 April 2017)

**Company registered number**

07899393

**Company name**

Morris Education Trust (formerly Impington Village College)

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

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

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**Advisers (continued)**

**Principal and registered office**

Impington Village College, New Road, Impington, Cambridge, CB24 9LX

**Company secretary**

Joe Greenway  
Fran DiFranco (until 8th August 2017)

**Senior management team of Morris Education Trust (MET)**

Robert Campbell, Chief Executive Officer and Accounting Officer  
Fran DiFranco, Director of Finance and Resources  
Ryan Kelsall, Principal Impington Village College  
Christopher Terry, Principal Witchford Village College

**Independent auditors**

MHA MacIntyre Hudson, 1 The Forum, Minerva Business Park, Lynch Wood, Peterborough, PE2 6FT

**Bankers**

Barclays Bank PLC, 9-11 St Andrews Street, Cambridge, CB5 3AA

**Solicitors**

Hewitsons LLP, Shakespeare House, 42 Newmarket Road, Cambridge, CB5 8EP

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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

The MAT operates two academies for students aged 11 to 18.

Impington Village College has a pupil capacity of 1350 and serves a catchment area in Histon, Impington, Milton, Girton, Dry Drayton and Oakington.

Witchford Village College has a pupil capacity of 840 and serves a catchment area in East Cambridgeshire.

On 1 November 2016, Impington Village College changed its name to Morris Education Trust and became a multi academy trust. On 1 April 2017, Witchford Village College joined the multi academy trust with Witchford Village College balances forming the basis for the donation detailed in note 29. This donation of £4,586,793 is made up of operating reserves of £450,136, pension deficit of £807,000 and restricted fixed asset reserves of 4,943,657.

**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 throughout the year 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 £4,123.

**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.

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## **MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

**(A company limited by guarantee)**

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

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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 AND PROCEDURES 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.

#### **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 formerly 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.

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

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

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The Academies deal with day to day management, standard, 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 Trust Board which incorporates the Personnel and Remuneration function within it.

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.

**h. 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 formerly Impington Sports Centre 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:

Cambridge Area Partnership (CAP)  
Cambridge and Suffolk Schools Association (CASSA)  
Heads forum  
South Cambridgeshire Inclusion Partnership  
Faculty of Education  
Cambridge University

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

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

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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 the areas in which the academies are located 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.

**Strategic Report****ACHIEVEMENTS AND PERFORMANCE**

The Morris Education Trust (MET) was legally founded on 1 November 2016 and this is the first report of the (new) multi-academy trust. In the year, the Trust expanded to include Witchford Village College, a neighbouring 11-16 secondary school, and The Cavendish School, an approved special free school for children with autism spectrum condition, which is due to open on the site at Impington Village College in September 2019. Good progress has been made with this project. It has additionally created a subsidiary company, MET-Living, to oversee 'non-school' activities across the Trust. It has therefore enjoyed a successful year of operation.



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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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Impington Village College is the founder academy of the Morris Education Trust. Its GCSE performance in 2016 placed it in the top 3% of schools nationally (using Progress 8 as the key measure). Its IB and A Level results mean it continues to offer outstanding provision for learners. As a high performing school it is well placed to lead the development of the Trust over the next few years. The provisional results for 2017 indicate that the Progress 8 measure for the academy will be higher than that from 2016 (+0.68). All other success indicators are very positive, including those for disadvantaged students who compare strongly compared to those of all children nationally, a key benchmark for evaluating school performance. The academy has been praised and recognised for its achievements by the SSAT and the Real Schools Guide identified it as the best secondary school in Cambridgeshire. This is all pleasing given the challenges of maintaining excellent provision alongside the challenge of real term budget cuts and reducing staffing.

Witchford Village College joined the Trust in April 2017. In 2016, it had secured its strongest GCSE results for many years, with a positive Progress 8 score (+0.12). This underlined the improvements made at the academy in recent years. In October 2016, WVC was subject to a Section 5 inspection and it secured a 'Good' judgement overall with 'Good' judgments for each of the supporting categories within the inspection framework. Over the past few months, the Trust has been playing a key role in supporting WVC with aligning its financial and IT systems to that already established within the Trust. WVC's 2017 GCSE results did not match expectations (with a provisional Progress 8 score of -0.31) and further support is being provided to target improvements for 2018.

In July, the Trustees took the decision to change the name of the subsidiary company of 'Impington Sports Centre' to that of 'MET-Living'. This company now includes management and oversight of the sports centre at Witchford Village College and it is planned to incorporate all non-school elements within this company during this financial year. We believe this is a more effective and efficient model and will promote better operations within and across the Trust.

**a. KEY PERFORMANCE INDICATORS**

The Trust has limited KPI data of its own as it only came into existence on the 1st October 2016 however individual academy data is shown below:

Balances - please refer to discussions under "Reserves Policy" and "Financial Review" further on in this document.

Ofsted Rating:

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

**b. GOING CONCERN**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy 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.

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**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 2017 the total funds comprised:

Unrestricted	£724,162
Restricted fixed asset	£15,550,152
Restricted pension deficit	£(3,203,000)
Restricted other	£nil
<b>Total</b>	<b>£13,071,314</b>

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

Impington Village College	£395,825
Witchford Village College	£319,092

**b. INVESTMENT POLICY**

The Trust has not set an investment policy for this year. In the past, surplus bank balances have been placed in no risk Investment Accounts with the existing bankers, however, this account is to be closed reflecting the reducing balances over the last year.

**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.

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

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

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**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 94.2% of funding with the remainder applied to educational resources, administration and utility costs.

During the year ended 31 August 2017, total expenditure (excluding restricted fixed assets and pension) of £11,088,141 was covered by recurrent grant funding from the ESFA together with other incoming resources, including profit donated from the subsidiary. The excess of expenditure over income for the period (excluding restricted fixed assets, pension and Witchford Village College balances transferred in) was £409,957.

At 31 August 2017 the net book value of fixed assets was £15,817,674 and movements in tangible fixed assets are shown in the note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Trust held fund balances at 31 August 2017 of £13,071,314 comprising £nil of restricted funds, £15,550,152 of restricted fixed asset funds, £724,162 of unrestricted funds and a pension reserve deficit of £3,203,000.

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 2017 and is shown in note 22 to the financial statements.

**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

The Trust was established in October 2016 with the conversion of Impington Village College as the first academy joining it. 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.

Witchford Village College joined the Trust in April 2017. The Trust has also been awarded the opening of a new Special Free School for Autism in September 2019.

The non-educational activity of the Trust (Sports, leisure, Adult education and venue hire) is being rationalised into a new arm known as MET – Living. This will be a self-sufficient business which will be set up for the benefit of the Trust. Any surpluses it generates will be available to Trustees for reinvestment into the academies within the Trust.

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

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

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**FUNDS HELD AS CUSTODIAN**

During 2016-17 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 was £1.6m.

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.

**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 was approved by order of the board of trustees, as the company directors, on 12/12/17  
and signed on its behalf by:



.....  
**Martin Rigby**  
**Chairman**

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## MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)

(A company limited by guarantee)

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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 (formerly Impington Village College) 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 (formerly Impington Village College) and the Secretary of State for Education. The CEO and Director of Finance and Resources are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

#### GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 13 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
Kate Brierton	13	13
Robert Campbell, CEO	13	13
Joanne Garner	3	3
David Jenkins	11	13
Martin Rigby, Chairman	13	13
Alan Rodger	13	13
Keith Thompson	3	3

The function of the audit and finance and general purposes committees is carried out within the Board of Trustees. In addition a newly formed Audit Committee has been formed which will meet termly at least to ensure financial audit and controls.

#### REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Chief Executive has responsibility for ensuring that the academy 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 each academy'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 academy 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

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

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**GOVERNANCE STATEMENT (continued)**

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- 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 academy 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 (formerly Impington Village College) for the year 1 September 2016 to 31 August 2017 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 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 MET and each academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

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

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
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**GOVERNANCE STATEMENT (continued)**

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The auditors' role includes giving advice on financial matters and performing a range of checks on the academy'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 an annual basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.


**REVIEW OF EFFECTIVENESS**

As Accounting Officer, the 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:

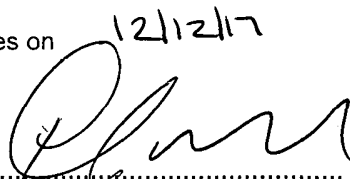
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Trust Board 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  
signed on their behalf, by:



.....  
**Martin Rigby**  
Chairman

12/12/17  


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

and

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
(A company limited by guarantee)

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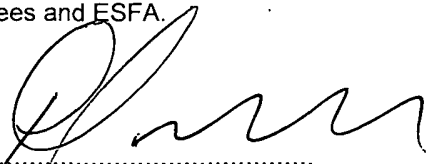
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



.....  
Robert Campbell  
CEO and Accounting Officer 12/12/17



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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

**(A company limited by guarantee)**

---

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

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The Trustees (who act as governors of Morris Education Trust (formerly Impington Village College) 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 Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group 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 and the group applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable 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

Date: 12/12/17

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

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**OPINION**

We have audited the financial statements of Morris Education Trust (formerly Impington Village College) (the 'parent academy') and its subsidiaries (the 'group') for the year ended 31 August 2017 which comprise the group Consolidated statement of financial activities incorporating income and expenditure account, the group Consolidated balance sheet, the group 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the MET'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's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent academy's affairs as at 31 August 2017 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 2016 to 2017 issued by the Education and Skills Funding Agency.

**BASIS OF OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 or the parent academy 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 (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

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**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the 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.

**OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' Report including Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Group 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.

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' remunerations specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF TRUSTEES**

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

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

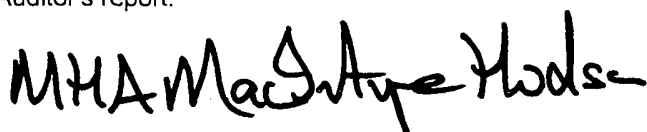
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In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis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

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's report.



Stuart Manning FCA (Senior Statutory Auditor)

for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants  
Statutory Auditors

1 The Forum  
Minerva Business Park  
Lynch Wood  
Peterborough  
PE2 6FT

Date:

13th December 2017

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE) AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 27 June 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Morris Education Trust (formerly Impington Village College) during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Morris Education Trust (formerly Impington Village College) 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 (formerly Impington Village College) and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Morris Education Trust (formerly Impington Village College) and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Morris Education Trust (formerly Impington Village College)'s funding agreement with the Secretary of State for Education dated 23 January 2012, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

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

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE) AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

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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
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*MHA MacIntyre Hudson*

Reporting Accountant

**MHA MacIntyre Hudson**

Chartered Accountants

1 The Forum  
Minerva Business Park  
Lynch Wood  
Peterborough  
PE2 6FT

Date:

*13th December 2017*

**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

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

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>INCOME AND ENDOWMENTS</b>						
<b>FROM:</b>						
Donations and capital grants	2	345,033	(701,897)	5,018,124	4,661,260	-
Charitable activities	5	-	8,960,795	-	8,960,795	7,982,349
Other trading activities	3	1,115,097	82,023	-	1,197,120	1,056,577
Investments	4	-	-	-	-	746
Other income		28,979	427,697	-	456,676	295,327
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>1,489,109</b>	<b>8,768,618</b>	<b>5,018,124</b>	<b>15,275,851</b>	<b>9,334,999</b>
<b>EXPENDITURE ON:</b>						
Raising funds		782,448	(7,750)	-	774,698	729,917
Charitable activities		540,180	10,198,263	457,216	11,195,659	8,705,079
<b>TOTAL EXPENDITURE</b>	6	<b>1,322,628</b>	<b>10,190,513</b>	<b>457,216</b>	<b>11,970,357</b>	<b>9,434,996</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
Transfers between Funds	18	166,481 30,000	(1,421,895) 33,596	4,560,908 (63,596)	3,305,494 -	(99,997) -
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>						
		196,481	(1,388,299)	4,497,312	3,305,494	(99,997)
Actuarial gains/(losses) on defined benefit pension schemes	22	-	1,712,000	-	1,712,000	(1,469,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>196,481</b>	<b>323,701</b>	<b>4,497,312</b>	<b>5,017,494</b>	<b>(1,568,997)</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		527,681	(3,526,701)	11,052,840	8,053,820	9,622,817
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>724,162</b>	<b>(3,203,000)</b>	<b>15,550,152</b>	<b>13,071,314</b>	<b>8,053,820</b>

All activities relate to continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 55 form part of these financial statements.

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)****(A company limited by guarantee)****REGISTERED NUMBER: 07899393**

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**CONSOLIDATED BALANCE SHEET  
AS AT 31 AUGUST 2017**

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	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	15		15,817,674		10,915,953
<b>CURRENT ASSETS</b>					
Debtors	16	209,024		152,565	
Cash at bank and in hand		1,012,557		1,049,563	
		<u>1,221,581</u>		<u>1,202,128</u>	
<b>CREDITORS: amounts falling due within one year</b>	17	(764,941)		(381,261)	
<b>NET CURRENT ASSETS</b>			<u>456,640</u>		<u>820,867</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>16,274,314</u>		<u>11,736,820</u>
Defined benefit pension scheme liability	22		(3,203,000)		(3,683,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>13,071,314</u></u>		<u><u>8,053,820</u></u>
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
Restricted income funds	18	-		156,299	
Restricted fixed asset funds	18	15,550,152		11,052,840	
Restricted income funds excluding pension liability		15,550,152		11,209,139	
Pension reserve		(3,203,000)		(3,683,000)	
Total restricted funds			<u>12,347,152</u>		<u>7,526,139</u>
Unrestricted income funds	18		<u>724,162</u>		<u>527,681</u>
<b>TOTAL FUNDS</b>			<u><u>13,071,314</u></u>		<u><u>8,053,820</u></u>

The financial statements on pages 21 to 55 were approved by the Trustees, and authorised for issue, on 12/12/17 and are signed on their behalf, by:

  
.....  
Martin Rigby  
Chairman



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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)****(A company limited by guarantee)****REGISTERED NUMBER: 07899393**

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**ACADEMY BALANCE SHEET  
AS AT 31 AUGUST 2017**

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	Note	£	2017 £	£	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	15		15,550,152		10,744,248
<b>CURRENT ASSETS</b>					
Debtors	16	716,703		670,174	
Cash at bank and in hand		737,582		664,313	
		<u>1,454,285</u>		<u>1,334,487</u>	
<b>CREDITORS: amounts falling due within one year</b>	17	(730,122)		(341,914)	
<b>NET CURRENT ASSETS</b>			<u>724,163</u>		<u>992,573</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>16,274,315</u>		<u>11,736,821</u>
Defined benefit pension scheme liability	22		(3,203,000)		(3,683,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u>13,071,315</u></u>		<u><u>8,053,821</u></u>
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
Restricted funds		-		131,618	
Restricted fixed asset funds		15,550,152		11,056,977	
Restricted funds excluding pension asset		15,550,152		11,188,595	
Pension reserve		(3,203,000)		(3,683,000)	
Total restricted funds			12,347,152		7,505,595
Unrestricted funds			<u>724,163</u>		<u>548,226</u>
<b>TOTAL FUNDS</b>			<u><u>13,071,315</u></u>		<u><u>8,053,821</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 12/12/17  
and are signed on their behalf, by:



**Martin Rigby**  
Chairman

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)****(A company limited by guarantee)**

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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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	Note	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	(33,845)	521,234
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(510,784)	(141,101)
Proceeds from the sale of tangible fixed assets		34,458	-
Capital grants from DfE/ESFA		74,467	-
Cash transferred from Witchford Village College		398,698	-
<b>Net cash used in investing activities</b>		(3,161)	(141,101)
<b>Cash flows from financing activities:</b>			
Interest receivable		-	746
<b>Net cash provided by financing activities</b>		-	746
<b>Change in cash and cash equivalents in the year</b>		(37,006)	380,879
Cash and cash equivalents brought forward		1,049,563	668,684
<b>Cash and cash equivalents carried forward</b>	21	1,012,557	1,049,563

The notes on pages 25 to 55 form part of these financial statements.

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES**

The Morris Education Trust (formerly Impington Village College) is a company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1. 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.

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Morris Education Trust (formerly Impington Village College) constitutes a public benefit entity as defined by FRS 102.

The 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.

No separate SOFA has been presented for the academy alone as permitted by section 408 of the Companies Act 2006.

**1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

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

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

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

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

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

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

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

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
(A company limited by guarantee)

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

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**1. ACCOUNTING POLICIES (continued)**

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

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

All expenditure is inclusive of irrecoverable VAT.

**1.5 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 and include grants from the Education and Skills Funding Agency and the Department for Education.

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

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
(A company limited by guarantee)

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

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**1. ACCOUNTING POLICIES (continued)**

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of Morris Education Trust (formerly Impington Village College) and all of its subsidiary undertakings ('subsidiaries').

The academy has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

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

Impington Village College	£(288,152)
Witchford Village College	£(131,045)
MET	£9,243
Pension movements (P&L)	£(425,000)
Restricted Fixed Asset movements	<u>£(446,345)</u>
Sub-total	£(1,281,299)
Witchford donation in	£4,586,793
Pension actuarial gains	<u>£1,712,000</u>
<b>Total movement for the year</b>	<b>£5,017,494</b>

**1.7 Tangible fixed assets and depreciation**

All assets costing more than £1,000 for Impington Village College and £5,000 for Witchford Village College are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities 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 reflect the assets in 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 and leasehold 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 property	-	50 years straight line
Leasehold property	-	20 years straight line
Plant and machinery	-	10 years straight line
Motor vehicles	-	10 years straight line
	-	10 years straight line
Computer equipment	-	5 years straight line

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.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.8 Operating leases**

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

**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 and provisions**

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.12 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. 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 costs as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.13 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.

**1.14 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.

**1.15 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 28.



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

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**1. ACCOUNTING POLICIES (continued)**

**1.16 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgements that have had a significant effect on amounts recognised in the Financial Statements are those concerning the choice of depreciation policies.

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	345,033	4,241,760	4,586,793	-
Government grants	-	74,467	74,467	-
	<u>345,033</u>	<u>4,316,227</u>	<u>4,661,260</u>	<u>-</u>

In 2016, of the total income from donations and capital grants, £nil was to unrestricted funds and £nil was to restricted funds.

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**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hire of facilities	79,642	-	79,642	8,575
Catering income	18,013	-	18,013	15,000
Other fundraising income	1,017,442	82,023	1,099,465	1,033,002
	<u>1,115,097</u>	<u>82,023</u>	<u>1,197,120</u>	<u>1,056,577</u>
<i>Total 2016</i>	<u>980,091</u>	<u>76,486</u>	<u>1,056,577</u>	

**4. INVESTMENT INCOME**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest receivable	-	-	-	746
	<u>-</u>	<u>-</u>	<u>-</u>	<u>746</u>
<i>Total 2016</i>	<u>746</u>	<u>-</u>	<u>746</u>	

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

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**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	6,832,437	6,832,437	6,693,448
Pupil premium	-	244,698	244,698	179,114
DfE/ESFA Capital Grants	-	-	-	428,162
Other DfE/ESFA grants	-	1,122,242	1,122,242	24,086
	-	8,199,377	8,199,377	7,324,810
<b>Other government grants</b>				
Local authority grants	-	593,387	593,387	657,539
Other government grants	-	168,031	168,031	-
	-	761,418	761,418	657,539
<b>Other funding</b>				
	-	-	-	-
	-	8,960,795	8,960,795	7,982,349
<b>Total 2016</b>	-	7,982,349	7,982,349	

**6. EXPENDITURE**

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising voluntary income	510,114	-	264,584	774,698	729,917
Education operations:					
Direct costs	6,554,609	-	774,686	7,329,295	6,160,679
Support costs	1,888,078	144,847	1,833,439	3,866,364	2,544,400
	8,952,801	144,847	2,872,709	11,970,357	9,434,996
<b>Total 2016</b>	7,090,530	185,927	2,158,539	9,434,996	

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**7. DIRECT COSTS**

	Education operations £	Total 2017 £	Total 2016 £
Technology costs	2,533	2,533	20,763
Educational supplies	537,235	537,235	412,937
Examination fees	140,132	140,132	163,385
Staff development and training	19,401	19,401	33,815
Educational consultancy	25,129	25,129	26,384
Other direct costs	50,256	50,256	28,324
Teaching and educational support staff costs	6,554,609	6,554,609	5,475,071
	<u>7,329,295</u>	<u>7,329,295</u>	<u>6,160,679</u>
<i>At 31 August 2016</i>	<u>6,160,679</u>	<u>6,160,679</u>	

**8. SUPPORT COSTS**

	Education operations £	Total 2017 £	Total 2016 £
Pension net finance costs	96,000	96,000	79,000
Technology costs	16,548	16,548	-
Educational supplies	4,106	4,106	-
Examination fees	16,925	16,925	-
Staff development and training	2,540	2,540	-
Recruitment and support	34,739	34,739	12,921
Maintenance of premises and equipment	293,131	293,131	185,927
Cleaning	230,188	230,188	173,779
Rent and rates	74,346	74,346	74,014
Energy costs	185,782	185,782	157,081
Insurance	77,492	77,492	87,764
Security and transport	47,352	47,352	43,047
Catering	105,222	105,222	40,720
Bank interest and charges	559	559	956
(Gain)/loss on disposal of fixed assets	(10,182)	(10,182)	-
Other support costs	324,031	324,031	189,184
Support staff costs	1,888,078	1,888,078	1,154,328
Depreciation	479,507	479,507	345,679
	<u>3,866,364</u>	<u>3,866,364</u>	<u>2,544,400</u>
<i>At 31 August 2016</i>	<u>2,544,400</u>	<u>2,544,400</u>	

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

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**8. SUPPORT COSTS (continued)**

During the year ended 31 August 2017, the academy incurred the following Governance costs:  
£20,407 (2016: £91,282) included within the table above in respect of educational operations.

**9. OTHER FINANCE COSTS**

	2017 £	2016 £
Interest income on pension scheme assets	129,000	149,000
Interest on pension scheme liabilities	(225,000)	(228,000)
	<u>(96,000)</u>	<u>(79,000)</u>

**10. NET INCOME/(EXPENDITURE)**

*This is stated after charging:*

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charitable group	513,029	366,318
Auditors' remuneration - audit	34,469	4,080
Auditors' remuneration - other services	15,982	15,843
Operating lease rentals	<u>25,561</u>	<u>20,860</u>

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**11. STAFF COSTS**

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	6,659,511	5,687,877
Social security costs	613,766	414,879
Operating costs of defined benefit pension schemes	1,407,200	969,449
	<u>8,680,477</u>	<u>7,072,205</u>
Apprenticeship levy	15,871	-
Supply teacher costs	208,211	6,799
Staff restructuring costs	48,242	11,526
	<u>8,952,801</u>	<u>7,090,530</u>

Staff restructuring costs comprise:

	2017 £	2016 £
Redundancy payments	-	11,526
Severance payments	48,242	-
	<u>48,242</u>	<u>11,526</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £48,242 (2016: £nil). Individually, the payments were: £27,242, £8,500 and £12,500.

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

	2017 No.	2016 No.
Teachers	116	102
Admin and support	134	97
Management	4	11
	<u>254</u>	<u>210</u>

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

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**11. STAFF COSTS (continued)**

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	0
In the band £100,001 - £110,000	1	1

The above banding states employee remuneration before pension contributions from the employer. Five (2016: three) of the above employees participated in the Teachers' Pension Scheme the year ended 31 August 2017, pension contributions for these employees amounted to £58,613 (2016: £39,558). The other employee participated in the Local Government Pension Scheme. Pension contributions for this employee amounted to £14,319 (2016: £14,460).

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 pension contributions) received by key management personnel for their services to the academy was £379,898 (2016: £815,659).

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.

**12. CENTRAL SERVICES**

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

- Human resources
- Financial services
- Legal services

The academy charges for these services on the following basis:

As a flat percentage of 4.5% of GAG income of each Academy, from 1 April 2017 (the formation of the Multi-Academy Trust) onwards.

The actual amounts charged during the year were as follows:

	2017 £	2016 £
Impington Village College	113,745	-
Witchford Village College	67,489	-
Total	<u>181,234</u>	<u>-</u>

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**13. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was £4,123 (2016: £2,299).

**14. RELATED PARTY TRANSACTIONS - 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 £100,000 - £105,000 (2016: £100,000 - £105,000)

Employer's pension contributions £15,000 - £20,000 (2016: £15,000 - £20,000)

Expenses totalling £908 (2016: £547) were paid to one (2016: one) staff trustee in the year with regards to travel expenses.

Other related party transactions involving the trustees are set out in note 24.



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**15. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Land and buildings £</b>	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 September 2016	11,412,000	88,888	32,000	328,638	526,587	12,388,113
Additions	-	135,529	-	217,755	157,500	510,784
Disposals	-	(17,608)	-	-	(115,771)	(133,379)
Transfer in of existing academy	4,810,577	-	-	126,182	-	4,936,759
At 31 August 2017	16,222,577	206,809	32,000	672,575	568,316	17,702,277
<b>Depreciation</b>						
At 1 September 2016	1,030,000	13,640	16,000	94,545	317,975	1,472,160
Charge for the year	312,404	20,392	3,200	63,370	113,663	513,029
On disposals	-	(4,842)	-	-	(95,744)	(100,586)
At 31 August 2017	1,342,404	29,190	19,200	157,915	335,894	1,884,603
<b>Net book value</b>						
At 31 August 2017	14,880,173	177,619	12,800	514,660	232,422	15,817,674
At 31 August 2016	10,382,000	75,248	16,000	234,093	208,612	10,915,953

Included in land and buildings is freehold land at valuation of £1,112,000 (2016: £1,112,000) and leasehold land at a valuation of £1,107,712 (2016: £nil), which is not depreciated. The increase in leasehold land in the year relates to the acquisition of land on 1 April 2017 which was donated by Witchford Village College.

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.

The trust's transactions relating to land and buildings included:

The acquisition of the leasehold land and buildings on 1 April 2017 which was donated by Witchford Village College at a net book value of £4,810,577.

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	Land and buildings £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Academy</b>					
<b>Cost</b>					
At 1 September 2016	11,412,000	32,000	203,919	526,587	12,174,506
Additions	-	-	211,179	157,500	368,679
Disposals	-	-	-	(115,771)	(115,771)
Transfer in of existing academy	4,810,577	-	126,182	-	4,936,759
At 31 August 2017	16,222,577	32,000	541,280	568,316	17,364,173
<b>Depreciation</b>					
At 1 September 2016	1,030,000	16,000	66,283	317,975	1,430,258
Charge for the year	312,404	3,200	50,240	113,663	479,507
On disposals	-	-	-	(95,744)	(95,744)
At 31 August 2017	1,342,404	19,200	116,523	335,894	1,814,021
<b>Net book value</b>					
At 31 August 2017	14,880,173	12,800	424,757	232,422	15,550,152
At 31 August 2016	10,382,000	16,000	137,636	208,612	10,744,248

Included in land and buildings is freehold land at valuation of £1,112,000 (2016: £1,112,000) and leasehold land at a valuation of £1,107,712 (2016: £nil), which is not depreciated. The increase in leasehold land in the year relates to the acquisition of land on 1 April 2017 which was donated by Witchford Village College.

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.

The trust's transactions relating to land and buildings included:

The acquisition of the leasehold land and buildings on 1 April 2017 which was donated by Witchford Village College at a net book value of £4,810,577.

**16. DEBTORS**

	<b>Group</b>		<b>Academy</b>	
	2017 £	2016 £	2017 £	2016 £
Trade debtors	26,605	26,010	16,541	12,706
Amounts owed by group undertakings	-	-	558,194	543,375
Other debtors	57,840	26,913	29,414	22,191
Prepayments and accrued income	124,579	99,642	112,554	91,902
	<b>209,024</b>	<b>152,565</b>	<b>716,703</b>	<b>670,174</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. CREDITORS: Amounts falling due within one year**

	<u>Group</u>		<u>Academy</u>	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	128,662	15,041	128,662	15,041
Other taxation and social security	125,995	133,135	119,234	126,985
Other creditors	307,655	138,179	307,653	138,179
Accruals and deferred income	202,629	94,906	174,573	61,709
	<u>764,941</u>	<u>381,261</u>	<u>730,122</u>	<u>341,914</u>

	<u>Group</u>		<u>Academy</u>	
	2017	2016	2017	2016
	£	£	£	£
<b>Deferred income</b>				
Deferred income at 1 September 2016	71,898	74,157	57,681	39,155
Resources deferred during the year	149,079	71,898	124,636	57,681
Amounts released from previous years	(71,898)	(74,157)	(57,681)	(39,155)
Deferred income at 31 August 2017	<u>149,079</u>	<u>71,898</u>	<u>124,636</u>	<u>57,681</u>

**Deferred income**

	<u>Group</u>	<u>Academy</u>
	£	£
Japanese exchange	24,843	24,843
Spanish exchange	3,612	3,612
Geography field trip	3,114	3,114
Duke of Edinburgh	11,897	11,897
Ethiopia	4,856	4,856
Geography ski trip	26,160	26,160
Tours exchange	7,138	7,138
Berlin December 2017	9,820	9,820
Dutch Exchange November 2017	3,080	3,080
Geneva October 2017	7,380	7,380
Italy February 2018	8,550	8,550
Lille December 2017	4,900	4,900
Ski Trip February 2018	2,506	2,506
Geography trip November 2017	6,780	6,780
Sports Centre income	24,443	-
Total	<u>149,079</u>	<u>124,636</u>

**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
(A company limited by guarantee)

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

**18. STATEMENT OF FUNDS**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
<b>Unrestricted funds</b>						
General Funds	527,681	1,489,109	(1,322,628)	30,000	-	724,162
<b>Restricted funds</b>						
General Annual Grant (GAG)	88,104	6,832,437	(6,954,137)	33,596	-	-
Other DfE/ESFA Grants	-	1,366,940	(1,366,940)	-	-	-
Other Government Grants	-	818,051	(818,051)	-	-	-
Other Restricted Funds	68,195	558,190	(626,385)	-	-	-
Pension reserve	(3,683,000)	(807,000)	(425,000)	-	1,712,000	(3,203,000)
	<u>(3,526,701)</u>	<u>8,768,618</u>	<u>(10,190,513)</u>	<u>33,596</u>	<u>1,712,000</u>	<u>(3,203,000)</u>
<b>Restricted Fixed Asset Funds</b>						
NBV of fixed assets	10,744,247	5,018,124	(457,216)	244,997	-	15,550,152
ESFA Capital Grants	308,593	-	-	(308,593)	-	-
	<u>11,052,840</u>	<u>5,018,124</u>	<u>(457,216)</u>	<u>(63,596)</u>	<u>-</u>	<u>15,550,152</u>
Total restricted funds	<u>7,526,139</u>	<u>13,786,742</u>	<u>(10,647,729)</u>	<u>(30,000)</u>	<u>1,712,000</u>	<u>12,347,152</u>
Total of funds	<u>8,053,820</u>	<u>15,275,851</u>	<u>(11,970,357)</u>	<u>-</u>	<u>1,712,000</u>	<u>13,071,314</u>

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
<b>Unrestricted funds</b>						
General Funds	584,573	984,557	(798,910)	(242,539)	-	527,681
	<u>584,573</u>	<u>984,557</u>	<u>(798,910)</u>	<u>(242,539)</u>	<u>-</u>	<u>527,681</u>

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

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**18. STATEMENT OF FUNDS (continued)****Restricted funds**

General Annual Grant (GAG)	-	5,607,114	(5,664,086)	145,076	-	88,104
Other DfE/ESFA Grants	-	1,318,200	(1,318,200)	-	-	-
Other Government Grants	-	657,539	(657,539)	-	-	-
Other Restricted Funds	-	368,093	(393,678)	93,780	-	68,195
Pension reserve	(2,048,000)	-	(166,000)	-	(1,469,000)	(3,683,000)
	<u>(2,048,000)</u>	<u>7,950,946</u>	<u>(8,199,503)</u>	<u>238,856</u>	<u>(1,469,000)</u>	<u>(3,526,701)</u>

**Restricted Fixed Asset Funds**

NBV of fixed assets	11,012,926	-	(345,680)	77,001	-	10,744,247
ESFA Capital Grants	73,318	399,496	(90,903)	(73,318)	-	308,593
	<u>11,086,244</u>	<u>399,496</u>	<u>(436,583)</u>	<u>3,683</u>	<u>-</u>	<u>11,052,840</u>
Total restricted funds	<u>9,038,244</u>	<u>8,350,442</u>	<u>(8,636,086)</u>	<u>242,539</u>	<u>(1,469,000)</u>	<u>7,526,139</u>
Total of funds	<u>9,622,817</u>	<u>9,334,999</u>	<u>(9,434,996)</u>	<u>-</u>	<u>(1,469,000)</u>	<u>8,053,820</u>

The specific purposes for which the funds are to be applied in the year ended 31 August 2017 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.

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 2017.

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 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.

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

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**18. STATEMENT OF FUNDS (continued)**

Transfers of £63,596 from GAG funds to restricted fixed asset funds represents movements on tangible fixed assets during the year not specifically funded by academies capital funding.

Included in income for the year are amounts donated from Witchford Village College upon its transfer to Morris Education Trust. This donation of £4,586,794 is made up of operating reserves of £450,137, pension deficit of £807,000 and restricted fixed asset reserves of 4,943,657.

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2017 were allocated as follows:

	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Impington Village College	<b>395,825</b>	683,979
Witchford Village College	<b>319,091</b>	-
Morris Education Trust (Central Services)	<b>9,245</b>	-
MET Living	<b>1</b>	1
Total before fixed asset fund and pension reserve	<b>724,162</b>	683,980
Restricted fixed asset fund	<b>15,550,152</b>	11,052,840
Pension reserve	<b>(3,203,000)</b>	(3,683,000)
Total	<b>13,071,314</b>	8,053,820

**ANALYSIS OF ACADEMIES BY COST**

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

	<b>Teaching and educational support staff costs £</b>	<b>Other support staff costs £</b>	<b>Educational supplies £</b>	<b>Other costs excluding depreciation £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
Impington Village College	<b>5,387,457</b>	<b>994,632</b>	<b>522,119</b>	<b>1,369,870</b>	<b>8,274,078</b>	8,135,308
Witchford Village College	<b>1,073,014</b>	<b>495,087</b>	<b>14,744</b>	<b>427,494</b>	<b>2,010,339</b>	-
MET Living Limited	-	-	-	<b>1,017,441</b>	<b>1,017,441</b>	697,105
Morris Education Trust	<b>94,138</b>	<b>69,359</b>	<b>1,362</b>	<b>(378,574)</b>	<b>(213,715)</b>	-
	<b>6,554,609</b>	<b>1,559,078</b>	<b>538,225</b>	<b>2,436,231</b>	<b>11,088,143</b>	8,832,413

**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	267,522	-	15,550,152	15,817,674
Current assets	1,101,567	120,014	-	1,221,581
Creditors due within one year	(644,927)	(120,014)	-	(764,941)
Pension scheme liability	-	(3,203,000)	-	(3,203,000)
	<u>724,162</u>	<u>(3,203,000)</u>	<u>15,550,152</u>	<u>13,071,314</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	10,915,953	10,915,953
Current assets	825,218	240,024	136,887	1,202,129
Creditors due within one year	(297,537)	(83,725)	-	(381,262)
Pension scheme liability	-	(3,683,000)	-	(3,683,000)
	<u>527,681</u>	<u>(3,526,701)</u>	<u>11,052,840</u>	<u>8,053,820</u>

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)****(A company limited by guarantee)**

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

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

	<b>2017</b>	<b>Group</b>
	<b>£</b>	<b>2016</b>
		<b>£</b>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>3,305,494</b>	(99,997)
<b>Adjustment for:</b>		
Depreciation charges	<b>513,029</b>	366,318
Dividends, interest and rents from investments	-	(746)
Profit on the sale of fixed assets	<b>(1,666)</b>	-
Increase in debtors	<b>(56,458)</b>	(39,703)
Increase in creditors	<b>383,680</b>	129,362
Capital grants from DfE and other capital income	<b>(74,467)</b>	-
Defined benefit pension scheme cost less contributions payable	<b>329,000</b>	87,000
Defined benefit pension scheme finance cost	<b>96,000</b>	79,000
Fixed assets transferred from Witchford Village College	<b>(4,936,759)</b>	-
Bank accounts transferred from Witchford Village College	<b>(398,698)</b>	-
Pension transferred from Witchford Village College	<b>807,000</b>	-
<b>Net cash (used in)/provided by operating activities</b>	<b>(33,845)</b>	521,234

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

	<b>2017</b>	<b>Group</b>
	<b>£</b>	<b>2016</b>
		<b>£</b>
Cash in hand	<b>1,012,557</b>	1,049,563
<b>Total</b>	<b>1,012,557</b>	1,049,563



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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**

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

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**22. PENSION COMMITMENTS**

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

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

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

**Teachers' Pension Scheme****Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. 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.

**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 – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act.

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.

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**22. PENSION COMMITMENTS (continued)**

**Valuation of the Teachers' Pension Scheme**

The latest actuarial review of the TPS was carried out as at 31 March 2012 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014.

The valuation report was published by the Department on 9 June 2014. The key results of the valuation are:

- employer contribution rates were set at 16.4% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;
- total scheme liabilities for service to the effective date of £191.5 billion, and notional assets of £176.6 billion, giving a notional past service deficit of £15.0 billion;
- an employer cost cap of 10.9% of pensionable pay;
- actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in September 2015.

The employer's pension costs paid to TPS in the period amounted to £631,638 (2016: £419,351).

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location

([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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

**Scheme Changes**

Lord Hutton, who chaired the Independent Public Service Pensions Commission, 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 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 up to three and a half years outside of the 10 year protection.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. PENSION COMMITMENTS (continued)**

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 have been phased in since April 2012.

The arrangements for a reformed Teachers' Pension Scheme, in line with the remainder of the recommendations made by Lord Hutton, have now been implemented. The Career Average Revalued Earnings (CARE) scheme was implemented from 1 April 2015, whereby benefits will accrue on a career average basis and there is a normal pension age aligned to the state pension age.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £518,000 (2016: £441,000), of which employer's contributions totalled £399,000 (2016: £344,000) and employees' contributions totalled £119,000 (2016: £97,000). The agreed contribution rates for future years are 21.4% for employers and 5.5%-12.5% for employees.

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

Principal actuarial assumptions:

	<b>At 31 August 2017</b>	<b>At 31 August 2016</b>
Discount rate for scheme liabilities	<b>2.50 %</b>	2.10 %
Rate of increase in salaries	<b>2.70 %</b>	4.10 %
Rate of increase for pensions in payment / inflation	<b>2.40 %</b>	2.10 %
Inflation assumption (CPI)	<b>2.10 %</b>	2.10 %
Commutation of pensions to lump sums	<b>63.00 %</b>	63.00 %

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

	<b>At 31 August 2017</b>	<b>At 31 August 2016</b>
Retiring today		
Males	<b>22.4 years</b>	22.5 years
Females	<b>24.4 years</b>	24.5 years
Retiring in 20 years		
Males	<b>24.0 years</b>	24.4 years
Females	<b>26.3 years</b>	26.9 years

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**22. PENSION COMMITMENTS (continued)**

<b>Sensitivity analysis</b>	<b>At 31 August 2017 £</b>	<b>At 31 August 2016 £</b>
Discount rate +0.5%	1,067,000	1,122,000
Discount rate -0.5%	(1,067,000)	(1,122,000)
Mortality assumption - 1 year increase	363,000	257,000
Mortality assumption - 1 year decrease	(363,000)	(257,000)
CPI rate +0.5%	869,000	636,000
CPI rate -0.5%	(869,000)	(636,000)

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

	<b>Fair value at 31 August 2017 £</b>	<b>Fair value at 31 August 2016 £</b>
Equities	6,851,000	3,658,000
Bonds	1,157,000	731,000
Property	623,000	341,000
Cash and other liquid assets	267,000	146,000
<b>Total market value of assets</b>	<b>8,898,000</b>	<b>4,876,000</b>

The actual return on scheme assets was £597,000 (2016: £765,000).

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

	<b>2017 £</b>	<b>2016 £</b>
Current service cost	(728,000)	(431,000)
Interest income	129,000	149,000
Interest cost	(225,000)	(228,000)
<b>Total</b>	<b>(824,000)</b>	<b>(510,000)</b>

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**22. PENSION COMMITMENTS (continued)**

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

	2017 £	2016 £
Opening defined benefit obligation	8,559,000	5,776,000
Current service cost	728,000	431,000
Interest cost	225,000	228,000
Employee contributions	119,000	97,000
Actuarial (gains)/losses	(1,244,000)	2,085,000
Benefits paid	(81,000)	(58,000)
Transferred in from Witchford Village College	3,795,000	-
	<u>12,101,000</u>	<u>8,559,000</u>

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

	2017 £	2016 £
Opening fair value of scheme assets	4,876,000	3,728,000
Return on plan assets	129,000	149,000
Actuarial losses	468,000	616,000
Employer contributions	399,000	344,000
Employee contributions	119,000	97,000
Benefits paid	(81,000)	(58,000)
Transferred in from Witchford Village College	2,988,000	-
	<u>8,898,000</u>	<u>4,876,000</u>

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

	2017 £	2016 £
Changes in financial assumptions	(664,000)	(2,087,000)
Other experience	(529,000)	2,000
Return on assets excluding amounts included in net interest	(468,000)	616,000
Changes in demographic assumptions	(51,000)	-
	<u>(1,712,000)</u>	<u>(1,469,000)</u>

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The amounts recognised in the Balance Sheet are as follows:

	2017 £	2016 £
Present value of funded obligations	(12,101,000)	(8,559,000)
Fair value of scheme assets	8,898,000	4,876,000
	<u>(3,203,000)</u>	<u>(3,683,000)</u>
Defined benefit pension liability	<u>(3,203,000)</u>	<u>(3,683,000)</u>

**23. OPERATING LEASE COMMITMENTS**

At 31 August 2017 the total of the group's future minimum lease payments under non-cancellable operating leases was:

<b>Group</b>	2017 £	2016 £
<b>Amounts payable:</b>		
Within 1 year	20,247	12,813
Between 1 and 5 years	79,262	6,868
After more than 5 years	257,231	-
	<u>356,740</u>	<u>19,681</u>
Total	<u>356,740</u>	<u>19,681</u>

At 31 August 2017 the academy had annual commitments under non-cancellable operating leases as follows:

<b>Academy</b>		
<b>Amounts payable:</b>		
Within 1 year	20,247	12,813
Between 1 and 5 years	79,262	6,868
After more than 5 years	257,231	-
	<u>356,740</u>	<u>19,681</u>
Total	<u>356,740</u>	<u>19,681</u>

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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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**24. 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 the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

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

Carole Kelsall has provided cover teacher services during the 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 £15,569 (2016: £16,596) 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.

No other related party transactions took place in the year, other than certain trustees' remuneration and expenses already disclosed in note 14.

The following related party transactions took place in the prior year:

S Creamer - Employee

- The Academy Trust purchased photography work from S Creamer totalling £780 during the prior year. There were no outstanding amounts at 31 August 2016.
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which S Creamer neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the ESFA's Academies Financial Handbook.

Chris Norman Carpentry - Son of site manager

- The Academy Trust purchased carpentry work from Chris Norman Carpentry totalling £6,743 during the prior year. There were no outstanding amounts at 31 August 2016.
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which Chris Norman Carpentry neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the ESFA's Academies Financial Handbook.

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

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**25. PRINCIPAL SUBSIDIARIES**

**MET Living Limited (formerly Impington Sports Centre Limited)**

Subsidiary name	MET Living Limited (formerly Impington Sports Centre Limited)
Company registration number	07912900
Equity shareholding %	100%
Total assets as at 31 August 2017	£ 593,012
Total liabilities as at 31 August 2017	£ 593,011
Total equity as at 31 August 2017	£ 1
Turnover for the year ended 31 August 2017	£ 1,026,122
Expenditure for the year ended 31 August 2017	£ 1,026,122
Result for the year ended 31 August 2017	£ -

MET Living Limited is a private company limited by guarantee without share capital and has the same registered office address as Morris Education Trust, as shown on page 2.

**26. CAPITAL COMMITMENTS**

Amounts contracted for but not provided in the accounts amounted to £33,201 (2016: £70,029).

**27. 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.

**28. 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 2017 the trust received £1.62m and disbursed £1.60m from the fund. An amount of £159k (2016: £138k) is included in other creditors relating to undistributed ESCIP funds repayable.



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**MORRIS EDUCATION TRUST (FORMERLY IMPINGTON VILLAGE COLLEGE)**  
**(A company limited by guarantee)**

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

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**29. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY**

**Witchford Village College**

	Value reporting by transferring trust £	Fair value adjustments £	Transfer in recognised £
<b>Tangible fixed assets</b>			
Leasehold property	4,810,577	-	4,810,577
Fixtures and fittings	126,182	-	126,182
<b>Other assets</b>			
Debtors due within one year	112,978	-	112,978
Cash in bank and in hand	398,698	-	398,698
<b>Liabilities</b>			
Creditors due within one year	(54,642)	-	(54,642)
<b>Pensions</b>			
Pensions - pension scheme assets	2,988,000	-	2,988,000
Pensions - pension scheme liabilities	(3,795,000)	-	(3,795,000)
<b>Net assets</b>	<u>4,586,793</u>	<u>-</u>	<u>4,586,793</u>

Witchford Village College ceased its charitable activities on 1 April 2017. Its activities and funds at 1 April 2017 were transferred to The Morris Education Trust at that date.