

Company Registration Number: 08304433 (England & Wales)

**CAMBRIDGE PRIMARY EDUCATION TRUST**  
(A company limited by guarantee)  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

TUESDAY



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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Mr J A Frost Mr R S Plumbly Rev J Blandford-Baker Mrs A Shaw Dr S Jaccaud
<b>Trustees</b>	Mrs L C Birch (1)(2), Chief Executive Mr J A Frost, Chair of Trustees Mr R S Plumbly (1), Vice Chair Ms P R Todman (2) Mr K J Reynolds (1) Mr M E Woods Mr J-M Winstanley (2) Mr D Woodward Mr P D Larbey (resigned 14 October 2019) Mr S J P Evans-Evans (2) (appointed 9 March 2020) Mr M D Wilson (2) (appointed 10 December 2019) Mr K M Barton (1) (appointed 9 March 2020)

(1) Members of the Finance and Premises Committee

(2) Members of the Personnel Committee

<b>Company registered number</b>	08304433
<b>Company name</b>	Cambridge Primary Education Trust
<b>Principal and registered office</b>	Histon and Impington Junior School The Green Histon Cambridge CB24 9JA

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**CEO/Executive principal** Mrs L C Birch

**Senior leadership team**

Mrs L C Birch, CEO/Executive Principal  
Mrs H Lorimer, Headteacher (HIJS)  
Mrs J Jenkins, Assistant Headteacher (HIJS)  
Mrs R Thompson, Assistant Headteacher (HIJS)  
Mr A Aguda, Headteacher (HPPS)  
Mr J Canavan, Assistant Headteacher (HPPS)  
Mr J Newman, Headteacher (HIIS)  
Miss L Moule, Assistant Headteacher (HIIS)  
Mrs M Shute, Headteacher (TPPS)  
Miss C Leaver, Assistant Headteacher (TPPS)  
Mr J Clarke, Headteacher (SPS)  
Mr I Cattle, Assistant Headteacher (SPS)

HPPS - Hatton Park Primary School

HIIS - Histon & Impington Infant School

HIJS - Histon & Impington Junior School

TPPS - Trumpington Park Primary School

SPS - Somersham Primary School

**Independent auditors** Larking Gowen LLP  
Chartered Accountants  
King Street House  
15 Upper King Street  
Norwich  
NR3 1RB

**Bankers** Barclays Bank PLC  
9-11 St Andrews Street  
Cambridge  
CB2 3AA

**Solicitors** Stone King LLP  
Cambridge Office  
Thirty Station Road  
Cambridge  
CB1 2RE

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

**Structure, governance and management**

**a. Constitution**

The Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's memorandum and Articles of Association (as updated on 8 March 2017) are the primary governing documents of the Trust.

There are five Members and eleven Trustees of Cambridge Primary Education Trust. Two of the Members are also Trustees.

The charitable company is known as Cambridge Primary Education Trust.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

The principal activity of the Trust is to operate five academies, Hatton Park Primary School (HPPS), Histon & Impington Infant School (HIIS), Histon & Impington Junior School (HIJS), Trumpington Park Primary School (TPPS) and Somersham Primary School (SPS).

**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**

The Trust has Trustee Liability Insurance for a limit of £5,000,000.

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

The management of the Trust is the responsibility of the Trustees who are appointed by the Members under the terms of the Articles of Association. The number of Trustees shall not be less than three but (unless determined by ordinary resolution) shall not be subject to any maximum.

The members are the company law members of the Trust and comprise Robert Plumbly, John Frost, the Reverend James Blandford Baker, Ann Shaw and Sabine Jaccaud. The minimum number of Members shall not be less than three.

The Trust shall have the following Trustees:

- The CEO of Cambridge Primary Education Trust
- Up to 9 Trustees appointed by the Members
- One Trustee appointed by Cambridge Meridian Academies Trust (company no. 07552498)
- Any additional Trustees, if appointed under Article 61, 61A or 67A
- Any further Trustees, if appointed under Article 62 or Article 67A
- Up to 2 Trustees, if appointed by the Secretary of State in accordance with the terms of any of the Relevant Funding Agreements following the provision of a notice by the Company to terminate that Relevant Funding Agreement
- A minimum of 2 Parent Trustees elected or appointed under Articles 53-56 in the event that no School Advisory Boards are established under Article 100a or if no provision is made for at least 2 Parent Local Governors on each established School Advisory Board pursuant to Article 101A
- The Trust may also have any Co-opted Trustee appointed under Article 58

The total number of Trustees (including the Executive Principal) who are employees of the Trust shall not exceed one third of the total number of Trustees.

The Trust operates School Advisory Boards to oversee local governance of the academies within the Trust. The members of those School Advisory Boards include elected parents and staff as well as others who are appointed by the Trustees.

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

The training and induction provided for new Trustees will depend on their existing experience; an induction is given to all Trustees. During the year, the Trust has subscribed to the Governor Training Programme provided by the Local Authority and the National Governors Association. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and any other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

**f. Organisational structure**

The Trustees have overall responsibility for the management of the Trust and have appointed an CEO/Executive Principal who in turn oversees each of the individual academies. Each academy has a School Advisory Board (SAB) that holds to account the Headteacher and Senior Leadership Team responsible for the daily operations of each academy.

A clear management structure exists to effectively manage the Trust. The structure now consists of the Members, Trustees, SABs, CEO/Executive Principal and Trust Senior Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The members appoint the Trustees and the auditors.

The Trustees are responsible for the strategic direction and planning of the Trust, approving the Trust's budget, monitoring individual academy performance and making major decisions about the direction of the Trust. The Trustees also approve academic targets, finance policies, executive pay, personnel policies and all estates/IT strategy and policy.

The SABs responsibilities are as documented in the scheme of delegation.

The Senior Leadership Teams comprise of the CEO/Executive Principal, Headteachers and Assistant Headteachers. These managers control each academy at an executive level implementing the policies laid down by the Trust. As a group, the Senior Leadership Teams are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

**g. Pay policy for key management personnel**

The Trust reviews its pay policy for staff on an annual basis together with the policy relating to Performance Management.

Performance Management occurs annually with all recommendations for salary progression being presented with evidence and approved by the Personnel Committee.

**Trade union facility time**

During the year there were no employees who were relevant trade union officials therefore we contribute to a pooled arrangement with Cambridgeshire County Council. There was no time spent on facility time or paid trade union activities.

**h. Related parties and other connected charities and organisations**

Cambridge Primary Education Trust (CPET) has a close working relationship with Cambridge Meridian Academies Trust (CMAT). They share membership of Teaching School networks and the CEO/Executive Principal of each Trust is on the Board of Trustees of the other Trust. CPET receive operational services from CMAT including IT, site and financial services at cost.

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Objectives and activities**

**a. Objects and aims**

The Trust's objects are specifically restricted to the following:

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

b) to promote for the benefit of the inhabitants of Cambridge 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 is developing strong partnerships across the five academies and with other networks. Attainment and progress is high in each of the academies. Teaching and learning opportunities across the Trust have been frequent including, joint staff meetings, training sessions, interviewing, observations, lesson study, moderation, mentoring and coaching. The academies celebrate success together and have held science days, art and musical events for families and friends to come along and join in the fun. Systems and procedures for finance, personnel and premises are constantly being reviewed and upgraded.

The Trust works in partnership with its Senior Leadership Teams, School Advisors, Trustees, local Headteachers and colleagues to develop learning opportunities for the children in its care. A number of collaborative projects with other schools will enhance its learning and provision especially within the Teaching School provision.

The Trust has supported a variety of schools across Cambridgeshire/Peterborough and also in Suffolk, Norfolk and Bedfordshire as part of the Teaching School remit.

The Trust is also a strong member of the Teaching School Alliance that is chaired by The Trust's CEO/Executive Principal. Involvement in training teachers via the Primary SCITT has enabled the Trust and partners to support the areas they need to recruit quality staff.

As the Teaching School Representative for the East of England and North East London, the CEO/Executive Principal has initiated and supported commissions to improve the outcomes for children and young people across the region.

**c. Public benefit**

In exercising their powers and duties the Trust Directors have complied with their duty to have due regard to the public benefit guidance published by the Charity Commission.

**d. Employees and disabled persons**

The Trust has a robust Equality and Diversity Policy. The Trust ensures regular and varied communication with staff relating to matters affecting them.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report**

**Achievements and performance**

**Attendance for 2019/2020**

Due to Covid-19 we are unable to give true attendance numbers for the academic year 2019/2020. The country went into lockdown on 23 March 2020 and from this point, until 31 May 2020, all CPET schools were open for vulnerable and keyworker children only. The schools stayed open for children during the Easter holidays and, where required, on May Bank holiday and during May half term. From 1 June 2020, following government guidelines, the schools re-opened for children from Reception, Year 1 and Year 6, in addition to vulnerable and keyworker pupils. The data for the period 1 September 2019 to 28 February 2020 is given here as an indication of attendance levels across the Trust before the outbreak.

Attendance for 1 September 2019 – 28 February 2020

<b>School</b>	<b>Number on Roll</b>	<b>Attendance</b>	<b>School Type</b>
HIIS	330	96.8%	Infant
HIJS	421	96.6%	Junior
HP	325	96.35%	Primary
TPPS	266	95.8%	Primary – only Reception, Y1, Y2 and Y3 this academic year
SPS	245	95.83%	Primary

**Data Outcomes at end of school year 2019/2020**

Due to Covid-19, the government granted that no external assessment processes would take place. However, internal assessments show that progress was strong across the schools.

We are confident from our assessments on children throughout the year that outcomes would have been strong as in previous years, as was the progress. Similar assessments have been used year on year to help predict where the children are at. Our new joiner Somersham Primary School has shown particular progress and it was disappointing that this was not captured by national data.

**Covid -19**

No stone was left unturned by the Trust to create a safe environment for all in our schools. A robust risk assessment was developed that was personalised for each school and reviewed continuously to meet the everchanging requirements. All schools prepared their premises and updated their health and safety arrangements to ensure that two metre social distancing could be adhered to. The Trust co-ordinated the central purchasing of PPE and cleaning products and cleaning arrangements were revised to adhere to new government guidelines.

All schools ensured that their staff were/are familiar with all new procedures and protocols. Those children in school received a focused curriculum which included the core subjects as well as Personal Social Health Education (PSHE) and PE. For those children who did not return to school, teachers provided home learning and had regular conversations with children and families. Classroom TEAMS was set up towards the end of June and all staff were able to have TEAMS meetings with small groups of children in their classes.

Throughout the lockdown period, school staff made regular calls to those known vulnerable children. Children were also invited into school if it was thought to be in their best interests.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report (continued)**

**Achievements and performance (continued)**

Staff

The school offices worked hard to implement the Governments Free School Meal (FSM) system. The system was not without problems and issues reported back to the DfE.

More staff became available to work in school as they came out of self-isolation. When staff were not in school on rota, they were working at home preparing lessons, keeping in touch with children/families, developing their CPD and making use of the IT to have regular team meetings. Office staff worked on a rota basis and other administrative staff worked at home, but all returned to working in school from 1 June. Caretakers were always on site and working their normal hours.

As a Trust we have all pulled together to deal with the challenges that have been thrown at us and continued to provide support and education to all our children. It has been an extremely difficult and challenging time for everyone, but their hard work, commitment, dedication, resilience and ongoing good humour has been quite remarkable.

The Trust is very aware the disruption of learning during this year may affect pupil outcomes and will be working very hard to mitigate this by ensuring a strong remote learning offer, constant monitoring to ensure engagement is high, identifying and putting additional support in place for those pupils with special needs, EAL and for pupil premium children. The Trust is also committed to providing consistent, high quality support to staff during these challenging times.

Safeguarding and Wellbeing

Safeguarding and wellbeing were high priorities for all. We monitored the wellbeing of staff and children and made sure that they knew how to access help and assistance if this was required. This was monitored via regular phone calls home to families and staff working at home and conversations with staff who were in schools. Staff, parents and children were given details of support organisations available in addition to the support provided by the senior staff in the schools.

HR Update

Following the re-opening of our schools to more pupils, all staff completed a confidential on-line questionnaire to assess their risks for Covid-19 and staff were offered individual risk assessments. A small number of staff who were 'shielding' at home continued to be in touch with their Headteachers and appropriate work was offered so that they could work effectively from home.

We continued to keep in touch with all of our new teachers starting in September 2020 and they were invited to attend the CPET training days on 20 and 21 July.

Advice was sought from our HR provider, regarding the validity of DBS checks for staff who are not employed by the Trust but work in our schools e.g. parent volunteers, club leaders, peripatetic music staff etc. given the break in service these staff have had during the school closure i.e. more than three months. Where individuals are not registered with the DBS updating service, new DBS checks need to be undertaken and/or new assurance letters put in place for staff whose DBS checks are not carried out by the Trust e.g. external agency staff.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report (continued)**

**Achievements and performance (continued)**

*Financial*

The financial impact of covid-19 on the Trust as a whole has been minimised by careful management and planning. Additional expenditure has been incurred on preventative measures in our schools and on making our sites covid safe for staff, pupils and visitors. We have also experienced much higher levels of expenditure on cleaning materials and equipment, cleaning staff hours and on additional classroom supplies and equipment to reduce the need for sharing between pupils. We have tried to counter this additional expenditure wherever possible by reducing expenditure in other areas and the period of general school closure, when only small numbers of children and staff were on site, helped to make this possible.

During the year 1 September 2019 to 31 August 2020 the impact of staff absences due to covid related illness, self-isolation or shielding has been manageable and has not adversely affected the finances of the Trust. This is due to all schools being closed to the majority of children from the start of the lockdown measures until the end of the summer break, which enabled us to accommodate the needs of shielding and self-isolating staff by allowing them to work from home. It should be noted that this will become a much more serious issue for next year as we try to cope with higher than usual levels of staff absence whilst keeping our schools fully open. There will be additional expenditure associated with this and we are expecting supply costs to increase in all our schools. This will be closely monitored, and absence will be covered wherever possible within the Trust.

*Teaching School, School support*

Adjustments have had to be made to cope with the impact of covid-19 on the Trust's involvement in the Teaching School, teacher training and school to school support. We have ensured that these activities have been able to continue by a combination of actions, including moving training online and setting up the infrastructure to support this, and by introducing blended learning.

**a. Key performance indicators**

The Board of Trustees continues to use both financial and non financial key performance indicators to manage the Trust. The Trust maintains a strong management information function which is focused on regular and accurate reporting including the issue of termly financial information to the Trust inclusive of a financial commentary. Financial KPIs are measured continuously and the Trust was successful in delivering a comprehensive and well understood set of management information to the Board. Progress and attainment levels within the academies are used to measure academic success. This, first choices and retention rates drive reputation. Key performance indicators for personnel is measured and reported using progress, pay and attendance.

The Board consider the main financial KPI of the Trust to be the reserves levels held, which is disclosed in the reserves policy. The Trustees use further financial performance indicators to allow them to make decisions on staffing, budgeting and inspection of costs. The performance indicators are GAG funding as a percentage of income, staffing costs as a percentage of GAG, income and expenditure, premises maintenance costs as a percentage of GAG, income and expenditure, and other costs as a percentage of GAG, income and expenditure.

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**b. Going concern**

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

**Financial review**

**a. Reserves policy**

The Trustees review the reserve levels of the Trust regularly. This review encompasses the nature of income and expenditure streams, the need to match income commitment and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

As a growing Trust consideration is given to the future staffing levels and the need to retain good staff to deal with the future anticipated pupil numbers.

Trustees determine what the level of uncommitted reserves should be. 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. Total unrestricted and restricted general funds of £1,032,256 equates to approximately 2 months worth of expenditure.

The Trust held fund balances of £33,616,552 at 31 August 2020 made up as follows:

Unrestricted funds	£495,810
Restricted revenue funds	£536,446
Restricted funds for the teaching school	£134,031
Restricted fixed asset funds	£35,392,265

Restricted pension fund deficit of (£2,942,000). This liability does not have an immediate cash flow impact but as the deficit increases or decreases over time, the contributions made towards it will increase or decrease.

**b. Material investments policy**

During this year, the Trust has held all its funds in an interest bearing current account. The Trust does not hold any other investments.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**c. Principal risks and uncertainties**

The Trust has assessed the major risks to which it is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances, all of which are outlined on the risk register. The Trustees/School Advisors have implemented a number of systems to assess risks that the academies face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of academy grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured that they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the statement on internal control.

The Trust Board has considered and compiled an ongoing risk register. The Trust Board considers the principal risks and uncertainties are regarding changes in funding levels. All academies aim to maximise the recruitment and retention of students and the Trust Board seeks to ensure maximum funding is received.

**d. Financial risk management objectives and policies**

The Trust's main source of income is funding from the ESFA that is paid monthly to each academy throughout the year. Given this and the planned reserves at each academy, the Trust Board do not consider they have a cash flow or liquidity risk.

**e. Fundraising activities/ income generation**

The Trust's academies undertake some in house fundraising activities such as sponsored walks, enrichment days, cake sales and open days. The Trust makes comprehensive endeavours to ensure that such activities are; planned effectively, that the activity organisers are effectively supervised and supported, that there is a clear protection for the Trust's assets and reputation in the ventures, that there is an understanding and compliance with laws, regulations and standards and that the Trust is open and accountable for the fundraising activities. Funds raised in this way are often put towards specific expenditure and this is communicated to parents.

Each school has a PTA (Parent group) who actively raise funds which can then be used for specific expenditure. Anticipated expenditure against some enhancement items can be requested from the PTA and these will be agreed in advance.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**f. Financial review**

Most of the Trust's income is obtained from the Education Skills and Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust has also been in receipt of devolved formula capital grants from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2020, there has been total expenditure of £6,875,343 (excluding pension, restricted fixed assets and the teaching school) (2019: £5,624,121). The excess of income over expenditure for the year (excluding restricted fixed asset funds, the teaching school and the pension fund) was £118,309 (2019: £304,522).

At 31 August 2020, the net book value of fixed assets was £35,145,083 (2019: £35,747,735) and movements in fixed assets are shown within notes 16 and 17 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academies.

In accordance with FRS 102, the Trust received an actuarial assessment of pension scheme deficit. The deficit balance of £2,942,000 (2019: £2,491,000) is included within the balance sheet as at 31 August 2020. Supporting disclosures are in note 28.

During the year grants of £46K were received by TPPS as diseconomies of scale to ensure that the school was able to function while it grows one year group at a time towards its final pupil numbers. Additional formula funding of £18.7k was also received by TPPS. Some additional grants and guaranteed funding levels will continue into 2019/20. Growth funding received by HIJS and HPPS of £58k each and split site funding at HIIS of £25k was used to compliment the continued growth of these schools and bolster staffing for the additional student intake. Pupil Premium, targeted at disadvantaged students, was received by all schools within the Trust to the value of £258k.

Additional grants above the usual Devolved Formula Capital were received in all schools and where this was not allocated against expenditure in year will be held over in capital grants. Teacher salary and pension increases were in part funded by additional ESFA grants and offset against salary and pension costs in year.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Plans for future periods**

**Future developments**

The Trust will explore and develop partnership models, including inviting good and outstanding schools to share in its family of schools, to work with the Trust to share best practice and increase the individual and collective school improvement capacity.

Buxhall Farm is a new Primary School being built in Histon. This is to replace the current Infant school and building work started in November 2019. It is anticipated that the school building will be ready for occupation from January 2021; delayed due to Covid-19.

The current Infant school site will be returned to Cambridgeshire County Council.

It is planned that HIJS and HIIS will become Primary Schools from 2021, hence the expansion and building works which have been undertaken in 2018-2020.

Refurbishment and ongoing internal decoration has been undertaken at Somersham Primary School since conversion in April 2019 as the school, apart from being in need of better teaching and learning also needs to be brought into a state comparable with other schools. Roofing works have been identified as imperative but the application for a CIF (Capital Improvement Fund) bid from the ESFA was unsuccessful. Expenditure is required for a new boiler, hot water system, playground and fixtures and fittings.

Roofing work on the older portion of HIJS is also a necessity and a CIF bid has been successful. Work will start in Autumn 2020. This does necessitate use of some reserves but is essential.

Boiler improvement at HIJS was identified and an application for a CIF bid was submitted. The bid however was unsuccessful. Further investigation how to fund this project is needed.

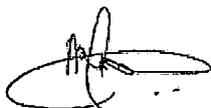
From September 2020, the Trustees have appointed a Chief Financial Officer (CFO) who is employed directly by the Trust. As a result, the financial services provided by CMAT under the terms of the SLA will end in the Autumn Term 2020. From this point the control and management of CPET's finances will be in house.

**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 company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2020 and signed on its behalf by:



**Mr J A Frost**  
Chair of Trustees

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO/Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 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
Mrs L C Birch, Chief Executive	7	7
Mr J A Frost, Chair of Trustees	7	7
Mr R S Plumbly, Vice Chair	7	7
Ms P R Todman	7	7
Mr K J Reynolds	7	7
Mr M E Woods	7	7
Mr J-M Winstanley	6	7
Mr D Woodward	4	7
Mr K M Barton	5	5
Mr S J P Evans-Evans	4	5
Mr M D Wilson	6	6

The Trust annually review practices and advise on developments. In addition, internal audit visits are carried out by CMAT. The Trust also engages CMAT to support finance staff and ensure compliance in all financial matters.

The changes in the composition of the Board were:

Mr P D Larbey resigned on 14 October 2019, Mr M Wilson was appointed on 10 December 2019, Mr K Barton and Mr S Evans-Evans were both appointed on 9 March 2020.

The Trust's work focused on improving standards and outcomes for all children by supporting Senior Leaders to facilitate staff to implement high quality teaching and learning. From March 2020 Covid-19 impacted on schools and families.

The Trust worked in partnership with the executive leadership so that vulnerable children and those of key workers could attend school. Remote learning was available for children at home. Safeguarding and wellbeing were high priorities for all.

Risk Assessments were drawn up and reviewed continuously to meet the ever changing requirements.

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Collaboration across the region was extremely valuable with CPET contributing to ideas and support systems as appropriate.

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to review the financial performance of the academies.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs L C Birch	7	7
Mr R S Plumbly	7	7
Mr K J Reynolds	7	7
Mr K M Barton	4	4

**Review of value for money**

As Accounting Officer, the CEO/Executive Principal has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year.

What is Best Value?

Trustees will apply the four principles of best value:

- Challenge: Why, how and by whom a service is provided
- Compare: Academy performance against available data
- Consult: With service users, the local community etc.
- Competition: Wherever practicable, to secure efficient and effective services

The Trustees' Approach

The Trustees and Senior Leaders apply the principles of best value when making decisions about:

- Allocation of resources to best promote the aims and values of individual academies
- Targeting of resources to best improve standards and the quality of provision
- Use of resources to best support the various educational needs of all pupils

The Trustees and the Senior Leaders:

- Make comparisons with other/similar academies using available data, e.g. ASP, IDSR, FFT, quality of teaching and learning, levels of expenditure
- Challenge proposals, examining them for effectiveness, efficiency and cost
- Require suppliers to compete on grounds of cost and quality/suitability of services/products
- Consult individuals and organisations on quality/suitability of service provided to parents, pupils, and services received from providers

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money (continued)**

This will apply in particular to:

- **Staffing:** Trustees, School Advisors and Senior Leaders deploy staff to provide best value in terms of quality of teaching, quality of learning, adult pupil ratio, and curriculum management with a clear focus on individual student achievement.
- **Use of premises:** Trustees, School Advisors and Senior Leaders consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources. They also optimise opportunities to generate income from the premises assets.
- **Use of resources:** Trustees, School Advisors and Senior Leaders deploy equipment, materials and services to provide pupils and staff with resources which support high quality teaching and learning.
- **Quality of teaching:**  
Trustees, School Advisors and Senior Leaders review the quality of curriculum provision and quality of teaching, to provide parents and pupils with a curriculum which meets the requirements of the National Curriculum, National Literacy Strategy and National Numeracy Strategy, and the needs of the pupils and teaching which builds on previous learning and has raised expectations of children's achievement.
- **Quality of learning:**  
Trustees, School Advisors and Senior Leaders review the quality of pupil's learning by setting and tracking pupil achievement targets.
- **Purchasing:** Trustees, School Advisors and Senior Leaders have clear procedures for assessing need, and obtaining goods and services which provide best value in terms of suitability, efficiency, time and cost.
- **Pupil's welfare:** Trustees, School Advisors and Senior Leaders review the quality of the environment and the academy ethos, in order to provide a supportive environment conducive to learning and recreation.
- **Health and safety:** Trustees, School Advisors and Senior Leaders review the quality of the academy environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

These areas are monitored for best value by:

1. Reviews of staffing by the CEO/Executive Principal and Senior Leadership Team
2. Target setting meetings between CEO/Executive Principal, Senior Leadership Team and subject leads
3. Annual performance management
4. Annual budget planning and monitoring
5. Feedback from internal auditor and audit reports
6. Analysis of individual academy pupil performance data
7. Benchmarking across the Trust and with comparable schools locally
8. Analysis of DfE pupil performance data
9. Key issues for action identified by OFSTED
10. Trust committee meetings
11. Trustee annual staff salary review

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money (continued)**

The Trust has engaged with other educational providers over the last year to share delivery and good practice – these include CMAT.

As a Multi Academy Trust, the following shared services are provided across the Trust:

- ICT
- Finance
- Premises
- Audit
- Educational support services
- DPO

**Review and Control**

Management accounts are produced on a monthly basis and the continued use of PSF will further develop the provision of timely, accurate and strategic reports as the Trust continues to grow.

The Trust has a risk register which is reviewed at Trust level meetings to ensure there is a clear focus on the most relevant and appropriate strategic financial risks.

The Trust procures an internal audit function from an external provider which produces regular reports for the Finance and Premises Committee and this is supported by the external auditor's work.

The main objectives are ensuring all pupils are safe, well and achieve.

The main challenge for the coming year is managing the continued increase in pupil numbers across the Trust so that future growth is secured. Effective management of finances are key.

Focus on continued standardisation of systems and procedures across the Trust will be another priority.

**Procurement policy notice PPN 02/20 and 04/20**

In accordance with the guidelines issued, the Trust continued to support its suppliers throughout the covid closure period, and are continuing to do so. In particular we:

- continued to pay our cleaning contractors to provide the regular contracted hours for all their staff
- supported our catering contractor by paying them at cost to continue to provide a catering service at all our schools, thereby reducing the need for furlough, and enabling them to cover their overheads
- put all supply staff who worked regularly in our schools on a temporary contract, based on an average of the hours worked over the previous terms. This provided some stability for these staff who would otherwise have been severely affected by the lockdown.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The risk and control framework**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint CMAT as internal auditor.

For the year 1 September 2019 to 31 August 2020 the system of internal control was in place but was affected by the impact of Covid-19. All internal audit visits to schools were scheduled to take place in the period March to July 2020 and this was of course not possible. The Trust aims to mitigate the effect of this by carrying out a number of internal audit reviews in our schools before the end of the Autumn term 2020.

**Review of effectiveness**

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

- the work of the external auditors;
- the work of the internal audit function;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
**(A company limited by guarantee)**

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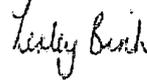
**GOVERNANCE STATEMENT (CONTINUED)**

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Approved by order of the members of the Board of Trustees on 14 December 2020 and signed on their behalf by:



**Mr J A Frost**  
Chair of Trustees



**Mrs L C Birch**  
Accounting Officer

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
**(A company limited by guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Cambridge Primary Education Trust I have considered my responsibility to notify the Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the 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 2019.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2019.

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.



**Mrs L C Birch**  
Accounting Officer  
Date: 14 December 2020

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
(A company limited by guarantee)

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

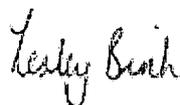
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

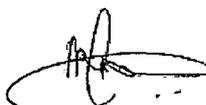
The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been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

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

Approved by order of the members of the Board of Trustees on 14 December 2020 and signed on its behalf by:



**Mrs L C Birch**  
Accounting Officer



**Mr J A Frost**  
Chair of Trustees

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
(A company limited by guarantee)

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

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**Opinion**

We have audited the financial statements of Cambridge Primary Education Trust (the 'trust') for the year ended 31 August 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Trust 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 Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
**(A company limited by guarantee)**

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

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

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

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

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

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

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
(A company limited by guarantee)

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

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**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, 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.

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

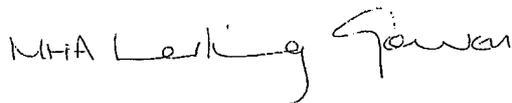
**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



**Julie Grimmer FCA DChA (Senior statutory auditor)**

for and on behalf of  
**Larking Gowen LLP**  
Chartered Accountants  
Statutory Auditors  
Norwich

17 December 2020

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
**(A company limited by guarantee)**

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

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In accordance with the terms of our engagement letter dated 15 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cambridge Primary Education Trust during the year 1 September 2019 to 31 August 2020 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 Cambridge Primary Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Cambridge Primary Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cambridge Primary Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of Cambridge Primary Education Trust's funding agreement with the Secretary of State for Education dated 28 March 2019 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
**(A company limited by guarantee)**

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

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In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2019 to 2020. The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management, the Accounting Officer and the Trustees;
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest;
- Testing the application of the financial controls;
- Review of governance arrangements; and
- Review of the Trust's process for checking its financial systems, controls, transactions and risks.

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA Larking Gowen

**Larking Gowen LLP**  
Chartered Accountants  
Statutory Auditors

Date: 17 December 2020

**CAMBRIDGE PRIMARY EDUCATION TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants:	4					
Transfer from local authority on conversion		-	-	-	-	4,877,086
Gifted property		-	-	-	-	12,179,927
Other donations and capital grants		10,264	23,515	263,680	297,459	94,047
Charitable activities:	5					
Trust educational operations		18,239	6,932,157	-	6,950,396	5,852,832
Teaching school/Council representative		-	274,052	-	274,052	404,340
Other trading activities		38,869	-	-	38,869	46,621
Other income	7	89	-	-	89	54,335
<b>Total income</b>		<b>67,461</b>	<b>7,229,724</b>	<b>263,680</b>	<b>7,560,865</b>	<b>23,509,188</b>
<b>Expenditure on:</b>						
Charitable activities:						
Trust educational operations		35,361	7,306,953	636,280	7,978,594	6,511,566
Teaching school/Council representative		-	252,875	-	252,875	428,318
<b>Total expenditure</b>		<b>24,363</b>	<b>7,501,855</b>	<b>705,251</b>	<b>8,231,469</b>	<b>6,939,884</b>
<b>Net income/(expenditure)</b>		<b>43,098</b>	<b>(272,131)</b>	<b>(441,571)</b>	<b>(670,604)</b>	<b>16,569,304</b>
Transfers between funds	21	-	(29,481)	29,481	-	-
<b>Net movement in funds before other recognised gains/(losses) carried forward</b>		<b>43,098</b>	<b>(301,612)</b>	<b>(412,090)</b>	<b>(670,604)</b>	<b>16,569,304</b>

**CAMBRIDGE PRIMARY EDUCATION TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Net movement in funds before other recognised gains/(losses) brought forward</b>	43,098	(301,612)	(412,090)	(670,604)	16,569,304
<b>Other recognised gains/(losses):</b>					
Actuarial losses on defined benefit pension schemes 28	-	(53,000)	-	(53,000)	(471,000)
<b>Net movement in funds</b>	<b>43,098</b>	<b>(354,612)</b>	<b>(412,090)</b>	<b>(723,604)</b>	<b>16,098,304</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	452,712	(1,916,911)	35,804,355	34,340,156	18,241,852
Net movement in funds	43,098	(354,612)	(412,090)	(723,604)	16,098,304
<b>Total funds carried forward</b>	<b>495,810</b>	<b>(2,271,523)</b>	<b>35,392,265</b>	<b>33,616,552</b>	<b>34,340,156</b>

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

The notes on pages 32 to 67 form part of these financial statements.

**CAMBRIDGE PRIMARY EDUCATION TRUST**  
(A company limited by guarantee)

**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	17	35,145,083	35,747,735
		<u>35,145,083</u>	<u>35,747,735</u>
<b>Current assets</b>			
Debtors	18	435,963	370,594
Cash at bank and in hand		1,743,133	1,450,846
		<u>2,179,096</u>	<u>1,821,440</u>
Creditors: amounts falling due within one year	19	(757,314)	(726,280)
<b>Net current assets</b>		<u>1,421,782</u>	<u>1,095,160</u>
<b>Total assets less current liabilities</b>		<u>36,566,865</u>	<u>36,842,895</u>
Creditors: amounts falling due after more than one year	20	(8,313)	(11,739)
<b>Net assets excluding pension liability</b>		<u>36,558,552</u>	<u>36,831,156</u>
Defined benefit pension scheme liability	28	(2,942,000)	(2,491,000)
<b>Total net assets</b>		<u><u>33,616,552</u></u>	<u><u>34,340,156</u></u>
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	21	35,392,265	35,804,355
Restricted income funds	21	670,477	574,089
		<u>36,062,742</u>	<u>36,378,444</u>
Restricted funds excluding pension asset	21	36,062,742	36,378,444
Pension reserve	21	(2,942,000)	(2,491,000)
<b>Total restricted funds</b>	21	<u>33,120,742</u>	<u>33,887,444</u>
<b>Unrestricted income funds</b>	21	495,810	452,712
<b>Total funds</b>		<u><u>33,616,552</u></u>	<u><u>34,340,156</u></u>

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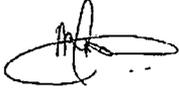
**CAMBRIDGE PRIMARY EDUCATION TRUST**  
**(A company limited by guarantee)**

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**BALANCE SHEET (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The financial statements on pages 27 to 67 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....  
**Mr J A Frost**  
Chair of Trustees

Date: 14 December 2020

The notes on pages 32 to 67 form part of these financial statements.

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	284,190	413,870
<b>Cash flows from investing activities</b>	25	11,526	(8,708)
<b>Cash flows from financing activities</b>	24	(3,429)	(3,430)
<b>Change in cash and cash equivalents in the year</b>		<b>292,287</b>	<b>401,732</b>
Cash and cash equivalents at the beginning of the year		1,450,846	1,049,114
<b>Cash and cash equivalents at the end of the year</b>	26, 27	<u><u>1,743,133</u></u>	<u><u>1,450,846</u></u>

The notes on pages 32 to 67 from part of these financial statements

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. General information**

Cambridge Primary Education Trust is a company limited by guarantee incorporated in England and Wales, registration number 08304433. The registered office is Histon And Impington Junior School The Green, Histon, Cambridge, Cambridgeshire, CB24 9JA.

**2. Accounting policies**

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

**2.1 Basis of preparation of financial statements**

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**2.2 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 Trust 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the Trust 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**

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

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

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

• **Other income**

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

• **Donated fixed assets (excluding transfers on conversion or into the Trust)**

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

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.4 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.

Charitable activities and governance costs are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities. Governance costs include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meeting and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

**2.5 Intangible assets**

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following basis:

Computer software	-	In year of acquisition
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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.6 Tangible fixed assets and depreciation**

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The Trust will enter into a 125 year lease with the local authority for occupation of the Trumpington site. Although the lease was not signed at 31 August 2020, it has been agreed in principle, and signing is a formality once the local authority has resolved some remaining issues with Land Registry. In substance the Trust has control of the site and therefore the property is recognised in the financial statements.

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line (land element at straight line over 125 years)
Furniture and equipment	- 10% straight line
Computer equipment	- In year of acquisition

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

Buxhall Farm is a new primary school being built in Histon. It is to replace the current Histon and Impington Infant school ("HIIS"), and building work started in November 2019. It is anticipated that the building will be ready for occupation from January 2021. At which point the Trust will take up a lease and move into Buxhall Farm and return the current HIIS site and lease to the local authority. The HIIS site is reflected in the financial statements at a carrying value of £3.8m. As in substance the Trust will be exchanging the HIIS property for the Buxhall Farm property, which will have a greater value, no impairment of the HIIS property is reflect in these financial statements.

**2.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the Bank.

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.8 Operating leases**

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

**2.9 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.

**2.10 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.

**2.11 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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions 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.

**2.12 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 19 and 20. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.13 Taxation**

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

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

**2.14 Pensions**

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 27, 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. Accounting policies (continued)**

**2.15 Conversion to an academy**

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

The assets and liabilities transferred on the conversion of Somersham Primary School to an academy within the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

**2.16 Fund accounting**

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

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

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

**3. 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 Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	10,264	23,515	-	33,779
Capital Grants	-	-	263,680	263,680
<b>Total 2020</b>	<b>10,264</b>	<b>23,515</b>	<b>263,680</b>	<b>297,459</b>

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Transfer from local authority on conversion	-	(464,463)	5,341,549	4,877,086
Gifted property	-	-	12,179,927	12,179,927
Donations	17,600	-	-	17,600
Capital Grants	-	-	76,447	76,447
<b>Total 2019</b>	<b>17,600</b>	<b>(464,463)</b>	<b>17,597,923</b>	<b>17,151,060</b>

The gifted property donation represents £10,870,000 in respect of the Trumpington Park Primary School site and £1,309,927 for Histon and Impington Junior School.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**5. Funding for the Trust's educational operations**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
<b>DfE/ESFA grants</b>			
General annual grant (GAG)	-	5,290,358	5,290,358
Other DfE/ESFA grants	-	461,232	461,232
UIFSM	-	277,308	277,308
Pupil premium	-	258,008	258,008
Start-up grants	-	94,637	94,637
Teaching school/Council representative	-	274,052	274,052
	-	6,655,595	6,655,595
<b>Other government grants</b>			
SEN	-	215,766	215,766
Other local authority funding	-	199,000	199,000
	-	414,766	414,766
<b>Other funding</b>			
Other income from operations	-	135,848	135,848
Trip income	18,239	-	18,239
	18,239	135,848	154,087
	18,239	7,206,209	7,224,448

**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**5. Funding for the Trust's educational operations (continued)**

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
<b>DfE/ESFA grants</b>			
General annual grant (GAG)	-	4,513,840	4,513,840
UIFSM	-	226,978	226,978
Pupil premium	-	162,503	162,503
Other DfE/ESFA grants	-	236,504	236,504
Teaching school/Council representative	-	404,340	404,340
Start up grants	-	217,557	217,557
	-	5,761,722	5,761,722
<b>Other government grants</b>			
SEN	-	157,496	157,496
Other local authority funding	-	83,000	83,000
	-	240,496	240,496
<b>Other funding</b>			
Other income from operations	-	86,676	86,676
Trip income	168,278	-	168,278
	168,278	86,676	254,954
	168,278	6,088,894	6,257,172

**6. Income from other trading activities**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Hire of facilities	38,869	38,869

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**6. Income from other trading activities (continued)**

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Hire of facilities	46,621	46,621

**7. Other incoming resources**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Sundry income	89	89

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Staff income	51,229	51,229
Sundry income	3,106	3,106
	<u>54,335</u>	<u>54,335</u>

**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**8. Expenditure**

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Educational Operations:				
Direct costs	5,289,881	-	350,257	5,640,138
Support costs	610,563	298,030	1,429,863	2,338,456
Teaching school	64,815	-	188,060	252,875
<b>Total 2020</b>	<u>5,965,259</u>	<u>298,030</u>	<u>1,968,180</u>	<u>8,231,469</u>
	<i>Staff Costs</i> 2019 £	<i>Premises</i> 2019 £	<i>Other</i> 2019 £	<i>Total</i> 2019 £
Educational Operations:				
Direct costs	3,981,075	-	558,489	4,539,564
Support costs	425,225	299,008	1,247,769	1,972,002
Teaching school	93,338	-	334,980	428,318
<i>Total 2019</i>	<u>4,499,638</u>	<u>299,008</u>	<u>2,141,238</u>	<u>6,939,884</u>

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Educational Operations	<u>5,640,138</u>	<u>2,338,456</u>	<u>7,978,594</u>

**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Educational Operations	<u>4,539,564</u>	<u>1,972,002</u>	<u>6,511,566</u>

**Analysis of support costs**

	<b>Educational Operations 2020 £</b>	<b>Total funds 2020 £</b>
Staff costs	610,563	<b>610,563</b>
Depreciation	636,280	<b>636,280</b>
Governance costs	22,950	<b>22,950</b>
Premises costs	298,329	<b>298,329</b>
Technology costs	64,231	<b>64,231</b>
Other costs	706,103	<b>706,103</b>
	<u>2,338,456</u>	<u>2,338,456</u>

	<i>Educational Operations 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	425,225	425,225
Depreciation	601,877	601,877
Governance costs	20,071	20,071
Premises costs	299,377	299,377
Technology costs	35,387	35,387
Other costs	590,065	590,065
	<u>1,972,002</u>	<u>1,972,002</u>

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets: - owned by the charity	596,419	595,877
amortisation of intangible fixed assets	-	6,000
Operating lease rentals	4,871	8,450
	<u>4,871</u>	<u>8,450</u>

**11. Auditors' remuneration**

	2020 £	2019 £
Audit and compilation of the Trust's annual accounts	15,200	15,000
Fees payable to the Trust's auditor in respect of: Audit-related assurance services	1,700	1,450
All other non-audit services not included above	3,800	2,800
	<u>3,800</u>	<u>2,800</u>

**12. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	3,891,157	3,156,900
Social security costs	363,942	273,092
Pension costs	1,658,709	1,054,205
	<u>5,913,808</u>	<u>4,484,197</u>
Agency staff costs	51,451	15,441
	<u>5,965,259</u>	<u>4,499,638</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**12. Staff (continued)**

**b. Staff numbers**

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

	<b>2020</b>	<i>2019</i>
	<b>No.</b>	<i>No.</i>
Teachers	<b>78</b>	<i>63</i>
Administration & support	<b>107</b>	<i>87</i>
Management	<b>11</b>	<i>10</i>
	<b>196</b>	<i>160</i>

**c. Higher paid staff**

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

	<b>2020</b>	<i>2019</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>2</b>	<i>2</i>
In the band £100,001 - £110,000	<b>1</b>	<i>1</i>

**d. Key management personnel**

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £905,126 (2019 £687,069).

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**CAMBRIDGE PRIMARY EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**13. Central services**

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

- Financial and administrative services
- Management services
- Legal and professional services

The Trust charges for these services on the following basis:

Use of services

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Hatton Park Primary School	92,820	118,557
Histon & Impington Infant School	102,132	134,244
Histon & Impington Junior School	116,076	159,961
Trumpington Park Primary School	67,452	65,736
Somersham Primary School	85,716	-
<b>Total</b>	<b>464,196</b>	<b>478,498</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. Trustees' remuneration and expenses**

One Trustee has been paid remuneration or has received other benefits from an employment with the Trust. The CEO/Executive Principal only received remuneration in respect of services they provide undertaking the role of CEO/Executive Principal under their contract of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020	2019
		£	£
Mrs L C Birch (Executive Principal)	Remuneration	105,000 -	100,000 -
		110,000	105,000
	Pension contributions paid	25,000 -	15,000 -
		30,000	20,000

During the year ended 31 August 2020, expenses totalling £437 were reimbursed or paid directly to 1 Trustee (2019 - £605 to 1 Trustee).

**15. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The insurance premium is included as part of the premiums on a per pupil basis, so it's not possible to confirm the exact insurance costs of the Trustees' and Officers' insurance for the Trust.

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**16. Intangible assets**

	Computer software £
<b>Cost</b>	
At 1 September 2019	26,075
At 31 August 2020	<u>26,075</u>
<b>Amortisation</b>	
At 1 September 2019	26,075
At 31 August 2020	<u>26,075</u>
<b>Net book value</b>	
At 31 August 2020	<u><u>-</u></u>
At 31 August 2019	<u><u>-</u></u>

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**17. Tangible fixed assets**

	Leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2019	37,332,427	8,990	86,203	37,427,620
Additions	-	19,428	15,104	34,532
At 31 August 2020	<u>37,332,427</u>	<u>28,418</u>	<u>101,307</u>	<u>37,462,152</u>
<b>Depreciation</b>				
At 1 September 2019	1,592,782	900	86,203	1,679,885
Charge for the year	619,238	2,842	15,104	637,184
At 31 August 2020	<u>2,212,020</u>	<u>3,742</u>	<u>101,307</u>	<u>2,317,069</u>
<b>Net book value</b>				
At 31 August 2020	<u>35,120,407</u>	<u>24,676</u>	-	<u>35,145,083</u>
At 31 August 2019	<u>35,739,645</u>	<u>8,090</u>	-	<u>35,747,735</u>

Land with a value of £8,669,984 (2019: £8,734,098) is held under long term leases, each with a term of 125 years, with Cambridge County Council. A peppercorn rent is payable on each lease.

**18. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Trade debtors	42,245	136,138
Other debtors	47,998	99,803
Prepayments and accrued income	345,720	134,653
	<u>435,963</u>	<u>370,594</u>

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

	2020	2019
	£	£
Other loans	3,426	3,429
Trade creditors	95,776	307,598
Other taxation and social security	82,411	78,270
Other creditors	198,498	81,055
Accruals and deferred income	377,203	255,928
	<u>757,314</u>	<u>726,280</u>

**Deferred income**

	2020	2019
	£	£
Deferred income at 1 September 2019	186,936	111,528
Resources deferred during the year	192,959	186,936
Amounts released from previous years	(186,936)	(111,528)
<b>Deferred income at 31 August 2020</b>	<u>192,959</u>	<u>186,936</u>

At the balance sheet dates the Trust was holding funds received in advance in respect of Universal Infant Free School Meals and rates.

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**20. Creditors: Amounts falling due after more than one year**

	2020	2019
	£	£
Other loans	<u>8,313</u>	<u>11,739</u>

Other loans comprise two 0% interest salix loans. One was for a boiler replacement and the other for roof repairs. At 31 August 2020 the total outstanding was £11,739 (2019 - £15,165) of which £3,426 (2019 - £3,429) is included within creditors falling due within one year. One loan is repayable over 7 years, while the other over 5 years.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General Funds - all funds	452,712	67,461	(24,363)	-	-	495,810
<b>Restricted general funds</b>						
General Annual Grant (GAG)	210,119	5,290,358	(5,275,601)	-	-	224,876
Revenue surplus on conversion	216,172	-	-	-	-	216,172
Other restricted funds	34,944	1,562,677	(1,562,677)	-	-	34,944
Teaching School/ Council representative	112,854	274,052	(252,875)	-	-	134,031
Start-up grants	-	102,637	(12,702)	(29,481)	-	60,454
Pension reserve	(2,491,000)	-	(398,000)	-	(53,000)	(2,942,000)
	<u>(1,916,911)</u>	<u>7,229,724</u>	<u>(7,501,855)</u>	<u>(29,481)</u>	<u>(53,000)</u>	<u>(2,271,523)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds	35,747,735	-	(637,184)	34,532	-	35,145,083
DfE/ESFA capital income	56,620	253,159	(62,597)	-	-	247,182
Other capital	-	10,521	(5,470)	(5,051)	-	-
	<u>35,804,355</u>	<u>263,680</u>	<u>(705,251)</u>	<u>29,481</u>	<u>-</u>	<u>35,392,265</u>
<b>Total Restricted funds</b>	<u>33,887,444</u>	<u>7,493,404</u>	<u>(8,207,106)</u>	<u>-</u>	<u>(53,000)</u>	<u>33,120,742</u>
<b>Total funds</b>	<u><u>34,340,156</u></u>	<u><u>7,560,865</u></u>	<u><u>(8,231,469)</u></u>	<u><u>-</u></u>	<u><u>(53,000)</u></u>	<u><u>33,616,552</u></u>

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

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

The General Annual Grant (GAG), revenue surplus on conversion, start up grant and other restricted general funds are for the operational activities of the academies and teaching school.

The pension reserve fund represents the Trust's defined benefit pension scheme liability.

The restricted fixed asset funds represent the fixed assets held by the Trust and unspent capital funding received to carry out works of a capital nature.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

**Total funds analysis**

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Hatton Park Primary School	94,968	77,099
Histon and Impington Infant School	28,846	36,751
Histon and Impington Junior School	324,991	355,293
Teaching School/Council representative	134,031	112,854
Cambridge Primary Education Trust	124,781	115,306
Trumpington Park Primary School	467,261	312,163
Somersham Primary School	(8,591)	17,335
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,166,287	1,026,801
Restricted fixed asset fund	35,392,265	35,804,355
Pension reserve	(2,942,000)	(2,491,000)
	<hr/>	<hr/>
<b>Total</b>	<b>33,616,552</b>	<b>34,340,156</b>
	<hr/> <hr/>	<hr/> <hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
Somersham Primary School	(8,591)
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. Statement of funds (continued)**

Cambridge Primary Education Trust were invited to take on Somersham Primary School and it became part of the Trust in April 2019. The school had been through a period of significant change and was rated inadequate by Ofsted. The school transferred to CPET with very low reserves and falling pupil number due to reputational damage in the local area. The main issues which affected the net loss in 2019/20 and resulted in the deficit at 31 August 2020 are as follows:

- Ineffective SENCo support prior to transfer had resulted in a number of pupils with a high level of special needs which had not been addressed and without an EHCP. A strong focus in this area and the support of a highly experienced SENCo from one of the Trust's other schools has resulted in 7 new EHCP's being awarded during the year with another 4 expected in the near future. The cost of supporting these pupils whilst awaiting the allocation of funding has been borne by the school.
- The infrastructure of the school was in a very poor state when it joined CPET. Teacher laptops were not fit for purpose and the screens in the classroom were long out of date and had lost their interactive functionality. This was having a serious effect on teaching and learning. These have now been replaced. Additional expenditure during the year has been required to carry out repairs to the school building and site to comply with safety standards and to improve the learning environment for the children and staff.
- The cost of the staff base who were inherited with Somersham Primary was much higher per pupil than the average.
- An additional caretaker was employed during the year to assist with the work required to address H&S and fire regulation issues across the site.
- Lower pupil numbers due to the issues within the school for the last few years have meant that funding has been correspondingly lower than needed to effectively run the school.

Since April 2019 CPET, the newly appointed Head teacher and school staff have worked extremely hard to rectify all the outstanding issues and to raise standards across the school. It is expected that Somersham Primary School will continue in deficit for the next couple of years while the long term work required to turn the school around takes place. CPET has sufficient reserves to support the school during this period and has planned and budgeted appropriately.

The Trust is taking the following action to return the academy to surplus:

- Rationalisation of staffing including a restructure of TLR's and hours worked. It is expected that, through natural turnover, the teaching staff average salary will be reduced to be more in line with expected levels.
- Pupil numbers are increasing and are expected to increase further as the reputation of the school and the pupil experience improves. This will remove the need for the smaller mixed classes currently in place to cope with uneven numbers of pupils in some year groups.
- School buildings and site will be more efficient to run as improvements are made and savings will be made as some existing contracts expire and can be replaced by more cost effective ones in keeping with the rest of the Trust.

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

**Total cost analysis**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Hatton Park Primary School	1,018,532	87,960	29,614	152,029	1,288,135
Histon & Impington Infant School	1,139,009	111,102	13,654	190,903	1,454,668
Histon and Impington Junior School	1,436,627	149,774	39,712	223,811	1,849,924
Teaching School/Council representative	64,815	-	-	188,060	252,875
Cambridge Primary Education Trust	168,813	41,509	41,215	271,933	523,470
Trumpington Park Primary School	716,643	88,819	20,214	185,460	1,011,136
Somersham Primary School	923,072	133,490	16,154	142,265	1,214,981
<b>Trust</b>	<u>5,467,511</u>	<u>612,654</u>	<u>160,563</u>	<u>1,354,461</u>	<u>7,595,189</u>

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

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

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>Educational supplies £</i>	<i>Other costs excluding depreciation £</i>	<i>Total 2019 £</i>
Hatton Park Primary School	779,361	82,636	40,496	163,598	1,066,091
Histon and Impington Infant School	925,684	116,066	25,205	235,402	1,302,357
Histon and Impington Junior School	986,784	114,920	122,305	190,374	1,414,383
Teaching School/Council representative	93,338	-	-	334,980	428,318
Cambridge Primary Education Trust	443,188	86,534	29,631	366,000	925,353
Trumpington Park Primary School	393,631	73,231	20,593	236,560	724,015
Somersham Primary School	359,089	45,176	17,685	55,540	477,490
<b>Trust</b>	<u>3,981,075</u>	<u>518,563</u>	<u>255,915</u>	<u>1,582,454</u>	<u>6,338,007</u>

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

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
<b>Unrestricted funds</b>						
General Funds - all funds	310,452	286,834	(144,574)	-	-	452,712
<b>Restricted general funds</b>						
General Annual Grant (GAG)	47,857	5,571,565	(5,351,021)	(58,282)	-	210,119
Revenue surplus on conversion	216,172	-	-	-	-	216,172
Other restricted funds	34,944	128,526	(128,526)	-	-	34,944
Teaching School/ Council representative	136,832	404,340	(428,318)	-	-	112,854
Pension reserve	(1,286,000)	(480,000)	(254,000)	-	(471,000)	(2,491,000)
	(850,195)	5,624,431	(6,161,865)	(58,282)	(471,000)	(1,916,911)
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds	18,742,985	17,521,476	(601,877)	85,151	-	35,747,735
DfE/ESFA capital income	38,610	76,447	(31,568)	(26,869)	-	56,620
	18,781,595	17,597,923	(633,445)	58,282	-	35,804,355
<b>Total Restricted funds</b>	17,931,400	23,222,354	(6,795,310)	-	(471,000)	33,887,444

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**22. Analysis of net assets between funds**

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	35,145,083	<b>35,145,083</b>
Current assets	495,810	1,424,365	258,921	<b>2,179,096</b>
Creditors due within one year	-	(753,888)	(3,426)	<b>(757,314)</b>
Creditors due in more than one year	-	-	(8,313)	<b>(8,313)</b>
Provisions for liabilities and charges	-	(2,942,000)	-	<b>(2,942,000)</b>
<b>Total</b>	<b>495,810</b>	<b>(2,271,523)</b>	<b>35,392,265</b>	<b>33,616,552</b>

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

	<i>Unrestricted</i> <i>funds</i> 2019 £	<i>Restricted</i> <i>funds</i> 2019 £	<i>Restricted</i> <i>fixed asset</i> <i>funds</i> 2019 £	<i>Total</i> <i>funds</i> 2019 £
Tangible fixed assets	-	-	35,747,735	<b>35,747,735</b>
Current assets	452,712	1,296,940	71,788	<b>1,821,440</b>
Creditors due within one year	-	(722,851)	(3,429)	<b>(726,280)</b>
Creditors due in more than one year	-	-	(11,739)	<b>(11,739)</b>
Provisions for liabilities and charges	-	(2,491,000)	-	<b>(2,491,000)</b>
<b>Total</b>	<b>452,712</b>	<b>(1,916,911)</b>	<b>35,804,355</b>	<b>34,340,156</b>

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**23. Reconciliation of net (expenditure)/income to net cash flow from operating activities**

	2020 £	2019 £
Net (expenditure)/income for the period (as per Statement of financial activities)	<b>(670,604)</b>	16,569,304
<b>Adjustments for:</b>		
Depreciation charges	637,184	601,877
Capital grants from DfE and other capital income	(263,680)	(76,447)
Defined benefit pension scheme obligation inherited	-	492,000
Defined benefit pension scheme cost less contributions payable	350,000	198,000
Defined benefit pension scheme finance cost	48,000	44,000
Decrease/(increase) in debtors	152,253	(204,432)
Increase in creditors	31,037	311,044
Gifted property	-	(17,521,476)
<b>Net cash provided by operating activities</b>	<b>284,190</b>	<b>413,870</b>

**24. Cash flows from financing activities**

	2020 £	2019 £
Repayments of borrowing	(3,429)	(3,430)
<b>Net cash used in financing activities</b>	<b>(3,429)</b>	<b>(3,430)</b>

**25. Cash flows from investing activities**

	2020 £	2019 £
Purchase of intangible assets	-	(6,000)
Purchase of tangible fixed assets	(34,532)	(79,155)
Capital grants from DfE and other capital income	46,058	76,447
<b>Net cash provided by/(used in) investing activities</b>	<b>11,526</b>	<b>(8,708)</b>

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**26. Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash in hand	1,743,133	1,450,846
<b>Total cash and cash equivalents</b>	<b>1,743,133</b>	<b>1,450,846</b>

**27. Analysis of changes in net debt**

	At 1 September 2019 £	Cash flows £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	1,450,846	292,287	-	1,743,133
Debt due within 1 year	(3,429)	3,429	(3,426)	(3,426)
Debt due after 1 year	(11,739)	-	3,426	(8,313)
	<b>1,435,678</b>	<b>295,716</b>	<b>-</b>	<b>1,731,394</b>

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**28. Pension commitments**

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

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

Contributions amounting to £107,298 were payable to the schemes at 31 August 2020 (2019 - £nil) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

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**28. Pension commitments (continued)**

The employer's pension costs paid to TPS in the year amounted to £675,000 (2019 - £361,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £400,000 (2019 - £304,000), of which employer's contributions totalled £318,000 (2019 - £244,000) and employees' contributions totalled £ 82,000 (2019 - £60,000). The agreed contribution rates for future years are 24.8 per cent for employers and variable per cent for employees.

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

**Principal actuarial assumptions**

	2020	2019
	%	%
Rate of increase in salaries	2.8	2.6
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.7	1.8

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	22.0	21.5
Females	24.0	23.5
<i>Retiring in 20 years</i>		
Males	22.7	22.4
Females	25.5	24.9

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**28. Pension commitments (continued)**

**Sensitivity analysis**

	2020 £000	2019 £000
Discount rate +0.1%	(120)	(109)
Discount rate -0.1%	120	109
Mortality assumption - 1 year increase	116	196
Mortality assumption - 1 year decrease	(116)	(196)
CPI rate +0.1%	112	95
CPI rate -0.1%	(112)	(95)

**Share of scheme assets**

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

	2020 £	2019 £
Equities	1,945,000	1,814,000
Corporate bonds	306,000	315,000
Property	417,000	266,000
Cash and other liquid assets	111,000	24,000
<b>Total market value of assets</b>	<b>2,779,000</b>	<b>2,419,000</b>

The actual return on scheme assets was £27,000 (2019 - £121,000).

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

	2020 £	2019 £
Current service cost	(661,000)	(454,000)
Past service cost	(7,000)	-
Interest income	47,000	55,000
Interest cost	(95,000)	(99,000)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(716,000)</b>	<b>(498,000)</b>

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**28. Pension commitments (continued)**

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

	2020 £	2019 £
<b>At 1 September</b>	<b>4,910,000</b>	<b>3,020,000</b>
Conversion to academy	-	785,000
Current service cost	661,000	454,000
Interest cost	95,000	99,000
Employee contributions	82,000	60,000
Actuarial losses	33,000	525,000
Benefits paid	(67,000)	(33,000)
Past service costs	7,000	-
<b>At 31 August</b>	<b>5,721,000</b>	<b>4,910,000</b>

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

	2020 £	2019 £
<b>At 1 September</b>	<b>2,419,000</b>	<b>1,734,000</b>
Conversion to academy	-	305,000
Interest income	47,000	55,000
Actuarial (losses)/gains	(20,000)	54,000
Employer contributions	318,000	244,000
Employee contributions	82,000	60,000
Benefits paid	(67,000)	(33,000)
<b>At 31 August</b>	<b>2,779,000</b>	<b>2,419,000</b>

**29. Operating lease commitments**

At 31 August 2020 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Within 1 year	1,762	4,871
Between 1 and 5 years	760	1,604
	<b>2,522</b>	<b>6,475</b>

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**30. 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.

**31. Related party transactions**

Owing to the nature of the Trust 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Cambridge Meridian Academies Trust (CMAT) is related to the Trust because it has the right under the Trust's articles of association to appoint a Trustee of the Trust. CMAT Education Services Ltd is the 100% trading subsidiary of CMAT. During the period CMAT and CMAT Education Services Ltd provided finance, ICT and other administrative support to the Trust. The total cost for the year was £168,119 (2019: £135,815. Sales to CMAT and CMAT Education Services Ltd from the Trust were £3,997 (2019: £19,186).

At the financial reporting date, the balance due from CMAT and CMAT Education Services Ltd was £1,074 (2019: £3,997), and the balance owed to CMAT and CMAT Education Services Ltd was £nil (2019: £70).

The Trust also had transactions with other entities in which a common Trustee is shared. During the year, the Trust incurred costs of £nil (2019: £185) from Cambridge University. The Trust also received income of £nil (2019: £500) from Fenland & East Cambridgeshire Partnership.

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**32. Teaching school trading account**

	2020 £	2020 £	2019 £	2019 £
<b>Income</b>				
<b>Direct income</b>				
Grant income	273,740		379,198	
<b>Other income</b>				
Other income	312		222	
Delegate charges	-		24,920	
<b>Total other income</b>	<u>312</u>		<u>25,142</u>	
<b>Total income</b>		<b>274,052</b>		<b>404,340</b>
<b>Expenditure</b>				
<b>Direct expenditure</b>				
Staff and project delivery costs	249,925		427,386	
Staff development	-		369	
<b>Total direct expenditure</b>	<u>249,925</u>		<u>427,755</u>	
<b>Other expenditure</b>				
Advertising	-		194	
Room hire & similar costs	2,950		369	
<b>Total other expenditure</b>	<u>2,950</u>		<u>563</u>	
<b>Total expenditure</b>		<b>252,875</b>		<b>428,318</b>
<b>Surplus/(deficit) from all sources</b>		<b>21,177</b>		<b>(23,978)</b>
<b>Teaching school balances at 1 September 2019</b>		<b>112,854</b>		<b>136,832</b>
<b>Teaching school balances at 31 August 2020</b>		<b><u>134,031</u></b>		<b><u>112,854</u></b>