

**UTS Cambridge**

**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Year ended 31 August 2020**

**Company Registration Number:**

**08557665 (England and Wales)**

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## Reference and Administrative Details

### Trustees and Advisers

#### Trustees

Mrs Amy Weatherup  
 Dr Ian McEwan (resigned 29/06/2020)  
 Dr Martin Vinnell (appointed 27/03/2020 University Appointed Governor)  
 Professor Graham Virgo  
 Dr James Biddulph (Headteacher)  
 Mrs Penny Coltman  
 Mr Laurence Weeks  
 Mrs Sharon MacManniman (resigned 03/11/2019)  
 Mr Adam Kerr  
 Dr Kirsty Allen (Chair of Governors from 01/05/2019)  
 Ms Claire Vane  
 Ms Samantha O'Byrne  
 Mr Iain Hood  
 Professor Susan Robertson  
 Mrs Lucy Bullen-Smith (Staff Governor appointed 18/09/2019)

#### Company Secretary

Mr Laurence Weeks

#### Senior Management Team

Headteacher	J Biddulph
Assistant Headteacher	J Hayward
Assistant Headteacher	L Rolls
Assistant Headteacher	A Smith
Lead Learning Coach	A Durning
Office and Business Manager	A White

#### Accounting Officer

Dr James Biddulph (Headteacher)

#### Chief Financial Officer

Mrs Amy White (Director of Business)

#### Principal Office

Eddington Avenue  
 Cambridge  
 CB3 0QZ

#### Registered Office

The Old Schools  
 Trinity Lane  
 Cambridge  
 Cambridgeshire  
 CB2 1TS

#### Registered Number

08557665 (England and Wales)

#### Date of Incorporation

5<sup>th</sup> June 2013

#### Independent Auditors

Peters Elworthy & Moore  
 Salisbury House  
 Station Road  
 Cambridge  
 CB1 2LA

#### Bankers

Barclays Bank plc  
 St Andrew's Street  
 Cambridge  
 Cambridgeshire  
 CB2 3AA

#### Members

The sole Member is the University of Cambridge.

## Trustees' Report

The trustees present their annual report together with the financial statements and auditor's report of UTS Cambridge for the year to 31 August 2020. This report serves the purposes of both a trustees' report, and a directors' report under company law. The UTS Cambridge trust operates a Free School for pupils aged 4 to 11, serving a new district in the North-West Cambridge Development of Cambridge City. This district is named Eddington and will be the home of some 8000 people. During 2019-2020 the school was fully subscribed and educated 470 children from Early Years to Year 6. The school is planned to grow each year to become a large 3-form entry primary school with 630 children.

The principal office of the Trust is shown on page 3.

## Structure, Governance and Management

### Constitution

UTS Cambridge ("the Trust") is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association (submitted to Companies House on the 5th June 2013) are the primary governing documents of the Trust. All Trustees of UTS Cambridge are also School Governors and directors of the charitable company for the purposes of company law. These terms are used interchangeably throughout the Annual Report and Financial Statements. The charitable company is known as UTS Cambridge t/a University of Cambridge Primary School.

Details of the Trustees (directors) who served during the year and up to the date of signing the financial statements are included in the Director and Advisers section on Page 3.

### 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 £10.00, for the debts and liabilities contracted before they ceased to be a Member.

### Trustees' Indemnities

Subject to the provisions of the Companies Act 2006 every Governor or other officer of UTS Cambridge shall be indemnified out of the assets of the Trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of Trust in relation to the affairs of the Trust.

### Method of Recruitment and Appointment or Election of Trustees (Governors)

In accordance with the Articles of Association, the Trust shall have the following Trustees (who are also Governors and directors):

- the Head of the Faculty of Education of the University of Cambridge
- the Pro-Vice Chancellor for Education of the University of Cambridge
- no fewer than three and no more than six Governors nominated by the Council of the University of Cambridge
- two Parent Governors (up to 4 as needed)
- one Staff Governor
- the Headteacher

The Trust may also have up to two Co-opted Governors.

The Members may appoint up to seven Governors comprising:

- one staff Governor (who shall only hold office for so long as they are employed by the Trust); and
- up to six Governors nominated by the Council of the University of Cambridge, provided that no more than one third of such Governors so appointed at any time to time pursuant to this article 50(b) can be employees of the University or a College ("Council Governors").

The Members may appoint the Staff Governor through such process as they may determine.

The Head of the Faculty of Education of the University of Cambridge, the Pro-Vice Chancellor for Education of the University of Cambridge and the Headteacher shall be ex officio Governors and shall hold office as a Governor so long as they are appointed to the position described in the relevant article.

The Parent Governors shall be elected by parents of registered pupils at University of Cambridge Primary School. A Parent Governor must be a parent of a pupil at the school at the time when he or she is elected but can continue to be a Parent Governor after the pupil is no longer registered at the school.

The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies. With agreement from the Trustees, there may be more than two parent governors.

## Trustees' Report (Continued)

The Governors may appoint Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed.

The staff governor is selected by the staff body via ballot. There is one staff governor who is appointed for 2 years.

Trustees are recruited in accordance with the requirements of the Articles of Association of the UTS. Two hold named offices in the University of Cambridge; six are appointed by the University Council; the Headteacher is ex officio a Trustee; two (during 2019-2020) Parent Governors are elected by parents; one teacher is elected by staff members; two further members may be co-opted by the Governing Body. The Governing Body presently includes members from both inside and outside the University with professional involvement in education, law, finance, human resources, management and administration.

### Policies and Procedures adopted for the Induction and Training of Trustees

The Trust is a Member of the National Governors' Association, which provides up to date information on school governance matters, Ofsted requirements, and school accountability. The Board has designed an induction process to explain the purpose and role of Governors, and all new Governors receive an induction pack. The Trustees also undergo ongoing training and hold an annual away day for training purposes. The Trustees undertake an induction during the first term of their appointment or being voted in. Governors review and adopt policies to ensure that the most stringent safeguarding practices are adopted. The HR committee promotes opportunities for training. All governors have undertaken safeguarding training and do so annually. Governors have an operational plan to hold themselves to account for their work. They also seek external review of the school's work, so that they can be assured that practice is benchmarked with other successful schools. The school is reviewing induction of governors and training for 2019-2020.

### Organisational Structure

Despite the restrictions posed by COVID-19 lockdown, during the year the Board of Governors has met 4 times. The Board establishes an overall framework for the governance of the Trust and determines Membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

Committees of the governing body have delegated responsibilities, and four committees exist, as follows:

- Education Committee
- Finance Resources & Buildings Committee
- Human Resources Committee
- Research Committee

The following decisions are reserved to the Board of Governors; to consider any proposals for changes to the status or constitution of the Trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Governors, to approve the Annual Development Plan and budget.

The Governors are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Trust by the use of budgets and other data, and making major decisions about the direction of the Trust, capital expenditure and staff appointments. Some financial responsibilities are delegated to the Finance Resources & Buildings Committee and the Headteacher.

The Trustees and Board of Governors have devolved responsibility for day to day management of the Trust to the Headteacher. The Headteacher implements the policies laid down by the Governors and reports back to them on performance. During 2019-2020, the Headteacher undertook significant replanning of the staff structure to be implemented in 2020-2021. Governors at committee and Full Governing Body level reviewed and scrutinised plans and the financial impact of staff structural changes. Decisions are noted in minutes.

The Headteacher is the Accounting Officer.

The Director of Business is the Chief Finance Officer. They are an employed member of the school.

The staffing for 2019-2020 included the following roles:

- Operational Leadership Team: Headteacher and three Assistant Headteachers (one of whom is the SENDCo) and Senior Learning Coach Coordinator. All senior leaders were non-class based although had 50% teaching responsibilities.
- Operational Middle Leadership: Four leaders (all on upper payscale);
- Class teachers (12);
- Admin & Support roles Team: 1x full time School Office and Business Manager, a full-time receptionist, a full time Business Support Assistant and casual contract HR Assistant; 20 teaching assistants)

**Trustees' Report (Continued)**

**Arrangement for setting remuneration of key management personnel**

The school has adopted the National payscales and framework for setting pay. The school has an appraisal and performance management policy that is linked with teachers' standards and for senior leaders is linked with the Headteachers' non-statutory standards. The school implemented a governor approved People Strategy to refocus appraisal and performance expectations on the qualities of engagement and standards. There is a robust process of appraisal. The Headteacher's overarching target by which the quality of his work is judged is:

The Headteacher is responsible for establishing the new and unique University Training primary school; building an ethos with democratic notions of education at its heart; creating a high expectation educational community in which empathy, courage, trust, respect and gratitude enable children and staff to realise their potential. The school aspires to be a beacon of excellence and hope locally, nationally and internationally to fulfil the University's mission to contribute to the betterment of society.

**Particular targets:**

<p>Objective 1: Engaging Communities: Culture, ethos and development</p> <p>To develop a reflective coaching culture within the school so that improvements in communication and parental relationships were enhanced.</p>
<p>Objective 2: Leadership</p> <p>To develop the leadership structure of the school so that it is fit for purpose where leaders at all levels use their initiative, plan strategically and take responsibility for their areas.</p>
<p>Objective 3: Ethos, Progress and Standards</p> <p>To ensure that standards of progress and achievement in all year groups is good and benchmarked favourably with other outstanding schools through moderation and precise quality assurance processes.</p>
<p>Objective 4: Research</p> <p>To develop the distinctive character of the University Training School through managing opportunities to be able to read cutting edge educational literature and keep abreast of the fast moving National and Global educational field of primary education.</p>
<p>Additional Objective 5: Crisis Management</p> <p>To ensure that the school and educational offer for children was suitable and of high quality during the COVID-19 Pandemic. To implement our Business Continuity Plan and create new unprecedented planning for the closing of the school and reopening.</p>

The Headteacher is appraised by four people, including Dr Kirsty Allen the Chair of Governors, Ms Claire Vane, Mrs Sam O'Byrne and an external adviser. The external adviser, Mrs Rachel Mortlock, is a highly experienced education consultant; she provides pertinent and challenging advice to the chairs of governors. The external adviser visited the school three times over the year to review the quality of work and to ensure that she has a comprehensive understanding of the context within which the Headteacher works.

The Assistant Headteachers are appraised following the same policy as teachers, although expectations are higher; targets are linked with the Headteacher's aspirational targets. All three Assistant Headteachers successfully met their targets, providing evidence of their work and the progress of all children in their care. The Headteacher recommended that all members of staff moved up one point on their pay scale because of good performance. This was evidenced at robust end of year appraisal meetings.

It was necessary, due to the COVID-19 pandemic lockdown to readjust and change targets to reflect the new context in which personnel were working. These new targets remained aspirational. It was more challenging to evidence impact on standards of children in relation to SATs, Phonics check and Good Level of Development in the Early Years.

**Related parties and other Connected Charities and Organisations**

The ultimate parent undertaking and ultimate controlling party is the University of Cambridge, which is the parent of the smallest and largest group of undertakings to consolidate these financial statements. Copies of the University of Cambridge consolidated financial statements can be obtained from the Registry at The Old Schools, Trinity Lane, Cambridge, CB2 1TS. Cambridge University is a world leading organisation that has a global reach. As a global university, it supports the school in connecting with other departments and leading experts in their field. For example, the school's partnership with Cambridge Zero, the university's ground-breaking initiative to reduce carbon emissions and support the knowledge about

**Trustees’ Report (Continued)**

climate change, has supported the curriculum design of the school. The university also supports the Headteacher by facilitating greater network opportunities to enhance the work of the school in curriculum, pedagogy and knowledge content.

**Objects and Aims**

The University of Cambridge Primary School is committed to exemplary teaching and learning for children. In its approach to learning, it aims to be creative, bold, free thinking and rigorous. The achievement of the school’s learning outcomes will be underpinned by a commitment to the values of excellence, equity and learner empowerment.

The school endeavours to put into practice what matters to children and it will also be an innovative professional learning community for teachers. In seeking to provide outstanding education for the children, the school will engage and partner with neighbouring primary schools.

The school aims to be:

Ambitious: everyone will be encouraged and enabled to achieve and attain highly

Innovative: the learning community will benefit from belonging to a research and teacher education community both within the school itself and as part of wider University and school partnerships

Inclusive: diversity will be welcomed in a caring environment where everybody will be valued.

**Objectives, Strategies and Aims**

**Our Mission: Rethinking education – nurturing compassionate citizens.**

- The University of Cambridge Primary School is committed to improving education for all children, everywhere.
- In partnership with the University and the Faculty of Education, we aim to boldly articulate a truly inclusive, ambitious and innovative education, rooted in evidence informed practices. We will passionately advocate the need to nurture compassionate citizenship in primary education.
- Our five-year goal is to become a primary research centre and to work and connect with at least one thousand educators regionally, nationally and internationally and make a significant and lasting impact on primary education; so that all our children are flourishing learners and our teachers are inspiring educators.

Flourishing Children	Inspiring Educators	Engaging Communities
To ensure learning is joyful and challenging in all subject areas To ensure that all children progress very well from their starting points and are nurtured to become compassionate citizens To inspire all children to be actively engaged in a wide range of enrichment activities outside the curriculum. To continue to design engaging, challenging and purposeful curricula so that children love learning To inspire all children to articulate a purpose and passion for their futures.	To create a vibrant and intellectually stimulating environment in which to work, underpinned by efficient and effective systems and processes. To engage and excite our educators to be intellectually curious about their practice, pedagogies and curriculum. To be a research-informed and research-generating school and inspire others to engage in new thinking about education, regionally, nationally and internationally.	To initiate opportunities to engage with our local communities including primary and secondary schools. To collaborate with the University to shape priorities to increase opportunities in education regionally, nationally and globally. To nurture strong and mutually beneficial partnerships with our parent and carer families, business, University and communities. To provide excellent professional learning opportunities and support to colleagues who need it locally, regionally, nationally and internationally.

**Public Benefit**

The Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The object of the UTS Cambridge trust (“the Object”) is 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 a school offering a broad and balanced curriculum.

Article 5 of the Articles of Association contains ways in which the Trust will aim to further public benefit. These include:

to establish or support, whether financially or otherwise, any charitable companies, trusts, associations or institutions formed for all or any of the Object;  
 Trustees’ Report (Continued)

to co-operate with other charities, other independent and maintained schools, institutions within the further education sector, voluntary bodies and statutory authorities operating in furtherance of the Object and to exchange information and advice with them;

to provide educational facilities and services to students of all ages and the wider community for the public benefit;

## Trustees' Report (Continued)

to carry out research into the development and application of new techniques in education in particular in relation to its approach to curriculum development and delivery and to publish the results of such research, and to develop means of benefiting from application of the experience of industry, commerce, other educational institutions and the voluntary sector to the education of pupils in academies.

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

## Strategic Report

### Achievements and Performance

Due to the COVID-19 lockdown of schools, external assessments did not take place. Predicted results in Year 6 showed very high levels of progress from starting points and above National expectations. It was unprecedented to close schools which has seen a massive disruption in children's formal education. The school has had a successful fourth year. The experience of parents and their children has been overwhelmingly positive with over 91% parents saying that communication during the lockdown period was good or outstanding. 75% of parents said that their children were engaged or highly engaged in the online educational offer. Attendance figures as of March 2020 were 97.7% indicating children love coming to school and their parents are committed to ensuring good attendance.

### Key Performance Indicators

Statutory Assessments were not undertaken during 2019-2020. The unprecedented impact of the pandemic and resultant closure of schools meant that there were no external examinations or assessments in 2019-2020. This means that there is no official data to present as part of this report.

Continued successful pupil recruitment, culminating with 470 pupils enrolled as at October 2019 census date, against a pupil admissions' number of 480;

The experience of parents and their children has been overwhelmingly positive with over 91% parents saying that communication during the lockdown period was good or outstanding.

75% of parents said that their children were engaged or highly engaged in the online educational offer.

Attendance figures as of March 2020 were 97.7% indicating children love coming to school and their parents are committed to ensuring good attendance.

### 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 Statement of Accounting Policies.

### Financial Review

Much of the academy's income is obtained from the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes relating to the provision of education. These grants received from the Education Skills Funding Agency (ESFA) during the year ended 31 August 2020 amounted to £1,934,229 and together with the associated expenditure, are shown as restricted funds in the statement of financial activities.

The Trust has also been in receipt of start-up grants from the ESFA amounting to £49,500. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted funds.

During the year the Trust continued to receive grants from the University of Cambridge towards start-up costs and expenditure on Fixtures, Fittings and Equipment, and ICT. Grants of £59,790 were recognised in the year, and are also shown in the Statement of Financial Activities as restricted funds. Where fixed assets have been purchased from these grants, a transfer of £59,790 has been made to transfer funds into the restricted Fixed Asset fund.

During the year ended 31 August 2020, total expenditure of £2,229,669 was covered by recurrent grant funding from the ESFA together with grants from the University of Cambridge and other sources of income. The excess of income over expenditure for the year (excluding restricted fixed asset and pension funds) was £145,314.

At 31 August 2020 the net book value of fixed assets was £15,492,441 and movements in tangible fixed assets are shown within note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Trustees' Report (Continued)

In accordance with FRS102, the academy received an actuarial assessment of the pension scheme deficit. The deficit balance of £366,000 is included within the balance sheet as at 31 August 2020 and supporting note 23 to the accounts.



## Trustees' Report (Continued)

### Financial and Risk Management Objectives and Policies

UTS Cambridge is subject to a number of risks and uncertainties in common with other Academies. The Trust has in place procedures to identify and mitigate risks. These are discussed further in the Principal Risks and Uncertainties section of this report and in the Governance Statement on page 11.

### Reserves Policy

The Trustees aim to build the general reserves of the Trust to provide sufficient working capital to cover delays between spending and receipt of grant funding, and to provide a cushion to deal with unexpected financial demands. Through a combination of future government funding and start-up financial support from the University of Cambridge, the Trustees are satisfied that the Trust's reserves will be sufficient for its current purposes.

The Trust held reserves of £15,492,441 as at 31 August 2020. Restricted general funds amounted to £114,157 and comprise £100,814 of unspent recurrent grants for the provision of education which are carried forward into the next year.

Other restricted general reserves of £13,343 represent grants for start-up costs to be carried forward to support new-class expenditure in future years.

The Trust has recognised a deficit on the Local Government Pension Scheme (LGPS) of £366,000 which has reduced the balance of restricted general reserves.

Reserves on the Restricted Fixed Asset Fund were £15,533,859, and may only be realised by disposing of fixed assets.

Unrestricted reserves were £210,425 and are freely available.

The balance held on Restricted General Funds (excluding Pension reserve) and Unrestricted Funds was £324,582 as at 31 August 2020.

### Investment Policy

During the year, the Trust has held all its funds in a non-interest bearing current account.

### Principal Risks and Uncertainties

The Governors have assessed the major risks to which the Trust is exposed, in particular those in relation to the specific teaching, provision of facilities and other operational areas, and to finances. The Governors have introduced policies and systems which are reviewed as part of our strategic review cycles; there are also operational procedures and internal financial controls, in order to minimise risk. Through its suite of policies, the Trust has set the tone and expectations for an effective system of internal financial management. Where significant financial risk remains, they have ensured that they have adequate insurance cover. There is also external scrutiny provided by the Finance Buildings & Resources committee which is chaired by a qualified accountant (Dr Ian McEwan) and has representation from the Faculty of Education and University. There is considerable experience in relation to business, due diligence and financial accounting on the committee.

### Impact of COVID-19

The impact of COVID-19 National Lockdown resulted in reduced capacity to impact on the progress and attainment of children. Despite a well thought out online educational offer, concerns about progress in reading, writing and maths and also in children's well-being and attitudes to learning were raised. The school subsequently took preventative steps so that when children joined school again in September 2020, we were ready to support their catch up and re-integration with an ambitious intervention plan.

The school did have to spend more on COVID-19 related activities including the hire of additional wash units, sanitising units and resources to improve hygiene. This was claimed as an additional cost to the EFSA and there was no significant impact on our financial security. Governors agreed that £26K of our surplus could be spent in supporting the re-integration of children. The impact of this expenditure will be reported to governors and in the accounts for 2020-2021.

The school parent associated (FOCUS) was unable to host fundraising events from March to August 2020. However, the parent-led initiative called Green Shoots (monthly donations to the school) raised £14,221 and so COVID-19 lockdown did not significantly impact on fundraising activities. We did lose income from the hire of the hall.

As a stand-alone Free School, we do not have the support of a wider trust and therefore capacity to lead and drive through change is always a risk if people are unwell or off work. Two members of the senior leaders were ill with suspected COVID-19 for between 2 and 3 weeks during the lockdown which compromised the leadership capacity: the team, however, works well together supported by governors and the school online, in school keyworker provision and reduced school face to face

**Trustees' Report (Continued)**

teaching in June and July continued to provide effective provision. This was corroborated by Rachel Mortlock, the school external adviser.

There are no concerns about potential risk to defined benefit pension liability. The school does not have investments.

The school has good reserves, accrued since opening in 2015. Governors have requested updates to the reserves' policy which will support any COVID-19 related costs and strategies needed to mitigate the loss to learning that has arisen due to the lockdown.

**Plans for Future**

The school had planned to open a Nursery in September 2020, but this has been delayed due to COVID-19. It is also working with Cambridge University to develop a Primary Education Research Centre, to be a leading hub for professional learning and development.

**Funds held as Custodian Trustee on behalf of Others**

The Trust and its Governors do not act as the Custodian Trustees of any other Charity.

**Auditors**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' Report and the Strategic Report were approved by the Board of Trustees, as the company directors, on the 2<sup>nd</sup> December 2020 and signed on the Board's behalf by:



Dr Kirsty Allen  
Chair of Governors

## Governance Statement

### Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that UTS Cambridge 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 the DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day to day responsibility to the Headteacher, 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 UTS Cambridge 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 Trustee's Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met four 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 Amy Weatherup	4	4
Dr Ian McEwan	2	4
Dr Martin Vinnell	2	2
Professor Graham Virgo	3	4
Dr James Biddulph	4	4
Mrs Penny Coltman	3	4
Mr Laurence Weeks	4	4
Mrs Sharon MacManniman	0	0
Mrs Lucy Bullen-Smith	4	3
Mr Adam Kerr	2	4
Dr Kirsty Allen	3	4
Ms Claire Vane	3	4
Mr Iain Hood	4	4
Mrs Samantha O'Byrne	4	4
Professor Susan Robertson	2	4

### Governance Review

Governance is regularly reviewed by the Trustees at the meetings of the Board of Trustees.

The Finance, Resources and Buildings Committee is a subcommittee of the main Board of Trustees. Its purpose is to monitor and review the financial performance and resource utilisation of the Trust, including budget setting and monitoring. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Dr Ian McEwan	0	4
Dr James Biddulph	4	4
Mr Laurence Weeks	3	4
Mr Adam Kerr	4	4
Mr Iain Hood	4	4

## **Governance Statement (Continued)**

### **Review of Value for Money**

As accounting officer, the Headteacher has responsibility for ensuring that the academy 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 academy trust has delivered improved value for money during the year by:

#### **1. Staff deployed resources:**

All teaching staff are fully qualified and were recruited following a National advertising process. There is a healthy balance of experienced and new to teaching staff so that there is strategic and ongoing succession planning. This will ensure the school has the capacity to grow and develop successfully in the future. Teaching Assistants (who are called Learning Coaches to reflect the quality of the work in which they are engaged) work collaboratively with teachers. They are a highly valued resource. The pressure on staff during the lockdown has been considerable and the senior leaders are working to support the well-being of the wider team through the period and also beyond into the next academic year.

#### **2. Individual pupil focus:**

One of the biggest challenges of our rapidly growing school is supporting the team through induction and change, as well as ensuring the wider community understands how changes are implemented. This has been made more difficult due to the 2020 COVID-19 lockdown of schools. Change management is key. Ongoing crisis management has been the main focus since March 2020; responding to Public Health; discussing standards of online learning with senior team and governors; planning for the reopening of the school and catch up strategy.

#### **3. Collaboration with other schools:**

The school is a key hub for the Chartered College of Teaching running a number of events. We welcome over 30 visits from schools locally and Nationally. We are developing links with other schools through our leadership of the DIALLS research project, which is a multi-million-pound European funded research into cultural literacy project. The school is part of the CB4 local cluster of schools.

#### **4. Quantifying improvements:**

The school presents data to the Department for Education at three key milestones: at the end of Early Years, Phonics Check at the end of Year 1 and KS1 SATs at the end of Year 2. This was not required or possible due to the COVID-19 lockdown of schools. The results are predictions based on teacher assessments and moderations of children's standards in March 2020.

#### **5. Financial governance and oversight:**

The Governing Body has a Finance Resources and Buildings Committee which holds the Headteacher to account. All policies were approved prior to opening the school. All those involved in the financial aspect of the school have undergone thorough induction to ensure all procedures are understood and followed. The school has recruited the services of Schools' Choice to support its clerking and governance management, financial operational and strategic management and also, with a different and non-conflicted department, with Schools' Choice audit team to review our financial working practices. Mrs Amy Weatherup is also the Chair of Governors of another primary school and is recognized as a National Leader of Governance; this gives extra expertise to the level of scrutiny and challenge that we expect at our school.

#### **6. Better purchasing:**

The Trust's financial procedures have clear parameters outlining the way it selects goods and services to ensure good value for money. The Trust works with the University's procurement team to ensure best practice is followed. This has allowed us to gain benefit from economies of scale through their networks.

#### **7. Fitness for purpose:**

All contracts are carefully considered for their fitness for purpose and services. All decisions will be reviewed on a regular basis to ensure that these are indeed fit for purpose.

#### **8. Benchmarking:**

Schools' Choice also provide benchmarking data that is published by the DfE and hold the Headteacher to account for decisions made, in relation to this data.

#### **10. Options appraisal:**

All purchases are linked to the School Development Plan and in the future with clear links to the learning of the children. We buy good quality products in order that they have a longer time life but also consider the overall value for money. Our procurement policy makes clear expectations about tendering and researching for best value products and services.

#### **11. Economies of scale:**

The Trust works with the University of Cambridge to identify where it can capitalize on economies of scale. We have also

#### **Governance Statement (Continued)**

developed partnerships with other Teaching Schools Alliance and Multi Academy Trusts to buy into their services (e.g. IT support). For example, we have employed the services of MEARs facilities management to reduce the overall costs of cleaning, maintenance and security.

#### **12. Reviewing controls and managing risks**

A clear risk management process for Finance, Health and Safety and Behaviour and Well-being is in place.

The school employs the services of Schools' Choice Finance. This has strengthened the financial management and strategic planning of the school. The Headteacher receives monthly budget reports. Updates are reported to the Finance Resources & Buildings Committee and Full Governing Body via minutes from the FRB Committee. Finance is a regular agenda item. The Headteacher and finance team discuss monthly management information reports, including bank reconciliations, with working papers attached.

Policies and procedures are reviewed as part of a managed review cycle.

Changes in authorization have taken place based on findings from previous statutory audit so Assistant Headteachers also have authorization responsibilities. These were implemented during 2019-2020.

#### **13. Trade Union Facility Time**

The school has fewer than 49 full time employees working throughout any 7-month period. Therefore, there is no requirement for paid trade union facilities time. No member of staff has volunteered to become a union representative at the school.

#### **14. Fundraising**

The majority of the school's fundraising activities occurs within the parent community, and particularly is organised and run by the Friends of Cambridge University School (FOCUS) which is the name of the school Parent Teacher Association. The parents have also instigated a Green Shoots fund; this fund is non-restricted and is given to the school with gift aid as appropriate. Most activities (cake sales, community events etc) earn small amounts of money, although over the year £14,936 was raised. The school's Assistant Headteacher for community is part of FOCUS and has oversight of their activities. They report their accounts and fundraising activities at their Annual General Meeting. They are a separate entity to the school, also with charities status. The school gains financial benefit from their work. The school has not applied for grants nor has it sought large donations.

There was considerably less additional income from fundraising due to the COVID-19 lockdown of schools.

Focus income: £715

Green Shoots income: £14,221.

#### **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 academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 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 academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance, Resources and Buildings' 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;
- identification and management of risks

### **Governance Statement (Continued)**

UTS Cambridge is subject to the University of Cambridge's internal audit programme.

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

- testing of payroll systems
- testing of purchasing systems
- testing of petty cash systems
- testing of income controls systems

On an annual basis, the school seeks review of its processes. We carry out an internal review (with Schools Choice) and external audit with PEM. A report is given to the board of trustees through the finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

There is one breach of policy on procurement. Owing to a misunderstanding of the policy on procurement, the Trust did not obtain a number of quotes for the playground equipment part funded by the Parent Teacher Association, FOCUS. Review of authorisation for accounts has taken place during a period of changes in staffing and will continue to be monitored and reviewed by the Finance Buildings and Resources committee.

### **Review of Effectiveness**

As accounting officer, the Headteacher 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 Finance Division of the University of Cambridge
- the work of the Trustees within the Trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor

Approved by order of the member of the board of trustees on 2<sup>nd</sup> December 2020 and signed on its behalf by:



**Dr Kirsty Allen**  
Chair of Governors



**Dr James Biddulph**  
Accounting Officer

## Statement of Regularity, Propriety and Compliance

As accounting officer of UTS Cambridge, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

- **Financial issues**

Owing to a misunderstanding of the policy on procurement, the Trust did not obtain a number of quotes for the playground equipment part funded by the Parent Teacher Association, FOCUS.



**Dr James Biddulph**  
Accounting Officer

**2<sup>nd</sup> December 2020**

## Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 in the Charities SORP 2015 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 2<sup>nd</sup> December 2020 and signed on its behalf by:



**Dr Kirsty Allen**  
Chair of Governors



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## INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF UTS CAMBRIDGE

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### Opinion

We have audited the financial statements of UTS Cambridge (the 'academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 academy'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 academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

### 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.

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## INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF UTS CAMBRIDGE

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### 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 academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- 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.

### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy 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.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF UTS  
CAMBRIDGE**

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**Use of our report**

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

*Judith Coplowe*

Judith Coplowe (Senior Statutory Auditor)

for and on behalf of

**Peters Elworthy & Moore**

Chartered Accountants  
Statutory Auditors

Salisbury House  
Station Road  
Cambridge  
CB1 2LA

Date: 11 December 2020

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO UTS CAMBRIDGE AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 19 November 2019 and further to the requirements of the Education & 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 UTS Cambridge 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 UTS Cambridge and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to UTS Cambridge and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UTS Cambridge and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of UTS Cambridge's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of UTS Cambridge's funding agreement with the Secretary of State for Education dated 26 September 2014, 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 the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusions includes:

- Review of the general control environment and governance arrangements
- Review of Trust's activities and minutes of meetings
- Review of the register of interests and related party transactions ensuring compliance with the Financial Handbook
- For a sample of expenditure testing it has been properly authorised and complies with the approved procurement rules and policies
- Review of transactions and events to ensure compliance with delegations and freedoms as described in the Financial Handbook.

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO UTS CAMBRIDGE AND  
THE EDUCATION & SKILLS FUNDING AGENCY**

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**Conclusion**

In the course of our work, except for the matter noted below, nothing has come to our attention which suggests that 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.

As noted in the Statement of Regularity, Propriety and Compliance, owing to a misunderstanding of the policy on procurement, the Trust did not obtain a number of quotes for the playground equipment funded by the Parent Teacher Association, FOCUS.

*Judith Coplowe*

Judith Coplowe (Senior Statutory Auditor)

**Peters Elworthy & Moore**

Chartered Accountants  
Statutory Auditors

Salisbury House  
Station Road  
Cambridge  
CB1 2LA

Date: *11 December 2020*

**Statement of Financial Activities for the year ended 31 August 2020  
(including Income and Expenditure Account)**

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2020 £	Total 2019 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	23,172	-	20,898	<b>44,070</b>	35,829
<i>Charitable activities:</i>						
Funding for the academy trust's educational operations	3	58,414	2,196,024	-	<b>2,254,438</b>	1,901,771
Teaching Schools	26	22,949	-	-	<b>22,949</b>	-
Other trading activities	4	41,950	-	-	<b>41,950</b>	60,766
<b>Total</b>		<u>146,485</u>	<u>2,196,024</u>	<u>20,898</u>	<u><b>2,363,407</b></u>	<u>1,998,366</u>
<b>Expenditure on:</b>						
Raising Funds	5	472	-	-	<b>472</b>	2,528
<i>Charitable activities:</i>						
Academy trust educational operations	6	80,772	2,229,641	411,172	<b>2,721,585</b>	2,220,245
Teaching Schools	5	310	-	-	<b>310</b>	2,650
<b>Total</b>		<u>81,554</u>	<u>2,229,641</u>	<u>411,172</u>	<u><b>2,722,367</b></u>	<u>2,225,423</u>
<b>Net income / (expenditure)</b>		64,931	(33,617)	(390,274)	<b>(358,960)</b>	(227,057)
<b>Transfers between funds</b>	15	-	(73,629)	73,629	-	-
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	15,23	-	(8,000)	-	<b>(8,000)</b>	(137,000)
<b>Net movement in funds</b>		64,931	(115,246)	(316,645)	<b>(366,960)</b>	(364,057)
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 September 2019	15	<u>145,494</u>	<u>(136,597)</u>	<u>15,850,504</u>	<u><b>15,859,401</b></u>	<u>16,223,458</u>
<b>Funds carried forward at 31 August 2020</b>		<u><b>210,425</b></u>	<u><b>(251,843)</b></u>	<u><b>15,533,859</b></u>	<u><b>15,492,441</b></u>	<u>15,859,401</u>

All of the academy's activities derive from continuing operations during the financial period.

The notes on pages 26 to 44 form part of these financial statements

**Statement of Financial Activities for the year ended 31 August 2019  
(including Income and Expenditure Account) showing comparatives by fund**

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2019
	£	£	£	£
<b>Income and endowments from:</b>				
Donations and capital grants	26,216	-	9,613	<b>35,829</b>
<i>Charitable activities:</i>				
Funding for the academy trust's educational operations	64,756	1,837,015	-	<b>1,901,771</b>
Other trading activities	60,766	-	-	<b>60,766</b>
<b>Total income and endowments</b>	<b>151,738</b>	<b>1,837,015</b>	<b>9,613</b>	<b>1,998,366</b>
<b>Expenditure on:</b>				
Raising Funds	2,528	-	-	<b>2,528</b>
<i>Charitable activities:</i>				
Academy trust educational operations	111,282	1,791,595	317,368	<b>2,220,245</b>
Teaching Schools	2,650	-	-	<b>2,650</b>
<b>Total expenditure</b>	<b>116,460</b>	<b>1,791,595</b>	<b>317,368</b>	<b>2,225,423</b>
<b>Net income / (expenditure)</b>	<b>35,278</b>	<b>45,420</b>	<b>(307,755)</b>	<b>(227,057)</b>
<b>Transfers between funds</b>	-	(52,496)	52,496	-
<b>Other recognised gains / (losses):</b>				
Actuarial (losses) / gains on defined benefit pension schemes	-	(137,000)	-	<b>(137,000)</b>
<b>Net movement in funds</b>	<b>35,278</b>	<b>(144,076)</b>	<b>(255,259)</b>	<b>(364,057)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward at 1 September 2018	110,216	7,479	16,105,763	<b>16,223,458</b>
<b>Funds carried forward at 31 August 2019</b>	<b>145,494</b>	<b>(136,597)</b>	<b>15,850,504</b>	<b>15,859,401</b>

**Balance Sheet as at 31 August 2020**

	Notes	2020 £	2019 £
<b>Fixed Assets</b>			
Intangible assets	10	-	118
Tangible assets	11	<u>15,504,151</u>	<u>15,829,076</u>
		<b>15,504,151</b>	<b>15,829,194</b>
<b>Current assets</b>			
Stock	12	596	864
Debtors	13	278,365	200,721
Cash at bank and in hand		<u>312,105</u>	<u>245,406</u>
		<b>591,066</b>	<b>446,991</b>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	14	<u>(236,776)</u>	<u>(172,784)</u>
<b>Net current assets</b>		<b>354,290</b>	<b>274,207</b>
<b>Total assets less current liabilities</b>		<b>15,858,441</b>	<b>16,103,401</b>
<b>Net assets excluding pension liability</b>		<b>15,858,441</b>	<b>16,103,401</b>
Defined benefit pension scheme liability	23	<u>(366,000)</u>	<u>(244,000)</u>
<b>Total net assets</b>		<b>15,492,441</b>	<b>15,859,401</b>
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>			
- Fixed asset fund	15	15,533,859	15,850,504
- Restricted income fund	15	114,157	107,403
- Pension reserve	15	<u>(366,000)</u>	<u>(244,000)</u>
<b>Total restricted funds</b>		<b>15,282,016</b>	<b>15,713,907</b>
<b>Unrestricted income funds</b>	15	210,425	145,494
<b>Total unrestricted funds</b>		<b>210,425</b>	<b>145,494</b>
<b>Total funds</b>		<b>15,492,441</b>	<b>15,859,401</b>

The financial statements on pages 22 to 44 were approved by the trustees, and authorised for issue on 2<sup>nd</sup> December 2020 and are signed on their behalf by:



Dr Kirsty Allen  
Chair of Governors



**Statement of Cash Flows for the year ended 31 August 2020**

	Notes	<b>2020</b> £	<b>2019</b> £
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	19	<b>131,930</b>	<i>(78,112)</i>
<b>Cash flows from investing activities</b>			
	20	<b>(65,231)</b>	<i>(43,487)</i>
<b>Change in cash and cash equivalents in the reporting period</b>		<b><u>66,699</u></b>	<b><u>(121,599)</u></b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Cash and cash equivalents at 01 September 2019	21	<b>245,406</b>	<i>367,005</i>
<b>Cash and cash equivalents at 31 August 2020</b>		<b><u>312,105</u></b>	<b><u>245,406</u></b>

## Notes to the Financial Statements for the Year Ended 31 August 2020

### 1. Statement of Accounting Policies

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

#### Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102) (Charities SORP (FRS102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

UTS Cambridge Academy Trust meets the definition of a public benefit entity under FRS 102.

#### Going Concern

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

#### Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount 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 period is deducted from income and recognised as a liability.

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

- **Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance related conditions) where the receipt is probable and the amount can be measured reliably.

- **Donations**

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

- **Other income**

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

## Notes to the Financial Statements for the Year Ended 31 August 2020

### 1. Statement of Accounting Policies (continued)

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- **Donated fixed assets (excluding Transfers on conversion/into 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 a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

### 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 are attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

### Intangible Fixed Assets

Intangible assets costing £1,000 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 on a straight-line basis over its expected useful life, as follows:

Purchased computer software	3 years
-----------------------------	---------

### Tangible Fixed Assets

Assets costing £1,000 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 required 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.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

• Long Leasehold Buildings	50 years
• Fixtures, fittings & equipment	5 years
• Computer hardware	3 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

## Notes to the Financial Statements for the Year Ended 31 August 2020

### 1. Statement of Accounting Policies (continued)

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.

#### Liabilities

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

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

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

#### Leased Assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

#### Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy 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 13. 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 14. 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.

#### Stock

Unsold Rucksacks and Water Bottles are valued at the lower of cost or net realisable value.

#### Taxation

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

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

#### Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 23, the TPS is a multi-employer scheme with no underlying assets to assign between employees. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

## Notes to the Financial Statements for the Year Ended 31 August 2020

### 1. Statement of Accounting Policies (continued)

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 scheme assets and the actual return on scheme assets is recognised in other recognised gains and losses.

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

#### Fund Accounting

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

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

#### Critical accounting estimates and areas of judgement

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

##### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions includes the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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 the carrying amount of the pension liability.

**Notes to the Financial Statements for the Year Ended 31 August 2020****2 Donations and Capital Grants**

	<b>Unrestricted Funds</b>	<b>Restricted Fixed Asset Funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	£	£	£	£
<b>Capital grants</b>				
Devolved Formula Capital	-	8,398	<b>8,398</b>	9,613
Capital Donations	-	12,500	<b>12,500</b>	-
<b>Other donations</b>				
Donations	23,172	-	<b>23,172</b>	26,216
	<b>23,172</b>	<b>20,898</b>	<b>44,070</b>	<b>35,829</b>

**3 Funding for the Academy Trust's Educational Operations**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	£	£	£	£
<b>DfE/ESFA Revenue Grants</b>				
General Annual Grant	-	1,754,966	<b>1,754,966</b>	1,429,608
Start Up Grant	-	49,500	<b>49,500</b>	63,000
Pupil Premium	-	43,072	<b>43,072</b>	32,342
PE Sports Grant	-	18,860	<b>18,860</b>	17,759
UIFSM	-	111,801	<b>111,801</b>	105,826
Rates Relief	-	5,530	<b>5,530</b>	4,528
	-	<b>1,983,729</b>	<b>1,983,729</b>	1,653,063
<b>Other Government Grants</b>				
High Needs Top Up Funding	-	-	-	-
SEN Additional Places	-	138,379	<b>138,379</b>	100,149
LAC Pupil premium	-	-	-	-
	-	<b>138,379</b>	<b>138,379</b>	100,149
<b>Other income from the academy trust's educational operations</b>				
Catering Income	50,055	-	<b>50,055</b>	55,688
Academy Trips	8,359	-	<b>8,359</b>	9,068
University of Cambridge				
Equipment Grants	-	59,790	<b>59,790</b>	83,803
Erasmus Project	-	14,126	<b>14,126</b>	-
	<b>58,414</b>	<b>2,196,024</b>	<b>2,254,438</b>	<b>1,901,771</b>

**Notes to the Financial Statements for the Year Ended 31 August 2020****4 Other Trading Activities**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Hire of Facilities	15,151	-	<b>15,151</b>	10,219
Items Sold	1,026	-	<b>1,026</b>	2,102
Insurance Claims	-	-	-	5,510
Other Catering Income	8,556	-	<b>8,556</b>	8,584
Supply Cover	-	-	-	2,397
Courses	-	-	-	5,213
Staff Services - Consultancy	-	-	-	904
Tickets - Concerts & Performances	-	-	-	721
Sports and Drama Clubs	17,217	-	<b>17,217</b>	25,116
	<b>41,950</b>	-	<b>41,950</b>	<b>60,766</b>

**5 Expenditure**

	<b>Non Pay Expenditure</b>			<b>Total 2020</b>	<b>Total 2019</b>
	<b>Staff Costs</b>	<b>Premises</b>	<b>Other</b>	<b>£</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>		
Expenditure on raising funds					
• Allocated Support Costs	-	-	472	<b>472</b>	2,528
Academy's educational operations					
• Direct Costs	1,553,885	411,172	179,211	<b>2,144,268</b>	1,659,603
• Allocated Support Costs	106,559	214,096	256,662	<b>577,317</b>	560,642
Teaching School					
• Direct Costs	-	-	310	<b>310</b>	2,650
	<b>1,660,444</b>	<b>625,268</b>	<b>436,655</b>	<b>2,722,367</b>	<b>2,225,423</b>

**Net Income/(expenditure) for the period includes:**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Operating lease rentals	<b>4,680</b>	4,680
Depreciation	<b>411,054</b>	316,619
Amortisation of intangible fixed assets (included within Charitable Activities -	<b>118</b>	749
Fees payable to auditor for:		
- audit	<b>8,578</b>	8,480
- other services	<b>730</b>	1,980
	<b>425,160</b>	<b>332,508</b>

**Notes to the Financial Statements for the Year Ended 31 August 2020**

**6 Charitable Activities**

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<b>Direct costs - educational operations</b>	<b>2,144,268</b>	1,659,603
<b>Support costs - educational operations</b>	<b>577,317</b>	560,642
	<b><u>2,721,585</u></b>	<u>2,220,245</u>

	<b>Educational Operations £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<b>Analysis of support costs</b>			
Support staff costs	106,559	<b>106,559</b>	145,718
Technology costs	16,004	<b>16,004</b>	32,142
Premises costs	214,096	<b>214,096</b>	137,784
Other support costs	224,826	<b>224,826</b>	196,109
Governance costs	15,832	<b>15,832</b>	48,889
<b>Total support costs</b>	<b>577,317</b>	<b>577,317</b>	560,642

**7 Staff**

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<b>a. Staff costs</b>		
Staff costs during the period were:		
Wages and salaries	<b>1,160,133</b>	913,285
Social security costs	<b>107,264</b>	84,820
Operating costs of defined benefit pension schemes	<b>348,779</b>	183,551
	<b><u>1,616,176</u></b>	<u>1,181,656</u>
Supply staff costs	<b>44,268</b>	119,247
	<b><u>1,660,444</u></b>	<u>1,300,903</u>

**b. Staff numbers**

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

	<b>2020 No.</b>	<b>2019 No.</b>
Teachers	17	11
Administration and support	23	21
Management	3	4
	<b><u>43</u></b>	<u>36</u>

**c. Higher paid staff**

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

	<b>2020 No.</b>	<b>2019 No.</b>
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-



## Notes to the Financial Statements for the Year Ended 31 August 2020

### Staff (Continued)

#### d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employers' national insurance contributions) received by key management personnel for their services to the academy trust was £406,631 (2019: £394,430).

### 8 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration was as follows:

Dr James Biddulph (principal and trustee):

Remuneration £90,000 - £100,000 (2019: £80,000 - £90,000)

Employers pension contributions £20,000 - £25,000 (2019: £15,000 - £20,000)

Mrs Lucy Bullen Smith (staff trustee):

Remuneration £40,000 - £50,000 (2019: N/A)

Employers pension contributions £5,000 - £10,000 (2019: £N/A)

During the period ended 31 August 2020, travel and subsistence expenses totalling £1,298 (2019: £1,246) were reimbursed or paid directly to two trustees (2019: one).

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

### 9 Trustees' and Officers' Insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

### 10 Intangible Fixed Assets

	Computer Software £	Total £
<b>Cost</b>		
At 1 September 2019	11,112	11,112
At 31 August 2020	<u>11,112</u>	<u>11,112</u>
<b>Amortisation</b>		
At 1 September 2019	10,994	10,994
Charged in year	<u>118</u>	<u>118</u>
At 31 August 2020	<u>11,112</u>	<u>11,112</u>
<b>Carrying Amount</b>		
At 31 August 2019	118	118
At 31 August 2020	<u>-</u>	<u>-</u>

**Notes to the Financial Statements for the Year Ended 31 August 2020****11 Tangible Fixed Assets**

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Total £
<b>Cost</b>				
At 1 September 2019	16,168,356	209,871	272,392	<b>16,650,619</b>
Additions	-	72,290	13,839	<b>86,129</b>
At 31 August 2020	<b>16,168,356</b>	<b>282,161</b>	<b>286,231</b>	<b>16,736,748</b>
<b>Depreciation</b>				
At 1 September 2019	485,050	131,405	205,088	<b>821,543</b>
Charged in year	323,367	49,000	38,687	<b>411,054</b>
At 31 August 2020	<b>808,417</b>	<b>180,405</b>	<b>243,775</b>	<b>1,232,597</b>
<b>Net Book Values</b>				
At 31 August 2019	15,683,306	78,466	67,304	<b>15,829,076</b>
At 31 August 2020	<b>15,359,939</b>	<b>101,756</b>	<b>42,456</b>	<b>15,504,151</b>

**12 Stock**

	2020 £	2019 £
Water Bottles	420	96
Rucksacks	176	768
	<b>596</b>	<b>864</b>

**13 Debtors**

	2020 £	2019 £
Trade debtors	8,892	18,950
VAT recoverable	70,149	59,353
Other debtors	1,629	879
Prepayments and accrued income	197,695	121,539
	<b>278,365</b>	<b>200,721</b>

**14 Creditors: amounts falling due within one year**

	2020 £	2019 £
Trade creditors	75,756	52,217
Taxation and social security	26,260	20,484
Other creditors	31,265	-
Accruals and deferred income	103,495	100,083
	<b>236,776</b>	<b>172,784</b>

**Notes to the Financial Statements for the Year Ended 31 August 2020****Deferred Income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deferred Income at 1 September 2019	<b>72,685</b>	63,541
Released from previous years	<b>(72,685)</b>	(63,541)
Resources deferred in the year	<b>80,039</b>	72,685
Deferred Income at 31 August 2020	<b>80,039</b>	72,685

At the balance sheet date, the academy trust was holding funds received in advance of £64,190 Universal Infant Free School Meals Grant, £8,363 catering income and £7,486 for academy trips (2019: £67,500 Universal Infant Free School Meals Grant, £3,205 Rates Relief and £1,980 for after school clubs).

**15 Funds**

	<b>Balance at 1 September 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>transfers</b>	<b>Gains / (Losses)</b>	<b>Balance at 31 August 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	68,643	1,754,966	(1,796,270)	-	-	27,339
Start Up Grant	3,498	49,500	(39,655)	-	-	13,343
Pupil Premium	-	43,073	(32,053)	-	-	11,020
Other ESFA/DfE Grants	21,558	136,191	(126,718)	(13,839)	-	17,192
Other Restricted Funds	4,296	-	-	-	-	4,296
University Grants	9,407	59,790	(264)	(59,790)	-	9,143
Building Capacity Grant	1	-	-	-	-	1
SEN	-	138,379	(118,993)	-	-	19,386
Erasmus Project	-	14,125	(1,688)	-	-	12,437
Pension reserve	(244,000)	-	(114,000)	-	(8,000)	(366,000)
	<b>(136,597)</b>	<b>2,196,024</b>	<b>(2,229,641)</b>	<b>(73,629)</b>	<b>(8,000)</b>	<b>(251,843)</b>
<b>Restricted fixed asset funds</b>						
DfE Group capital grants	21,268	20,898	-	13,839	-	56,005
Donated Assets	15,683,306	-	(362,172)	-	-	15,321,134
University Grants	145,930	-	(49,000)	59,790	-	156,720
	<b>15,850,504</b>	<b>20,898</b>	<b>(411,172)</b>	<b>73,629</b>	<b>-</b>	<b>15,533,859</b>
<b>Total restricted funds</b>	<b>15,713,907</b>	<b>2,216,922</b>	<b>(2,640,813)</b>	<b>-</b>	<b>(8,000)</b>	<b>15,282,016</b>
<b>Unrestricted funds</b>						
Unrestricted funds	139,023	123,536	(81,244)	-	-	181,315
Teaching School	6,471	22,949	(310)	-	-	29,110
<b>Total unrestricted funds</b>	<b>145,494</b>	<b>146,485</b>	<b>(81,554)</b>	<b>-</b>	<b>-</b>	<b>210,425</b>
<b>Total funds</b>	<b>15,859,401</b>	<b>2,363,407</b>	<b>(2,722,367)</b>	<b>-</b>	<b>(8,000)</b>	<b>15,492,441</b>

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

Restricted general funds comprise of grants from the ESFA and DfE relating to setup of the school and the provision of education for the children of the academy. SEN funding has been provided to make special educational provision to meet the needs of children with SEND. Pupil Premium is additional funding to help disadvantaged pupils of all abilities perform better. Restricted grants have been received from the University of Cambridge for the setup of the school and provision of equipment.

**Notes to the Financial Statements for the Year Ended 31 August 2020**

UCPS Is a member of an Erasmus+ project which is focused on understanding the nature of Laboratory Schools. As members of this cross-Europe project, involving four other institutions, the school engages in visits (which have been suspended because of COVID-19), intellectual work including writing books and creating a website, and exploring the themes and issues of running research informed education. The funding is from the Erasmus+ European fund. Bielefeld University is the key financial partner and it is through them that the funding is received. We are required to document use of funding into: trips and intellectual outcomes. There is a matrix for the cost of intellectual output (defined by the EU for this project). So, for example, we are expected to be engaged in 50 hours of intellectual work. The trips are allocated a defined amount of money. Any money not used explicitly on the transport and accommodation can be used as part of intellectual outputs. In essence, we work towards the amount that we receive each year. The goals and purpose of the project is to create online resources and set up a new EU network of Lab Schools, with a launch event in Paris.

Restricted fixed asset funds comprise £8,398 devolved formula capital and fund transfers from the University of Cambridge equipment grants to fund the purchase of fixed assets.

**Comparative information in respect of the preceding period is as follows:**

	<b>Balance at 1 September 2018 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>transfers £</b>	<b>Gains / (Losses) £</b>	<b>Balance at 31 August 2019 £</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	31,279	1,429,608	(1,392,244)	-	-	68,643
Start Up Grant	9,075	63,000	(68,577)	-	-	3,498
Pupil Premium	-	32,342	(32,342)	-	-	-
Other ESF/DfE Grants	11,941	128,113	(118,496)	-	-	21,558
Other Restricted Funds	7,221	-	(2,925)	-	-	4,296
University Grants	11,045	83,803	(32,945)	(52,496)	-	9,407
Building Capacity Grant	1	-	-	-	-	1
SEN	4,917	100,149	(105,066)	-	-	-
Pension reserve	(68,000)	-	(39,000)	-	(137,000)	(244,000)
	<b>7,479</b>	<b>1,837,015</b>	<b>(1,791,595)</b>	<b>(52,496)</b>	<b>(137,000)</b>	<b>(136,597)</b>
<b>Restricted fixed asset funds</b>						
DfE Group capital grants	11,655	9,613	-	-	-	21,268
Donated Assets	15,925,831	-	(242,525)	-	-	15,683,306
University Grants	168,277	-	(74,843)	52,496	-	145,930
	<b>16,105,763</b>	<b>9,613</b>	<b>(317,368)</b>	<b>52,496</b>	<b>-</b>	<b>15,850,504</b>
<b>Total restricted funds</b>	<b>16,113,242</b>	<b>1,846,628</b>	<b>(2,108,963)</b>	<b>-</b>	<b>(137,000)</b>	<b>15,713,907</b>
<b>Unrestricted funds</b>						
Unrestricted funds	101,095	151,738	(113,810)	-	-	139,023
Teaching School	9,121	-	(2,650)	-	-	6,471
<b>Total unrestricted funds</b>	<b>110,216</b>	<b>151,738</b>	<b>(116,460)</b>	<b>-</b>	<b>-</b>	<b>145,494</b>
<b>Total funds</b>	<b>16,223,458</b>	<b>1,998,366</b>	<b>(2,225,423)</b>	<b>-</b>	<b>(137,000)</b>	<b>15,859,401</b>

**Notes to the Financial Statements for the Year Ended 31 August 2020****16 Analysis of Net Assets between Funds**

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2020 £
Tangible Fixed assets	-	-	15,504,151	<b>15,504,151</b>
Current assets	226,274	335,084	29,708	<b>591,066</b>
Current liabilities	(15,849)	(220,927)	-	<b>(236,776)</b>
Pension scheme liability	-	(366,000)	-	<b>(366,000)</b>
<b>Total net assets</b>	<b><u>210,425</u></b>	<b><u>(251,843)</u></b>	<b><u>15,533,859</u></b>	<b><u>15,492,441</u></b>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2019 £
Intangible fixed assets	-	-	867	<b>867</b>
Tangible Fixed assets	-	-	16,093,241	<b>16,093,241</b>
Current assets	132,585	320,580	11,655	<b>464,820</b>
Current liabilities	(22,369)	(245,101)	-	<b>(267,470)</b>
Pension scheme liability	-	(68,000)	-	<b>(68,000)</b>
<b>Total net assets</b>	<b><u>110,216</u></b>	<b><u>7,479</u></b>	<b><u>16,105,763</u></b>	<b><u>16,223,458</u></b>

**17 Capital Commitments**

	2020 £	2019 £
Contracted for, but not provided in the financial statements ICT Equipment for delivery over two years	<b>21,985</b>	<b>253,410</b>
	<b><u>21,985</u></b>	<b><u>253,410</u></b>

**18 Commitments under Operating Leases****Operating Leases**

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	<b>4,680</b>	<b>4,680</b>
Amounts due between one and five years	<b>8,190</b>	<b>12,870</b>
	<b><u>12,870</u></b>	<b><u>17,550</u></b>

**Notes to the Financial Statements for the Year Ended 31 August 2020****19 Reconciliation of Net Income/(Expenditure) to Net Cash flow from operating activities**

	<b>2020</b>	<b>2019</b>
	£	£
Net income/(expenditure) for the year (as per the statement of financial activities)	<b>(358,960)</b>	<b>(227,057)</b>
Adjusted for:		
Amortisation (note 10)	<b>118</b>	749
Depreciation (note 11)	<b>411,054</b>	316,619
Loss on disposal of fixed asset	-	646
Capital grants from DfE and other capital income	<b>(20,898)</b>	(9,613)
Defined benefit pension scheme cost less contributions payable (note 23)	<b>109,000</b>	37,000
Defined benefit pension scheme finance cost (note 23)	<b>5,000</b>	2,000
(Increase)/decrease in stocks	<b>268</b>	(472)
(Increase)/decrease in debtors	<b>(77,644)</b>	(103,298)
Increase/(decrease) in creditors	<b>63,992</b>	(94,686)
<b>Net cash provided by / (used in) Operating Activities</b>	<b><u>131,930</u></b>	<b><u>(78,112)</u></b>

**20 Cash Flows from Investing Activities**

	<b>2020</b>	<b>2019</b>
	£	£
Purchase of tangible fixed assets	<b>(86,129)</b>	(53,100)
Capital grants from DfE / ESFA	<b>8,398</b>	9,613
Capital funding received from sponsors and others	<b>12,500</b>	-
<b>Net cash provided by / (used in) investing activities</b>	<b><u>(65,231)</u></b>	<b><u>(43,487)</u></b>

**21 Analysis of Cash and Cash Equivalents**

	At 1 September 2019	Cash flows	At 31 August 2020
	£	£	£
Cash in hand and at bank	<u>245,406</u>	<u>66,699</u>	<u>312,105</u>

**22 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.

## Notes to the Financial Statements for the Year Ended 31 August 2020

### 23 Pension and Similar Obligations

The academy 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 2016.

Contributions amounting to £29,118 (2019: £0) were payable to the schemes at 31 August 2020 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. 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.

The employer's pension costs paid to TPS in the period amounted to £170,103 (2019: £87,875).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension website](#)

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 academy 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 £89,000 (2019: £75,000), of which employer's contributions totalled £69,000 (2019: £59,000) and employees' contributions totalled £20,000 (2019: £16,000). The agreed contribution rates for future years are 21% for employers and a variable percent for employees:

Annual Salary	Contribution Rate
£0 - £13,700	5.50%
£13,701 - £21,400	5.80%
£21,401 - £34,700	6.50%
£34,701 - £43,900	6.80%
£43,901 - £61,300	8.50%
£61,301 - £86,800	9.90%
£86,801 - £102,200	10.50%

## Notes to the Financial Statements for the Year Ended 31 August 2020

### 23 Pension and Similar Obligations (continued)

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

#### Principal Actuarial Assumptions

	<b>At 31 August 2020 p.a.</b>	<b>At 31 August 2019 p.a.</b>
Rate of increase in salaries	2.70%	2.60%
Rate of increase for pensions in payment/inflation	2.20%	2.30%
Discount rate for scheme liabilities	1.70%	1.90%
Inflation assumption (CPI)	0.00%	0.00%
Commutation of pensions to lump sums	63.00%	63.00%

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

	<b>At 31 August 2020</b>	<b>At 31 August 2019</b>
<i>Retiring today</i>		
Males	22.0	22.4
Females	24.0	24.4

<i>Retiring in 20 years</i>		
Males	22.7	24.0
Females	25.5	26.3

	<b>At 31 August 2020</b>	<b>At 31 August 2019</b>
<b>Sensitivity analysis</b>		
Discount rate +0.1%	123,000	(101,000)
Discount rate -0.1%	(123,000)	101,000
Mortality assumption - 1 year increase	-	(4,000)
Mortality assumption - 1 year decrease	-	4,000
CPI rate +0.1%	24,400	(19,000)
CPI rate -0.1%	(24,400)	19,000

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

	<b>Fair value at 31 August 2020 £</b>	<b>Fair value at 31 August 2019 £</b>
Equities	233,100	193,500
Corporate bonds	36,630	33,540
Property	49,950	28,380
Cash and other liquid assets	13,320	2,580
<b>Total market value of assets</b>	<b>333,000</b>	<b>258,000</b>

The actual loss on scheme assets was £14,000 (2019: £10,000 gain).



**Notes to the Financial Statements for the Year Ended 31 August 2020****23 Pension and Similar Obligations (continued)****Amounts recognised in the statement of financial activities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current service cost	<b>(178,000)</b>	(96,000)
Interest cost	<b>(5,000)</b>	(2,000)
Total amount recognised in the SOFA	<b><u>(183,000)</u></b>	<u>(98,000)</u>

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>At 1 September</b>	<b>502,000</b>	241,000
Current service cost	<b>178,000</b>	96,000
Interest cost	<b>11,000</b>	8,000
Employee contributions	<b>20,000</b>	16,000
Actuarial (gain)/loss	<b>(12,000)</b>	141,000
<b>At 31 August</b>	<b><u>699,000</u></b>	<u>502,000</u>

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>At 1 September</b>	<b>258,000</b>	173,000
Interest income	<b>6,000</b>	6,000
Actuarial gain/(loss)	<b>(20,000)</b>	4,000
Employer contributions	<b>69,000</b>	59,000
Employee contributions	<b>20,000</b>	16,000
<b>At 31 August</b>	<b><u>333,000</u></b>	<u>258,000</u>

**24 Related Party Transactions**

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2020 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Expenditure related party transaction:

Core Sustainable Heat Management Limited – a subsidiary of The University of Cambridge  
The University of Cambridge  
Storey's Field Community Trust – a subsidiary of The University of Cambridge  
Living Song CIC – community organisation in which the Headteacher has an interest.

The following related party transactions took place in the period of account:

- the academy paid Core Sustainable Heat Management Limited which is also a subsidiary of the university £60,892 for fuel. The amount of £1,099 was outstanding at the year end.
- The academy paid Storey's Field Community Trust £152 for events.
- The academy paid University of Cambridge Information Service £258 for mobile phone costs. The amount of £24 was outstanding at year end.
- The academy paid £200 to Living Song CIC. There were no amounts outstanding at the year end.
- The trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations.
- In entering into the transactions, the academy trust has complied with the requirements of the ESFA's Academies Financial Handbook

## **Notes to the Financial Statements for the Year Ended 31 August 2020**

### **Related Party Transactions (Continued)**

Income Related Party Transaction

During the year the academy received the following:

- £59,790 in relation to equipment grants from The University of Cambridge.

### **25 Agency Arrangements**

There are no agency arrangements.

**Notes to the Financial Statements for the Year Ended 31 August 2020**

**26 Teaching School Trading Account for the Year Ended 31 August 2020**

	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
<b>Income</b>						
<b>Direct Income</b>						
Other income		22,949			-	
<b>Other Income</b>			<u>22,949</u>			<u>-</u>
<b>Total Income</b>						
<b>Expenditure</b>						
<b>Direct Costs</b>						
Staff development	310			2,650		
<b>Total direct costs</b>		310			2,650	
<b>Other costs</b>						
Other support costs	-			-		
<b>Total other costs</b>			-			-
<b>Total expenditure</b>			<u>310</u>			<u>2,650</u>
<b>Surplus/(Deficit from all sources)</b>			22,639			(2,650)
<b>Teaching school balances at 1 September 2019</b>			<u>6,471</u>			<u>9,121</u>
<b>Teaching school balances at 31 August 2020</b>			<u><b>29,110</b></u>			<u><b>6,471</b></u>