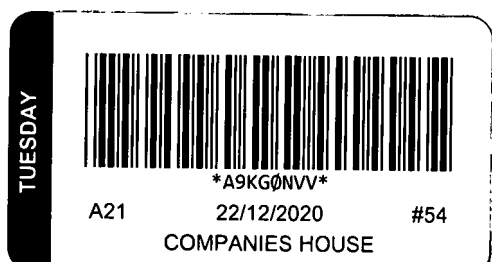


CAMBRIDGE MERIDIAN ACADEMIES TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020



CAMBRIDGE MERIDIAN ACADEMIES TRUST

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 20
Governance Statement	21 - 28
Statement on Regularity, Propriety and Compliance	29
Statement of Trustees' Responsibilities	30
Independent Auditors' Report on the Financial Statements	31 - 33
Independent Reporting Accountant's Report on Regularity	34 - 35
Consolidated Statement of Financial Activities Incorporating Income and Expenditure Account	36 - 37
Consolidated Balance Sheet	38 - 39
Trust Balance Sheet	40 - 41
Consolidated Statement of Cash Flows	42
Notes to the Financial Statements	43 - 83

CAMBRIDGE MERIDIAN ACADEMIES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

J Handy (appointed 20 January 2020)
S Jamieson
J Parris
D Ruddy
L Tranter

Trustees

S Jamieson, Chair of Trustees
M Woods, Chief Executive Officer and Accounting Officer
L Birch
M Griffiths
J Hall
A Hardy
S Hayes
J Kennedy
P Phillipson
D Ruddy
J Salter (appointed 16 September 2019)
M Squires

Company registered number

07552498

Company name

Cambridge Meridian Academies Trust

Principal and registered office

Swavesey Village College, Gibraltar Lane, Swavesey, Cambridgeshire, CB24 4RS

Chief Executive Officer

M Woods

Senior Management Team

M Woods, Chief Executive Officer
A Daly, Executive Principal
M Campbell, Executive Principal
J Dooley, Executive Principal
S Wilson, Executive Principal
R Spencer, Senior Principal
H Anderson, Director of Finance
M Sampson, Director of IT
M Hair, Director of Estates
E Jackson, Director of People and Culture (appointed 1 September 2020)
M Rayner, Executive Director SEND
M Syposz, Governance Leader

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Independent auditors

Larking Gowen LLP, King Street House, 15 Upper King Street, Norwich, NR3 1RB

Bankers

Lloyds Bank PLC, Cambridge, CB1 7BH

Barclays Bank PLC, Huntingdon, PE29 3AE

Solicitors

Eversheds Sutherland, 50-60 Station Road, Cambridge, CB1 2JH

CAMBRIDGE MERIDIAN ACADEMIES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the audited financial statements of the trust for the period 1 September 2019 to 31 August 2020. The Annual Report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Cambridge Meridian Academies Trust operates thirteen academies.

Secondary (11-16) - Swavesey Village College (SVC), North Cambridge Academy (NCA), Stamford Welland Academy (SWA).

Secondary (11-18) - Nene Park Academy (NPA), Sawtry Village Academy (SVA), Ely College (EC), The Ferrers School (TFA).

Primary (4-11) - West Town Primary Academy (WTPA), Downham Feoffees Primary Academy (DFPA), Lantern Community Primary School (LCPS), Bar Hill Primary School (BHPS).

Junior (7-11) - Sawtry Junior Academy (SJA).

Special school (4-18) - Martin Bacon Academy (MBA) (since 1 April 2020).

Structure, governance and management

a. Constitution

The trust is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association (amended by special resolution on 20 January 2020) are the primary governing documents of the trust.

The trustees of Cambridge Meridian Academies Trust are also the directors of the charitable company for the purposes of company law.

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

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Structure, governance and management (continued)

c. Method of recruitment and appointment or election of trustees

The management of the trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. The number of trustees shall be not less than three but not subject to any maximum. The company shall have the following trustees:

- (a) The chief executive officer of Cambridge Meridian Academies Trust
- (b) Up to 10 trustees appointed under article 50
- (c) co-opted trustees appointed under article 58
- (d) A minimum of two parent trustees if appointed pursuant to Articles 53 and 55

The trustees may appoint up to two co-opted trustees.

In certain circumstances the Secretary of State for Education has the power to appoint trustees.

The members may elect:

- the community trustees. The community trustees shall be drawn from the communities served by the academies.
- the education trustees. The education trustees shall have a background in education.
- the community trustees and the education trustees through such process as they may determine.

The total number of trustees (including the chief executive officer) who are employees of the trust shall not exceed one third of the total number of trustees.

Trustees complete a skills audit regularly. When a vacancy arises or a specific need is identified, trustees seek to appoint individuals to provide these skills. Potential trustees with the required skills are either identified through utilising the networks of existing staff/trustees, advertising through our academies, regional advertising through business or education networks or engaging with national support agencies (Academy Ambassadors etc) and advertised on the website. Potential trustees are then interviewed and, if successful, proposed to the members for appointment.

d. Policies adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their existing experience; an induction pack is given to all trustees. The Governance Leader provides two induction training evenings per year (for anyone new to governance within CMAT) and can provide one to one training for new trustee members. Induction is a combination of statutory requirements, such as safeguarding and child protection training, and meeting individual needs. CMAT subscribes to GOLD membership of the National Governors Association. All trustees are provided by the clerk to the trustees with copies of policies, procedures, minutes, accounts, budgets, plans and any other documents that they will need to undertake their role as trustees.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Structure, governance and management (continued)

e. Organisational structure

A clear management structure exists to effectively manage the trust. The structure now consists of six areas, the members, the trustees, the academy councils (former local governing bodies), the executive board, the directorate (trust operations team) and the academy senior leadership teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The members appoint the trustees and the auditors.

The trust board is responsible for the strategic direction and planning of the trust, approving the academy and trust budgets, monitoring cross-trust performance and making major decisions about the direction of the trust. The trustees also approve academic targets, finance policies and targets, personnel policies and all estates/IT policies and strategy. The trustees also establish and monitor levels of executive pay, in line with ESFA guidance.

The academy councils' responsibilities are determined by the trust scheme of delegation. All are responsible for ensuring individual school procedures follow trust policy, approving and monitoring the delivery of the academy development plan, monitoring academic standards, ensuring the academy council has the required skills and supporting staff appointments/ performance management. The academy councils also contribute to the creation of and monitor the financial and estates/IT plans and budgets.

The senior management team consists of two separate committees. The trust executive board consists of the Chief Executive Officer, Director of Finance, four Executive Principals (Secondary), the Executive Director of Primary Standards and the Executive Director of SEND. The Directorate directs the trust's operations and consists of the CEO, Director of Finance, Director of Estates, Director of People and Culture, Director of IT and the Governance Leader. Separate committees of secondary principals and primary principals lead on the development of curriculum, academic targets, assessment procedures and student experience in their respective sectors under the leadership of Executive Board members.

The academy senior leadership teams comprise of the Principal, Deputy Principal(s) and Assistant Principals under the guidance of a member of the Executive Board. These managers control each academy at an executive level implementing the policies laid down by the trust. As a group, the senior leadership teams are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

f. Arrangements for setting pay and remuneration of key management personnel

Key management personnel include the CEO and those staff to whom the trustees have delegated significant authority and responsibility in the day to day running of the trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the trust size (in terms of pupil numbers, schools and budget), the pay ranges for each role (which are based around the national leadership scales) and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards and the ability to recruit and retain in post, both of which are in accordance with the trust's appointment and pay policies. The Personnel Policy & Scrutiny Committee review the leadership scales operated within the trust annually and benchmark these against similar roles advertised elsewhere and any emerging comparative information from relevant organisations (eg FD or HR Forums).

All amendments to key management's pay and remuneration are approved in the first instance by the relevant governance committee. They are then shared with the Director of Finance to confirm affordability and are then finally ratified by the trustees. The trust is in the process of establishing a separate Remuneration Committee.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Structure, governance and management (continued)

g. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	6
Full-time equivalent employee number	5

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	5
1%-50%	1
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£000
Total cost of facility time	4
Total pay bill	37,826
Percentage of total pay bill spent on facility time	0.011 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
---	-----

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Structure, governance and management (continued)

h. Engagement with employees (including disabled persons)

Cambridge Meridian Academies Trust maintains regular engagement and consultation with employees and stakeholders through a variety of means. Such engagement and consultation helps to shape decision making and the allocation of resources to support professional development and employee well-being. The Personnel Committee of the trust meets every half term to review and evaluate a range of information relating to the workforce such as attendance and welfare information, feedback from staff surveys, recruitment and retention information, and the provision of training and professional development.

The trust CEO and HR staff meet half termly with representatives from each of the major trade unions to negotiate and consult on policy matters, future developments and emerging concerns or representations from members. We recognise all the trades union and engage actively with them in the pursuit of harmonious working relations and good practice.

The trust maintains a website, which is updated regularly with key information and policy details. Employees are also able to view a range of information relating to the work and policies of the trust using the internal 'sharepoint' or intranet. Significant developments are shared through email cascade, and all schools and other arms of the business publish regular (usually weekly) staff bulletins or updates.

In our schools and other areas of our business, all employees are subject to annual performance management and appraisal meetings at which professional development priorities are identified and planned for. In most cases, this is supplemented by regular, scheduled line management discussions. In our schools, staff feedback and views are gathered through surveys, forums, meetings and consultation with local trade unions representatives. The trust publishes a bi-annual magazine ('My CMAT') to inform and update employees on key trust developments, as well as highlight and celebrate the work of employees across the trust. Parent and student views are also gathered through a range of means including surveys, parent forums, quality assurance work and school councils.

In 2019/20, the challenges of Covid-19 saw an acceleration of communication through online platforms and remote meetings. Staff received training and support in accessing this, and we have held regular consultations and surveys with staff around the steps taken to mitigate risk and create a 'Covid-secure' working environment.

Recruiting, developing, training, promoting and retaining persons with a disability or health condition for Academic Year 19/20

Within CMAT's Recruitment Policy there is an Equal Opportunities Statement outlining that the trust is committed to ensuring that the recruitment and selection process is accessible to all. This policy is reviewed annually by the Personnel Committee to ensure compliance with the Equality Act 2010. The TES application system enables us to identify equalities information to allow for best practice to be used during the shortlisting process and reduce any bias.

To compliment the Recruitment Policy, there is also a comprehensive Manager's guide giving advice to our Managers on best practice regarding how to comply with diversity during the selection process including short listing practices and accessibility during interviews. All new recruits are required to complete pre-employment health checks via our Occupational Health provider ensuring all new applicants are supported with any existing health conditions or disabilities.

For existing employees who have a newly diagnosed disability or health condition, possibly following long term sickness, there is the option to use the Occupational Health provision reports, whose expert advice will support any changes to working conditions, if necessary. Information within our Sickness Absence Policy and Flexible Working Policy can support Line Managers and employees with this.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Structure, governance and management (continued)

Engagement with employees (including disabled persons) (continued)

This year the Equality, Diversity and Inclusion Policy has been reviewed and updated to provide all employees with up to date information and CMAT's position specifically regarding the training and development of our employees with disabilities. This policy states that training and development will be accessible to all employees and there should be no unlawful obstacles to accessing them. CMAT has also updated its Dignity at Work Policy which also states CMAT's position to help support all employees regarding victimisation and bullying. The policy gives Line Managers the tools and information to manage this effectively.

i. Engagement with suppliers, customers and others in a business relationship with the trust

The CEO or relevant Directorate Leader maintains regular communications with our suppliers, especially those with significant contracts (catering, cleaning, HR, PR and payroll) to ensure that our supply chains comply with our values and that colleagues working with us feel valued and supported. As part of our safeguarding processes, we work closely with partners who provide Alternative Provision for our most vulnerable young people. Our education conference at the start of the academic year was sponsored and facilitated by colleagues from an examination board.

Through the C19 pandemic, CMAT has sought to ensure that we are the embodiment of the values established in PPN02/20 and PPN04/20, through supporting our suppliers, whilst maintaining our duty to ensure public money is spent carefully and wisely. This has been achieved through regular contact and close scrutiny of costs with a clear focus on the spirit of the public sector ensuring our key suppliers survive through difficult times.

Objectives and activities

a. Objects and aims

The trust's object is specifically restricted to the following:

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

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Objectives and activities (continued)

b. Objectives, strategies and activities

It is the belief of the trust that the individual needs of every student should lie at the heart of any education system.

The trust equips, enables and encourages the students to achieve their best. The trust wants them to be successful learners, confident individuals and responsible citizens.

The trust aims to accomplish this by keeping every single one of the young people at the core of the trust's work.

As part of the CMAT family, the academies pool expertise and resources, think more strategically and work more confidently and imaginatively; providing collectively a higher quality education than could be achieved individually.

The hard endeavour and outstanding dedication of the staff has been vital to what has been achieved. The students and their families have been hugely supportive of the changes.

The trust is exceptionally proud of the achievements so far, but it is also looking to the future. There are exciting opportunities for the trust with free school presumptions being developed at Darwin Green, Cambridge and Corby. Trustees are confident that further opportunities will come that enhance the capacity and expertise of the trust's family of schools.

In the end though, what matters most is the quality of the education the students receive. The trustees are proud that the trust has built an environment which enables the students to learn well, to be receptive to the excellent teaching provided and, most of all, to flourish.

During 2019 20 academic year, the trust was particularly proud of the following:

1) Maintaining our record of all of our academies achieving ratings of good or better in their first, and subsequent inspections by Ofsted (when they have been with the trust for more than 2 terms) as shown by:

- The recognition of the hard work of leaders, staff, community and students at Sawtry Junior Academy in their designation as a "good" school".
- Swavesey Village College being re-inspected and again found to be "outstanding" many years after the initial designation was also well merited and recognition of the commitment to the "pursuit of excellence" over time.

2) The continued discipline in managing our finances in an increasingly challenging environment was reflected in an extremely positive SRMA visit report both for CMAT and when reviewing our support of Abbey College, Ramsey. The ultimate agreement by the ESFA to end the pernicious effect of "Lagged funding" at Stamford Welland Academy and Ely College will enable these schools to thrive without being held back by unfair bureaucratic processes.

3) The highly successful opening of Northstowe Secondary School as part of our predecessor trust (Cambridge Meridian Education Trust - CMET) and subsequent conversion to academy status as part of CMAT on 1 September 2020. Opening our first Special School, Martin Bacon Academy in a truly state of the art facility in April 2020 realises our ambition to become an all-through, all-inclusive trust as well as providing a fitting, lasting tribute to our much-missed founder.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Objectives and activities (continued).

4) CMAT academies have continued to take a leading role in key organisations such as Whole Education, the Schools, Students and Teachers Network (SSAT) and in supporting many Local Authority (LA) projects to further school improvement in the areas we serve. The support given to Cambridgeshire LA in supporting Harbour School and the Opportunity Area, the range of NLE school support projects on behalf of the DFE, the successful service level agreement with Abbey College, providing IT support to over 30 other schools and the DFE emergency support at Stratton Upper School have again illustrated our commitment to wider education in our area.

5) The teamwork and mutual support of all schools in the trust and between staff during the C19 pandemic was exemplary.

CMAT and SVC maintained an excellent track record in providing support for Local Authorities and schools often through Teaching Schools Alliance initiatives. The Cambridge Partnership was also responsible for successfully training over 100 teachers. Leadership East was successfully re accredited as providers of the national professional qualifications and also significantly increased the number of people benefitting from these excellent courses.

c. Public benefit

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

d. Related parties and other connected charities and organisations

Cambridge Meridian Academies Trust has a close working relationship with Cambridge Primary Education Trust, for example they share membership of teaching school networks and the CEO of each trust is on the board of Trustees of the sibling trust. Cambridge Meridian Academies Trust provides operational services including IT, site and financial services to Cambridge Primary Education Trust at cost. The cost for these services for the financial year ended 31 August 2020 totalled £111,229.

The trust also has a 100% trading subsidiary, CMAT Education Services Limited, the primary income of which is related to the selling of IT and other support services to schools outside the trust. Profits generated by the subsidiary company are gifted to the trust. The transactions with, and the results of, the subsidiary for the year are set out in notes 34 and 37.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Strategic report

Achievements and performance

a. Key performance indicators (KPIs)

Primary Academic Results

No SATs were taken in the Primary Schools this year but teachers were asked to assess the children on where the children would have reached by the end of the year based on December results and responses to interventions and class teaching at the point of closure. These teacher assessments were uploaded to Fischer Family Trust which gave us an average of teacher assessments over the country from FFT schools. The national averages were 6% higher than the previous year in reading and 5% higher in combined.

The analysis of this indicated that three of the primaries had combined in line with or above national, with West Town only being 1% below.

Bar Hill Primary School had maintained its previous year's results at over 10% above average in all but one measure.

Sawtry Junior Academy had improved results in reading and combined to bring it more in line with national.

West Town's reading attainment had also improved to be closer to national with other results in line or very close to national, although progress in reading was slightly below zero this year.

Downham Feoffees Primary Academy showed a set of results in line or above national with positive progress. Their higher level percentages were also either in line with national or less than a child below. This is significant movement from the 0% higher level two years ago.

Lantern Community Primary School returned teacher assessments which indicated they were above national in all areas and significantly above in writing and combined with mostly positive progress scores. This is an improvement on progress from well below average progress scores previously.

Secondary Academic Results

In 2020 COVID and the lockdown led to the closure of all secondary schools and cancellation of exams. A system of Centre Assessed Grades (CAGs) was developed by the DFE as the alternative to exams for determining outcomes for students.

To establish CAGs, CMAT schools engaged in a robust process of moderation in departments within and then across schools. The CAGs awarded by staff at department level were then moderated against estimates generated by the nationally recognised Fischer Family Trust. These estimates were based on the performance in prior years of students within each school and each department, taking into account cohort characteristics. Where proposed CAGs were identified as significantly below or above estimates, departments were asked to provide explanatory evidence, or to recalibrate their CAGs. The implication throughout was that a stringent analysis would be undertaken by the DFE, this view was supported by the advice given by professional associations such as ASCL.

Unfortunately, the government initially determined to apply an algorithm rather than establish a robust system for reviewing CAGs. After the publication of Post 16 outcomes and public outcry, the DFE was forced to accept that this was a grossly unfair system at pupil level. The DFE decided to award the highest grade of either the CAG or the product of the algorithm at A Level, and subsequently and inexplicably to repeat the same for GCSEs.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Strategic report (continued)

Achievements and performance (continued)

The trust was extremely disappointed by the manner in which the DFE mishandled this process and remains concerned by the current lack of clarity regarding plans for 2020/21.

As a result of these issues, traditional KPIs to measure our effectiveness with regard to student outcomes are inappropriate this year. Progress 8 scores and performance tables were abandoned but the table below gives the KS4 achievement at key thresholds.

Academy	Cohort	EBACC Entry	Y11 CAG A8	Y11 CAG & Ma Eng 4+	Y11 CAG & Ma Eng 5+
Ely College	240	61.0%	48.17	69%	38%
North Cambridge Academy	78	28.0%	51.05	68%	39%
Nene Park Academy	173	44.0%	48.09	66%	41%
Sawtry Village Academy	140	37.0%	51.10	74%	46%
Swavesey Village College	241	65.0%	58.42	84%	65%
Stamford Welland Academy	84	45.0%	40.57	49%	21%
The Ferrers School	166	26.0%	46.13	67%	44%
CMAT	1122	47.6%	50.1	70.5%	44.9%

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Strategic report (continued)

Achievements and performance (continued)

As schools moved into lockdown, the trust felt confident that schools had prepared young people well to achieve strong outcomes at age 16. This was supported by the work of the Curriculum & Standards (Secondary) Policy and Scrutiny Committee.

Similarly, post 16 outcomes were forecast to be strong across all schools at cohort level.

	EC* - 4 A- levels sat only		NPA		SVA		TFS	
	2019	2020	2019	2020	2019	2020	2019	2020
Cohort		28	97	88	70	77	44	35
A*-A		46.0%	7.6%	14% (10%)	17.7%	35% (23%)	13.0%	31% (26%)
A*-B		83.0%	28.4%	33% (25%)	44.7%	65% (54%)	33.0%	56% (50%)
A*-C		100.0%	57.1%	61% (53%)	74.0%	93% (84%)	61.0%	90% (80%)
A*-E		100.0%	97.5%	99% (96%)	99.0%	100% (99%)	98.0%	98% (97%)

Other traditional measures used by the trust to measure our impact at secondary level also cannot be applied due to the impact of Covid. Attendance, behaviour and other data is interrupted in March.

Across schools

The trust engaged in an Edurio survey to review the quality of our work during Covid. Whilst only 330 schools nationally responded and therefore this data remains of limited validity, responses from staff, students and parents indicated our stakeholders response was generally in line with other schools and significantly higher in some areas such as being 13 points above national expectations with regard to teacher collaboration, and how this was collaborated (8 points). Teacher perception was also 6 points above national with regard to provision of online learning which is borne out by 6 point above national response from students who said they have spent more time on learning during lockdown than in normal times. Unfortunately, this perspective was not shared by parents whose responses were 7 points below national with regard to how engaged children had been with learning. We will continue to explore these issues moving forward.

The trust sets financial key performance indicators (KPIs) to the academies and central trust. These include budgets for 5 years. For the year to 31 August 2020 the trust predicted a deficit budget of £432k. Due to additional government grants received, including lag funding for SWA and EC, savings due to Covid19 school closures, and careful management of limited staff and resources, the trust reports a revenue surplus of £699k.

The trust sets clear reserve KPIs to the academies of 5% of GAG which in the main has been achieved again by strong budget management, the cross trust sharing of staffing, driving income through enterprise, and cross trust procurement, including energy reviews and savings. KPIs are also set in the setting and reviewing of staffing plans using curriculum led financial planning. We aim to work within a bonus of between 6 and 10%, with a contact ratio of 0.75, which is being increasingly met despite the inherited challenges at some of the academies.

The strategic plan for each academy including KPIs is formulated and published internally as a business plan.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

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

c. Promoting the success of the company

In all significant decisions taken by the trust a detailed and significant period of due diligence is required to ensure decisions are taken which most likely promote the success of the company. Areas of consideration that are taken into account include the likely consequences of any decision in the long term on our existing staff and academies. Trustees have a clear responsibility, which they exercise carefully, to ensure that our capacity does not become over-stretched.

Our Estates and IT Policy and Scrutiny Committee have focused on how we can invest to reduce our energy footprint and to ensure our buildings function in the most efficient way possible, regular reports are considered on how energy saving projects are performing.

The trust maintains a strong working relationship with our Joint Consultation and Negotiation Committee and significantly increased activity during the Coronavirus pandemic to ensure that we maintain high standards of business conduct in relation to employee voice, learning from wider expertise and ensuring the highest standards of Health and Safety for our employees and students.

All of the trust's academies hold a staff forum or similar equivalent to ensure that staff voice is listened to, and surveys are regularly undertaken with parents and students to ensure that concerns or ideas for improvement are acted upon swiftly.

The CEO or relevant Directorate Leader maintains regular communications with our suppliers, especially those with significant contracts (catering, cleaning, HR, PR and payroll) to ensure that our supply chains comply with our stated values and that colleagues working with us feel valued.

Through the Coronavirus pandemic, CMAT has sought to ensure that we are the embodiment of the values established in PPN02/20 and PPN04/20 through supporting our suppliers, whilst maintaining our duty to ensure public money is spent carefully and wisely.

Financial review

a. Summary of financial position and reserves

During the year the trust received income of £67,918k. Of this sum, £46,587k was received from the Education Skills and Funding Agency, Department for Education and Local Authorities, mainly for the day to day running costs of the schools and academy conversion costs, infrastructure and school improvement. In addition, £1,008k was raised through trading and other activities, £8k from donations, £22k through investment income, £499k through trips which offset the associated trips expenditure, £44k was received from the coronavirus exceptional support scheme, £59k from the coronavirus job retention scheme grant and £1,472k related to other unrestricted income.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

£3,338k was received through capital grants in the period for spend on capital projects throughout the trust, and £14,881k relates to the recognition of the Martin Bacon property when the trust entered into a 125 year lease for the site.

Revenue

The revenue position excluding the pension fund was as follows:

Revenue excl pension fund	Restricted £'000	Unrestricted £'000	Total £'000
Brought forward	304	2,773	3,077
Income	47,089	2,610	49,699
Expenditure	(46,930)	(2,059)	(48,989)
Transfers	(11)	-	(11)
Carried forward	452	3,324	3,776

The total net movement on restricted general funds and unrestricted funds after transfers in the year was £699k. The summary of academies' balances may be found toward the end of note 23.

The trust spent £816k across its academies on furniture and equipment and IT hardware and £1,414k on improvements to buildings.

The trust's reserves are summarised below:

Reserves	Available £'000	Tangible assets £'000	Total £'000
Revenue cfw	3,424	352	3,776
Capital balances cfw	811	146,286	147,097
Total before pension	4,235	146,638	150,873
Pension fund deficit			(16,634)
Loans			(107)
Grand total			134,132

The purpose of the reserves policy for the trust is to ensure the stability of the academies' operations, and to protect it so that it can adjust quickly to financial circumstances, such as large unplanned expenditure, cyclical maintenance and working capital requirements. The trust holds reserves to provide sufficient working capital to cover delays between spending and receipt of grant income, to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred and to build up funding for planned future capital projects. The agreed level of fixed reserves per academy is 5% of defined income and per core is 0.5%. On a trust basis the agreed level of reserves has been achieved.

Reserves are reported as part of budget monitoring to the relevant academy council and to the Finance Policy and Scrutiny Committee.

Free Reserves

Since most of the trust's income is restricted grant funding received at the beginning of the month, there is no level set for free reserves. In practice, free reserves are mostly used by academies to support their overall financial position and quickly become designated funds for a project or to top up revenue income. The level of free reserves as at 31 August 2020 was £2,972k. This will be mainly used towards academies' budgets in 2020-21 and in the medium term. These reserves are categorised as unrestricted funds in the financial statements.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Restricted Reserves

These are funds which have a restriction on how they are used, comprised mainly of grant balances for Department for Education grants and General Annual Grant. The total of restricted fund reserves to carry forward is £452k (excluding the local government pension deficit of £16,634k), which relates to the teacher training arm of the trust.

Pension Fund (Local Government Pension Scheme)

Under Accounting Standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided for non teaching staff to a specific restricted reserve. As at 31 August 2020, the deficit on this reserve amounted to £16,634k. The pension deficit does not present the trust with a current liquidity problem and it should be noted that the government has guaranteed to pay any outstanding pension deficit if an academy trust is closed to maintain parity of contribution rates between local authority maintained and academy status schools.

Principal Financial Management Policies

The trust operated financial management in relation to the scheme of delegation for each academy and recognises the needs for academies to manage their financial affairs within the parameters set by the trust. The trust has a central management role and has adopted PS Financials as its accounting package, providing instant live access to all transactions across the trust and consolidation of budget management. Most purchases are authorised at academy level by the Headteacher and for the central trust by the CEO.

Principal Funding

On a day to day basis, the trust is funded principally from the following grants:

- General Annual Grant received from the Education and Skills Funding Agency;
- Pupil premium used to support outcomes for disadvantaged children;
- Other grants such as universal infant free school meals, PE and Sports grant; and
- High tariff needs top ups from the Local Authority

Academies also generate small amounts of income from school meals, lettings, uniform and other trading activities. The trust has also received funding from the Department for Education for school improvement costs for sponsored schools and academy conversion costs.

The trust received capital funding in the year from the School Condition Allocation totalling £1,947k. This is being used to fund capital projects throughout the trust including continued investment in roofing, fire safety and facilities projects.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

b. Investment policy

The Finance Policy and Scrutiny Committee reviewed the trust's investment policy and had in place a system of overnight, medium and long term deposits which generated £22k. Due to the significant drop in interest rates the trust ceased making deposits from April 2020. The trustees' power is governed by the Trustee Act 2000. This confers a general power of investment and requires the trustees to invest in a diversified range of suitable investments.

The objectives of the trust's policy is:

- To ensure that the trust has sufficient cash available to meet its commitments;
- To ensure that sufficient funds are available at short or no notice to meet foreseeable requirements and a contingency for emergency needs;
- To optimise the rate of return on other funds without undue risk;
- To protect the capital value of funds held against inflation;
- To spread risk, where appropriate; and
- To comply with the trust's Articles of Association.

In determining the level of funds available that could be considered for investment, due regard is taken of the short, medium and long term requirements of the trust. These are defined as follows:

- Short term funds likely to be expended within the next 12 months;
- Medium term funds likely to be expended between 1 to 5 years; and
- Long term funds unlikely to be required in the next 5 years.

Current policy is for all other investments to be held as cash deposits.

c. Principal risks and uncertainties

The trust board has considered and agreed an ongoing risk register. The trust board considers the principal risks and uncertainties relate predominantly to be:

- changes in funding levels especially in the light of increasing costs, especially where the ongoing; pandemic causes increased costs or has made subsidiary trading entities (leisure and wraparound care) unviable and the ongoing pressures in the high-needs block in Cambridgeshire LA;
- ensuring clarity and simplicity in our school improvement model as demands increase, and the methods by which we will be assessed becoming increasingly difficult to follow;
- ensuring that secondary academies continue to thrive and all existing issues are addressed;
- ensuring that communications and identity are not lost as the trust grows; and
- ensuring that the capacity and skills of trustees and wider governance keep pace with developments.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Streamlined energy and carbon reporting

UK greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020

Energy consumption used to calculate emissions (kWh)		10,278,931.41	Quantification and reporting methodology
Energy consumption break down (kWh) for electricity, gas and transport fuel.			
Scope	Energy Source	Emissions Tonnes (CO ₂ e)	We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.
1	Gas	1,201.34	
	Oil	-	
	Academy Vehicles	3.79	
2	Electricity Standard	841.82	
	Electricity Renewables / Nuclear	-	
3	Staff mileage in year on academy business	28.86	
Total Emissions		2,075.80	
Intensity ratio		0.26	
Intensity measurement	The chosen intensity measurement ratio is total gross emissions in metric tonnes CO ₂ e per pupil, the recommended ratio for the sector.		
Three key measures taken to improve energy efficiency	Action		
	1	We have installed smart meters across all sites to improve out understanding of energy consumption	
	2	We plan to undertake an energy audit in our academy and understand the actions we need to take to reduce our carbon footprint	
	3	We are working with Salix to secure funding from the Public Sector Decarbonisation Scheme to look at ways to reduce our Carbon Footprint	

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Fundraising

CMAT academies undertake some in house fundraising activities such as sponsored walks and enrichment days. The trust makes comprehensive endeavours to ensure that such activities are; planned effectively, that the activity organisers are effectively supervised and supported, that there is a clear protection for the trust assets and reputation in the ventures, that there is an understanding and compliance with laws, regulations and standards and that the trust is open and accountable for the fundraising activities.

Most academies within the trust generate additional income through lettings outside operational hours. In addition to this the subsidiary trading company (CMAT Education Services Limited) continued trading, the primary income of which related to the selling of IT support services to schools outside the trust. Profits generated by the subsidiary company are gifted to the trust. The results of the subsidiary for the year are set out in note 37.

Due to the onset of Covid19 on March 2020 there has been a significant drop in fundraising activities.

Plans for Future periods

The trust is keen to explore and develop partnership models, including inviting good or outstanding schools to share in its family of schools, to work with the trust to share best practice and increase the individual and collective school improvement capacity. The area in which we wish to develop is 20 miles around Peterborough, Cambridge and the main communication routes between.

After our successful opening of Northstowe Secondary College on behalf of Cambridge Meridian Education Trust in September 2019 it became an academy and joined CMAT on 1 September 2020. In addition Stratton Upper School in Biggleswade joined CMAT on 1 October 2020, with considerable support due diligence undertaken during the year ending 31 August 2020. The trust is also the preferred sponsor for:

- The Harbour School (A Special School) – expected to join January 2021;
- The Bluecoat School, Stamford (a primary school in the catchment area of SWA), – expected to join January 2021; and
- Greater Peterborough University Technical College – expected to join January 2021.

Easter 2021 marks the tenth anniversary of CMAT and we fully intend to celebrate all we have achieved in our first decade with our staff, students, parents and the wider community.

Funds held as custodian on behalf of others

During the year, the trust, through The Cambridge Partnership (TCP), has acted as custodian for DfE salary and trainee bursaries. The annual sum devolved was £569k.

Funds were held in a control account within the trust's accounting software and reported on at the regular Executive Committee meetings for TCP. An annual return is agreed by the committee and audited for submission to DfE.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Disclosure of information to auditors

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

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 7 December 2020 and signed on its behalf by:



S Jamieson
(Chair of Trustees)

CAMBRIDGE MERIDIAN ACADEMIES TRUST

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the chief executive officer, 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 Cambridge Meridian Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 7 times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Jamieson, Chair of Trustees	7	7
M Woods, Chief Executive Officer and Accounting Officer	7	7
L Birch	6	7
M Griffiths	6	7
J Hall	5	7
A Hardy	7	7
S Hayes	5	7
J Kennedy	5	7
P Phillipson	6	7
D Ruddy	7	7
J Salter	4	7
M Squires	6	7

The trustees ensure their own effectiveness is reviewed and continuously improved. Self evaluation and the evolution plan are discussed at the January and July awaydays.

The trust board has established the following priorities for 20/21:

1. To ensure that the evolution of our values-led multi-academy trust continues to secure the organisation's vision and mission as we grow and as we recover from the impact of Covid-19 by:
 - Fully opening schools within the new recommendations, and sustaining this;
 - Preparing Years 6, 11 and 13 for exams with shortened timescales and changes to exam arrangements which will evolve;
 - Planning for potential further disruption from local or national lockdowns;
 - Reflecting on how forced changes may be used to frame new ways of working; and
 - Support our staff through these extraordinary times, ensuring all partners work together to keep all safe and well

CAMBRIDGE MERIDIAN ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

2. To evolve and refine our established strategies and systems for school improvement and professional development, fully utilising our increased capacity and expertise.
3. To develop a dynamic new strategy for people and culture and bed in governance model.
4. To establish our model for excellence in special schools and successfully integrate new academies into the trust (Win/Win).

There is also the ongoing need to ensure we continue to be robust in our trustee skill set. After undertaking a skills audit, the trust board is currently looking for a trustee with formal financial qualifications with a view to taking on the role of the substantive Chair of the Audit & Risk Committee. The trust welcomed a visit of an SRMA in January 2020. The trust works with peers to review and improve its work. In 2019/20, this has included a range of joined up work to develop and follow best practice in its educational and pastoral offer in the context of Covid-19. This includes working with other trusts, local authorities, the Department for Education and a range of national actors such as Confederation of School Trusts.

The trust regularly engages external peer advisors to review practices within the trust and advise on developments. In addition, we undertake internal audit visits to each of the academies. The trust also engages an accountancy firm on an ad hoc basis to support finance staff and ensure compliance in all financial matters.

At the trust level, policy & scrutiny committees have been established to approve policies, ensure compliance and provide challenge and support to trust leaders. At a local level each academy has an academy council to provide local governance.

The trust board holds a risk register which is reviewed to ensure there is a clear focus on the most relevant and appropriate strategic risks. Each Committee and Academy Council holds its committee risk register, all of which feed into the board risk register.

The trust board has established the following committees. Powers are delegated through the scheme of delegation.

Finance Policy and Scrutiny Committee

The finance policy & scrutiny committee is a sub committee of the main trust board. Its purpose is to monitor and review the financial performance of the trust, including budget setting and monitoring.

Attendance during the year at meetings was as follows:

	Meetings attended	Out of a possible
A Hardy (trustee and Committee Chair)	5	5
D Ruddy (trustee)	5	5
M Woods (trustee)	5	5
M Bedlow	4	5
M Dixon	4	5
A Zeffman	3	5

During the year the committee:

- reviewed the budget setting process and proposed budgets set;
- reviewed financial policies and procedures and any exceptions identified;
- reviewed financial performance to budget;
- reviewed effectiveness of the finance function within the trust;
- established a new investment policy and monitored its introduction;
- reviewed the business plans of each academy; and
- considered due diligence reports on Stratton Upper School.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

For best value review they consider:

purchasing – have clear procedures for assessing need, and obtaining goods and services which provide best value in terms of suitability, efficiency, time and cost.

use of resources – deploy equipment, materials and services to provide pupils and staff with resources which support high quality teaching and learning.

Review and control

Budget reports are produced on a monthly basis, additional leadership resource has been recruited to further develop the provision of timely, accurate and strategic reports as the trust continues to grow.

Funding in Cambridgeshire is amongst the lowest in the country and spare resources are scarce, however trustees are keen to establish an acceptable level of reserves.

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

Estates and IT Policy and Scrutiny Committee

Its purpose is to monitor and review:

Personnel – ensuring the trust staffing structure for IT and Estates provides value for money and the capacity to deliver on the plans established.

Use of premises – consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources and opportunities to generate income from the premises assets.

Use of resources – deploy equipment, materials and services to provide pupils and staff with resources which support high quality teaching and learning. The committee also challenges, refines, approves and monitors the trust's use of the School Condition Allocation.

Purchasing – have clear procedures for assessing need, and obtaining goods and services which provide best value in terms of suitability, efficiency, time and cost.

Health and safety – review the quality of the academy environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors. This includes Covid-19 response.

IT – reviewing and approving refresh plans, security plans and other infrastructure considerations.

GDPR – the Data Protection officer ensures best practice across the trust in line with our statutory obligations. They report to the committee regarding any data concerns, breaches, subject access and freedom of information requests.

Personnel Policy and Scrutiny Committee

Its purpose is to monitor and review:

Personnel – ensuring the trust staffing structure for personnel provides value for money and the capacity to deliver on the plans established, and overseeing contracts made either internally or with external HR providers.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Staffing – deploy staff to provide best value in terms of quality of teaching, quality of learning, adult pupil ratio, and curriculum management with a clear focus on individual student achievement. Reviewing CLFP plans and CPD plans, talent management. Gender pay reporting and trust action plans. TUPE conditions and restructures across CMAT and potential new members.

Leadership East and The Cambridge Partnership – monitoring the contribution and health of these organisations both in terms of contribution to the trust but also to the wider educational community.

Quality of teaching – review the quality of teaching and CPD policies.

Communications - overseeing the implementation of the CMAT Communications Strategy. The CMAT Communications strategy covers a range of measures designed to ensure that the trust's internal and external communication with stakeholders is of a high quality, in line with our stated core value of 'valuing people'.

Complaints – reviewing and assessing the implementation of the trust's complaints policy and establishing where lessons may be learned.

Policies – fully consult with our Joint Consultation and Negotiation Committee in respect of all HR policies.

Curriculum & Standards (Secondary) Policy & Scrutiny Committee

The Committee is responsible for:

- the approval and monitoring of curriculum and educational standards in the secondary academies in the trust;
- approval of KS4 and KS5 attainment and progress targets, monitoring progress towards these targets;
- ensuring that the trust curriculum statement of principles reflects national statutory requirements and meets the needs of every student;
- monitoring any Individual Academy Priority Improvement Plans;
- identifying and monitoring any cross-trust educational issues;
- reviewing and approving Academy on a Page Evaluations and monitoring actions for improvement; and
- monitoring academy curriculum structures to ensure they are meeting the trust curriculum statement of principles, identifying any divergence.

Audit & Risk Committee.

The Committee's remit is:

- 1) to oversee the trust's audit function, internal and external to ensure that it works as efficiently and transparently as possible, and to
- 2) respond to, and advise on, other quality assurance topics as and when they arise, that are wider than solely financial issues.

The committee agrees an internal audit plan and also examines the conclusions and recommendations of, and responses to, audit reports.

The committee further oversees the management arrangements so that the trust's regulations, governance and internal controls and practices are working as well as possible. This includes overseeing the process of selecting the external auditors on behalf of members, approving the external auditor's remuneration and terms of engagement when instructed by members, and reviewing the major findings of their work.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

All of the committees use the following areas to monitor for best value:

1. Departmental reviews by the principal & senior leadership team;
2. Target setting meetings between principal, senior leadership team and head of departments;
3. Annual performance management;
4. Annual budget planning;
5. Feedback from internal auditors and audit reports;
6. Analysis of individual academy pupil performance data;
7. Benchmarking across the trust and with comparable schools locally;
8. Analysis of DfE pupil performance data;
9. Key issues for action identified by OFSTED;
10. Trust board and committee meetings; and
11. Trust board annual staff salary review.

As a multi academy trust CMAT provides the following shared services across the trust:

- ICT
- HR
- Finance
- Estates and Health & Safety
- Audit and internal audit
- Educational Support Services and Leadership
- Governance

The trust is committed to maximising the income from the resources at its disposal and is currently reviewing the level of income derived from lettings and associated activities.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the chief executive officer has responsibility for ensuring that the trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the trust board where value for money can be improved, including the use of benchmarking data where appropriate.

The trust is accountable for the way in which resources are allocated to meet the objectives set out in the development plans. Trustees need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the academies' achievements and services.

CMAT leaders ensured their understanding and precise application of both the spirit and the detail of PPN 02 and 04. Examples of this included ensuring jobs were maintained through:

- judicious use of furlough to retain the roles of CMAT staff engaged in non-core, externally funded areas of work (eg wrap-around care, leisure centres or lettings).
- calculating the pay of those who were not able to work, such as examination invigilators to minimise hardship.
- commitment to paying staff of suppliers who were not required (especially catering).
- holding detailed discussions with organisations who supply services about how we could ensure jobs were not lost.
- paying invoices promptly.

The trust leaders were mindful though of ensuring that suppliers were not either accidentally or deliberately seeking to profit from services that were not provided. Examples of this were:

- challenging standard invoices and requesting profits were removed; and
- examining allocation of costs with regard to ingredients or provision.

What is Best Value

Trustees apply the four principles of best value:

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

The Trustees' Approach

The trustees and trust/academy management apply the principles of best value when making decisions about:

- the allocation of resources to best promote the aims and values of individual academies;
- the targeting of resources to best improve standards and the quality of provision; and
- the use of resources to best support the various educational needs of all pupils.

The trustees and the academy managers:

- make comparisons with other/similar academies using available data, e.g. FFT, 4 Matrix, DFE Performance Tables, quality of teaching and learning, levels of expenditure;
- challenge proposals, examining them for effectiveness, efficiency, and cost;
- require suppliers to compete on grounds of cost and quality/suitability of services/products; and
- consult individuals and organisations on quality/suitability of service we provide to parents and pupils.

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

Capacity to handle risk

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

The risk and control framework

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

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The trust board has established an Audit & Risk Committee. It has also considered the need for a specific internal audit function and has used both Suzanne Cooper and Barry Featherstone as internal auditors, who are both independent of the day to day finance team, to carry out a programme of internal checks. The internal auditors report to the board of trustees through the Audit & Risk Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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

- payroll
- reimbursements
- procurement
- banking

The internal auditors have delivered their schedule of work as planned, provided details of any material control issues arising as a result of the appointee's work and, if relevant, described what remedial actions can be taken to rectify the issues.

Review of effectiveness

As accounting officer, the chief executive officer 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 Audit & Risk Committee;
- the work of the internal auditors;
- the work of the external auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees and signed on their behalf by:



S Jamieson
Chair of Trustees



M Woods
Accounting Officer

Date: 7 December 2020

CAMBRIDGE MERIDIAN ACADEMIES TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Financial matter - a £61,070 fraud was identified during the year at a school which joined the trust in February, 2019. Certain fixed assets purchased prior to joining CMAT and in the current period could not be located and are considered stolen. The matter has been reported to the police and ESFA. The trust has undertaken a thorough investigation of the matter. Processes and controls have been reviewed and strengthened to prevent recurrence. Confirmation has been received from the insurers that £54,961 of the loss will be reimbursed, and the trust is in negotiation for the remainder (less the £100 policy excess).



M Woods
Accounting Officer

Date: 7 December 2020

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

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

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

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

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

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

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

Approved by order of the members of the board of trustees and signed on its behalf by:



S Jamieson
(Chair of Trustees)

Date: 7 December 2020

CAMBRIDGE MERIDIAN ACADEMIES TRUST

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CAMBRIDGE MERIDIAN ACADEMIES TRUST

Opinion

We have audited the financial statements of Cambridge Meridian Academies Trust (the 'parent trust') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Trust Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 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 group's and of the parent trust's affairs as at 31 August 2020 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CAMBRIDGE MERIDIAN ACADEMIES TRUST (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the parent trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent trust 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.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CAMBRIDGE MERIDIAN ACADEMIES TRUST (CONTINUED)

Responsibilities of trustees

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

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

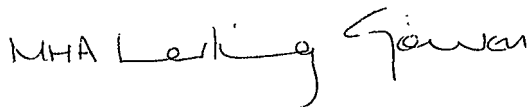
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Julie Grimmer FCA DChA (Senior Statutory Auditor)

for and on behalf of
Larking Gowen LLP

Chartered Accountants
Statutory Auditors

Norwich

15 December 2020

CAMBRIDGE MERIDIAN ACADEMIES TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CAMBRIDGE MERIDIAN ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 24 July 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cambridge Meridian Academies Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Cambridge Meridian Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Cambridge Meridian Academies Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cambridge Meridian Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Cambridge Meridian Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Cambridge Meridian Academies Trust's funding agreement with the Secretary of State for Education dated 29 January 2019 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

- Enquiry of senior management, the Accounting Officer and the trustees;
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest;
- Testing the application of the financial controls;
- Review of governance arrangements and certain transactions; and
- Review of the trust's internal scrutiny programme and results.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

Conclusion

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

Financial matter - a £61,070 fraud was identified by the trust during the year. Certain fixed assets purchased in the previous and current period could not be located and are considered stolen. The trust has reported the matter to the police and ESFA. The trust has undertaken a thorough investigation of the matter. Processes and controls have been reviewed and strengthened to prevent recurrence. The trust has received confirmation from its insurers that £54,961 of the loss will be reimbursed, and is in negotiation for the remainder (less the £100 policy excess).

NHA Larking Gowen

Larking Gowen LLP
Chartered Accountants
Statutory Auditors

15 December 2020

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

		Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
	Note					
Income from:						
Donations and capital grants	4	-	18,219	8	18,227	15,486
Charitable activities:	5					
Teaching schools		1,204	-	(3)	1,201	1,354
Educational activities		45,885	-	1,575	47,460	42,351
Other trading activities	6	-	-	1,008	1,008	1,277
Investments	7	-	-	22	22	38
Total income		47,089	18,219	2,610	67,918	60,506
Expenditure on:						
Charitable activities:						
Teaching schools		1,056	-	(3)	1,053	1,180
Educational activities		48,330	3,752	2,062	54,144	47,948
Total expenditure	8	49,386	3,752	2,059	55,197	49,128
Net (expenditure)/income		(2,297)	14,467	551	12,721	11,378
Transfers between funds	23	(11)	11	-	-	-
Net movement in funds before other recognised gains/(losses)		(2,308)	14,478	551	12,721	11,378
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	31	329	-	-	329	(5,577)
Net movement in funds		(1,979)	14,478	551	13,050	5,801

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

		Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000	<i>Total funds 2019 £000</i>
	Note					
Reconciliation of funds:						
Total funds brought forward		(14,203)	132,512	2,773	121,082	<i>115,281</i>
Net movement in funds		(1,979)	14,478	551	13,050	<i>5,801</i>
Total funds carried forward	23	(16,182)	146,990	3,324	134,132	<i>121,082</i>

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

The notes on pages 43 to 83 form part of these financial statements.

CAMBRIDGE MERIDIAN ACADEMIES TRUST
REGISTERED NUMBER: 07552498

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible fixed assets	16	146,288	132,014
Investment property		350	350
		<u>146,638</u>	<u>132,364</u>
Current assets			
Stocks	19	18	27
Debtors	20	2,349	2,563
Cash at bank and in hand		8,983	6,037
		<u>11,350</u>	<u>8,627</u>
Creditors: amounts falling due within one year	21	(7,104)	(5,287)
Net current assets		<u>4,246</u>	<u>3,340</u>
Total assets less current liabilities		<u>150,884</u>	<u>135,704</u>
Creditors: amounts falling due after more than one year	22	(118)	(115)
Net assets excluding pension liability		<u>150,766</u>	<u>135,589</u>
Defined benefit pension scheme liability	31	(16,634)	(14,507)
Total net assets		<u><u>134,132</u></u>	<u><u>121,082</u></u>
Funds of the trust			
Restricted funds:			
Fixed asset funds	23	146,990	132,512
Restricted income funds	23	452	304
		<u>147,442</u>	<u>132,816</u>
Restricted funds excluding pension asset	23	147,442	132,816
Pension reserve	23	(16,634)	(14,507)
Total restricted funds	23	<u>130,808</u>	<u>118,309</u>
Unrestricted income funds	23	<u>3,324</u>	<u>2,773</u>
Total funds		<u><u>134,132</u></u>	<u><u>121,082</u></u>

CAMBRIDGE MERIDIAN ACADEMIES TRUST
REGISTERED NUMBER: 07552498

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 36 to 83 were approved and authorised for issue by the trustees and are signed on their behalf, by:



S Jamieson
Chair of Trustees

Date: 7 December 2020

The notes on pages 43 to 83 form part of these financial statements.

CAMBRIDGE MERIDIAN ACADEMIES TRUST
REGISTERED NUMBER: 07552498

TRUST BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	16	146,286	132,014
Investment property		350	350
		<u>146,636</u>	<u>132,364</u>
Current assets			
Stocks	19	-	27
Debtors	20	2,322	2,681
Cash at bank and in hand		8,938	5,803
		<u>11,260</u>	<u>8,511</u>
Creditors: amounts falling due within one year	21	(7,013)	(5,198)
Net current assets		<u>4,247</u>	<u>3,313</u>
Total assets less current liabilities		<u>150,883</u>	<u>135,677</u>
Creditors: amounts falling due after more than one year	22	(118)	(115)
Net assets excluding pension liability		<u>150,765</u>	<u>135,562</u>
Defined benefit pension scheme liability	31	(16,634)	(14,507)
Total net assets		<u><u>134,131</u></u>	<u><u>121,055</u></u>
Funds of the trust			
Restricted funds:			
Fixed asset funds	23	146,990	132,512
Restricted income funds	23	452	304
Pension reserve	23	(16,634)	(14,507)
Total restricted funds	23	<u>130,808</u>	<u>118,309</u>
Unrestricted income funds		<u>3,323</u>	<u>2,746</u>
Total unrestricted income funds		<u>3,323</u>	<u>2,746</u>
Total funds		<u><u>134,131</u></u>	<u><u>121,055</u></u>

CAMBRIDGE MERIDIAN ACADEMIES TRUST
REGISTERED NUMBER: 07552498

TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 36 to 83 were approved and authorised for issue by the trustees and are signed on their behalf, by:



S Jamieson
(Chair of Trustees)

Date: 7 December 2020

The notes on pages 43 to 83 form part of these financial statements.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	25	1,835	274
Cash flows from investing activities	27	1,130	(466)
Cash flows from financing activities	26	(19)	659
Change in cash and cash equivalents in the year		2,946	467
Cash and cash equivalents at the beginning of the year		6,037	5,570
Cash and cash equivalents at the end of the year	28, 29	8,983	6,037

The notes on pages 43 to 83 form part of these financial statements

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

1. General information

Cambridge Meridian Academies Trust is a company limited by guarantee incorporated in England and Wales, registration number 07552498. The registered office is Swavesey Village College, Gibraltar Lane, Swavesey, Cambridgeshire, CB24 4RS.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling which is the functional currency of the company rounded to the nearest £'000.

Cambridge Meridian Academies Trust meets the definition of a public benefit entity under FRS 102.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

2.2 Going concern

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Donated fixed assets (excluding transfers on conversion or into the trust)**

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Basis of consolidation

The financial statements consolidate the accounts of Cambridge Meridian Academies Trust and all of its subsidiary undertakings ('subsidiaries').

The academy trust has taken advantage of the exemption contained within section 408 of the Companies act 2006 not to present its own Income and Expenditure Account.

The income and expenditure account for the year dealt with in the accounts of the academy trust was £12,747,000 (2019 - £11,351,000).

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Taxation

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

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

2. Accounting policies (continued)

2.8 Tangible fixed assets

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Property occupied under a lease for 125 years from the local authority is capitalised within tangible fixed assets to reflect the trust's right to use these properties over the long term.

Depreciation is provided on the following basis:

Freehold property	- 25 to 50 years straight line
Long-term Leasehold property	- 20 to 50 years straight line
Long-term leasehold land	- 125 years straight line
Furniture and equipment	- 3 to 10 years straight line
Plant and machinery	- 5 to 8 years straight line
Computer equipment	- 1 to 3 years straight line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Financial Activities.

2.9 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

Investment property is carried at fair value determined annually by the trustees. No depreciation is charged on investment property. Changes in fair value are recognised in the Consolidated Statement of Financial Activities.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

2. Accounting policies (continued)

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 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 group 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.

2.14 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 20. Prepayments are not financial instruments. Amounts due to the trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 21 and 22. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the trust's wholly owned subsidiary are held at face value less any impairment.

2.15 Operating leases

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

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

2. Accounting policies (continued)

2.16 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

Retirement benefits to employees of the group 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 group 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. 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 multi-employer scheme and the assets are held separately from those of the group in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

2.17 Conversion to an academy trust

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

The assets and liabilities transferred on conversion from the local authority to the trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Consolidated Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

2. Accounting policies (continued)

2.18 Agency arrangements

The trust acts as an agent distributing initial teacher training funds. Funding received from Department for Education and subsequent distributions are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds.

2.19 Fund accounting

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

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

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

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

4. Income from donations and capital grants

	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000
Gifted property	-	14,881	-	14,881
Donations	-	-	8	8
Capital grants	-	3,338	-	3,338
	<u>-</u>	<u>18,219</u>	<u>8</u>	<u>18,227</u>

The gifted property of £14,881,000 is the Martin Bacon Academy property, recognised when the trust entered into a 125 year lease for the site.

	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Unrestricted funds 2019 £000	Total funds 2019 £000
Transfer from an existing academy on joining the trust	(1,165)	12,670	277	11,782
Donations	-	-	32	32
Capital grants	-	3,672	-	3,672
	<u>(1,165)</u>	<u>16,342</u>	<u>309</u>	<u>15,486</u>

Included in donations in the prior year is £11,782,000, being the fair value of assets and liabilities transferred to the trust when The Ferrers School joined the trust on 1 February 2019.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

5. Funding for the academy trust's educational operations

	Restricted funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000
DfE/ESFA grants			
General Annual Grant (GAG)	40,149	-	40,149
Pupil premium	1,627	-	1,627
Other DfE/ESFA revenue grants	1,703	-	1,703
Cambridge Partnership/ Leadership East	1,204	-	1,204
	<u>44,683</u>	<u>-</u>	<u>44,683</u>
Other government grants			
SEN funding	1,350	-	1,350
EOTAS	554	-	554
	<u>1,904</u>	<u>-</u>	<u>1,904</u>
Other funding			
School trips	-	499	499
Other income	399	1,073	1,472
Coronavirus Job Retention Scheme grant	59	-	59
Coronavirus exceptional support	44	-	44
	<u>502</u>	<u>1,572</u>	<u>2,074</u>
Total 2020	<u><u>47,089</u></u>	<u><u>1,572</u></u>	<u><u>48,661</u></u>

The trust has been eligible to claim additional funding from government support schemes in response to the coronavirus outbreak. The funding received is shown above.

The trust furloughed some of its sports centre, adult education and wrap-around care staff under the government's CJRS. The funding received of £59k relates to staff costs in respect of up to 38 staff which are included within note 12.

The funding received for coronavirus exceptional support includes £44k of free school meals costs. These costs are included in notes 8 and 10.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

5. Funding for the academy trust's educational operations (continued)

	<i>Restricted funds 2019 £000</i>	<i>Unrestricted funds 2019 £000</i>	<i>Total funds 2019 £000</i>
DfE/ESFA grants			
General Annual Grant (GAG)	35,513	-	35,513
Start-up and conversion grants	91	-	91
Pupil premium	1,595	-	1,595
Other DfE/ESFA revenue grants	1,226	-	1,226
Cambridge Partnership/ Leadership East	1,305	-	1,305
	<hr/> 39,730	<hr/> -	<hr/> 39,730
Other government grants			
SEN funding	891	-	891
EOTAS	538	-	538
	<hr/> 1,429	<hr/> -	<hr/> 1,429
Other funding			
School trips	-	1,294	1,294
Other income	-	1,252	1,252
	<hr/> -	<hr/> 2,546	<hr/> 2,546
Total 2019	<hr/> <hr/> 41,159	<hr/> <hr/> 2,546	<hr/> <hr/> 43,705

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

6. Income from other trading activities

	Unrestricted funds 2020 £000	Total funds 2020 £000
Hire of facilities	257	257
Other income from activities	636	636
Sports centre income	115	115
	<u>1,008</u>	<u>1,008</u>

	<i>Unrestricted funds 2019 £000</i>	<i>Total funds 2019 £000</i>
Hire of facilities	287	287
Other income from activities	734	734
Sports centre income	256	256
	<u>1,277</u>	<u>1,277</u>

7. Investment income

	Unrestricted funds 2020 £000	Total funds 2020 £000
Investment income	22	22

	<i>Unrestricted funds 2019 £000</i>	<i>Total funds 2019 £000</i>
Investment income	38	38

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

8. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000
Educational operations:				
Direct costs	33,199	2,843	6,725	42,767
Support costs	7,156	3,115	2,159	12,430
	<u>40,355</u>	<u>5,958</u>	<u>8,884</u>	<u>55,197</u>

	Staff Costs 2019 £000	Premises 2019 £000	Other 2019 £000	Total 2019 £000
Educational operations:				
Direct costs	29,157	2,132	6,537	37,826
Support costs	6,485	2,485	2,332	11,302
	<u>35,642</u>	<u>4,617</u>	<u>8,869</u>	<u>49,128</u>
<i>Total 2019</i>				

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000
Educational operations	<u>42,767</u>	<u>12,430</u>	<u>55,197</u>

	Activities undertaken directly 2019 £000	Support costs 2019 £000	Total funds 2019 £000
Educational operations.	<u>37,826</u>	<u>11,302</u>	<u>49,128</u>

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £000	<i>Total funds 2019 £000</i>
Staff costs	7,156	6,485
Technology costs	921	793
Premises costs	3,115	2,485
Other support costs	511	709
Legal, professional and governance costs	315	366
Other staff costs	412	464
	<u>12,430</u>	<u>11,302</u>

10. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2020 £000	<i>2019 £000</i>
Operating lease rentals	44	63
Depreciation of tangible fixed assets	<u>2,716</u>	<u>2,661</u>

11. Auditors' remuneration

	2020 £000	<i>2019 £000</i>
Fees payable to the trust's auditor and its associates for the audit of the trust's annual accounts	36	34
Fees payable to the trust's auditor and its associates in respect of:		
The auditing of accounts of associates of the trust	2	2
Taxation compliance services	2	2
All assurance services not included above	10	13
All non-audit services not included above	<u>4</u>	<u>4</u>

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2020 £000	<i>Group 2019 £000</i>	Trust 2020 £000	<i>Trust 2019 £000</i>
Wages and salaries	29,194	27,256	29,194	27,256
Social security costs	2,766	2,526	2,766	2,526
Pension costs	8,395	5,860	8,395	5,860
	40,355	35,642	40,355	35,642

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments of £32,227. This includes the following individual amounts: £15,000, £10,000, £7,000 and £227.

c. Staff numbers

The average number of persons employed by the group and the trust during the year was as follows:

	Group 2020 No.	<i>Group 2019 No.</i>	Trust 2020 No.	<i>Trust 2019 No.</i>
Teachers	538	535	538	535
Administration and support	553	547	553	547
Management	25	8	25	8
	1,116	1,090	1,116	1,090

d. Higher paid staff

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

12. Staff (continued)

d. Higher paid staff (continued)

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	15	11
In the band £70,001 - £80,000	4	4
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	4	3
In the band £100,001 - £110,000	3	2
In the band £110,001 - £120,000	1	-
In the band £120,001 - £130,000	1	1

e. Key management personnel

The key management personnel of the trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) paid for their services was £1,284,000 (2019 £1,195,000).

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

13. Central services

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

- Cost of leadership teams excluding principals
- Information technology support and licenses
- Finance
- HR services
- Governance
- Premises support

The group charges for these services on the following basis:

Expected usage by each individual academy at the beginning of the financial year.

The actual amounts charged during the year were as follows:

	2020	2019
	£000	£000
Bar Hill Primary School	59	51
Downham Feoffees Primary Academy	39	38
Ely College	376	343
Lantern Community Primary School	77	65
Nene Park Academy	410	400
North Cambridge Academy	179	166
Martin Bacon Academy	35	-
Sawtry Junior Academy	44	44
Sawtry Village Academy	257	283
Stamford Welland Academy	169	149
Swavesey Village College	408	411
The Cambridge Partnership/Leadership East	61	49
The Ferrers School	318	123
West Town Primary Academy	93	88
Total	2,525	2,210

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

14. Trustees' remuneration and expenses

The Chief Executive is paid remuneration from an employment with the trust. The remuneration is paid only in respect of their contract of employment and not of their role of trustee. The value of remuneration was as follows:

		2020 £000	2019 £000
M Woods, Chief Executive Officer and Accounting Officer	Remuneration	125 - 130	125 - 130
	Pension contributions paid	30 - 35	20 - 25

During the year ended 31 August 2020, travel expenses totalling £1,956 were reimbursed or paid directly to 7 trustees (2019 - £961 to 3 trustees).

15. Trustees' and Officers' insurance

In accordance with normal commercial practice, the group has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business. The insurance provides cover up to £5,000,000 on any one claim. The cost for the year ended 31 August 2020 and 2019 is unable to be separated from the cost of the trust's insurance as a whole which is calculated on a price per pupil. The cost of this insurance is included in the total insurance cost.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

16. Tangible fixed assets

Group

	Freehold property £000	Leasehold property £000	Furniture and fixtures £000	Plant and machinery £000	Computer equipment £000	Total £000
Cost						
At 1 September 2019	76,460	63,584	757	19	1,603	142,423
Additions	932	15,363	312	7	497	17,111
At 31 August 2020	77,392	78,947	1,069	26	2,100	159,534
Depreciation						
At 1 September 2019	5,168	3,255	375	16	1,595	10,409
Charge for the year	1,287	1,254	96	1	199	2,837
At 31 August 2020	6,455	4,509	471	17	1,794	13,246
Net book value						
At 31 August 2020	70,937	74,438	598	9	306	146,288
At 31 August 2019	71,292	60,329	382	3	8	132,014

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

16. Tangible fixed assets (continued)

Trust

	Freehold property £000	Leasehold property £000	Furniture and fixtures £000	Plant and machinery £000	Computer equipment £000	Total £000
Cost or valuation						
At 1 September 2019	76,460	63,584	757	19	1,603	142,423
Additions	932	15,363	312	7	494	17,108
At 31 August 2020	<u>77,392</u>	<u>78,947</u>	<u>1,069</u>	<u>26</u>	<u>2,097</u>	<u>159,531</u>
Depreciation						
At 1 September 2019	5,168	3,255	375	16	1,595	10,409
Charge for the year	1,287	1,254	96	1	198	2,836
At 31 August 2020	<u>6,455</u>	<u>4,509</u>	<u>471</u>	<u>17</u>	<u>1,793</u>	<u>13,245</u>
Net book value						
At 31 August 2020	<u>70,937</u>	<u>74,438</u>	<u>598</u>	<u>9</u>	<u>304</u>	<u>146,286</u>
At 31 August 2019	<u>71,292</u>	<u>60,329</u>	<u>382</u>	<u>3</u>	<u>8</u>	<u>132,014</u>

Land with a net book value of £13,996,000 is included in freehold property. £10,938,000 is included in leasehold property.

Land and buildings additions in the year are:

- £14,881,000 for the Martin Bacon Academy property, recognised when the trust entered into a 125 year lease for the site;
- £236,000 for the completion of a teaching block at Sawtry Village College, construction of which was on going at 31 August 2019; and
- other improvements across the trust's sites.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

17. Investment property

	Freehold investment property £000
Group and Trust	
At 1 September 2019 and 31 August 2020	350
	350

The 2020 valuations were made by the trustees after taking professional advice, on an open market value for existing use basis.

18. Fixed asset investments

The trust holds the entire share capital of CMAT Education Services Limited. The cost of the investment at 1 September 2019 and 31 August 2020 is £1.

19. Stocks

	Group 2020 £000	<i>Group 2019 £000</i>	Trust 2020 £000	<i>Trust 2019 £000</i>
Clothing, uniform and IT equipment	18	<i>27</i>	-	<i>27</i>

20. Debtors

	Group 2020 £000	<i>Group 2019 £000</i>	Trust 2020 £000	<i>Trust 2019 £000</i>
Due within one year				
Trade debtors	276	<i>525</i>	265	<i>429</i>
Amounts owed by group undertakings	-	<i>-</i>	-	<i>244</i>
Other debtors	819	<i>646</i>	819	<i>646</i>
Prepayments and accrued income	1,254	<i>1,392</i>	1,238	<i>1,362</i>
	2,349	<i>2,563</i>	2,322	<i>2,681</i>

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

21. Creditors: Amounts falling due within one year

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Other loans	17	15	17	15
Trade creditors	2,110	1,076	2,075	1,054
Amounts owed to group undertakings	-	-	8	-
Other taxation and social security	695	676	689	667
Other creditors	1,355	600	1,352	585
Accruals and deferred income	2,927	2,920	2,872	2,877
	7,104	5,287	7,013	5,198
	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Deferred income				
Deferred income at 1 September 2019	668	751	629	751
Resources deferred during the year	1,439	2,459	1,385	2,419
Amounts released from previous periods	(1,173)	(2,542)	(1,133)	(2,541)
Deferred income at 31 August 2020	934	668	881	629

At the balance sheet date the trust was holding funds received in advance of the 2020/21 financial year in respect of grants, student deposits and other future services.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

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

	Group 2020 £000	<i>Group 2019 £000</i>	Trust 2020 £000	<i>Trust 2019 £000</i>
Other loans	118	<i>115</i>	118	<i>115</i>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2020 £000	<i>Group 2019 £000</i>	Trust 2020 £000	<i>Trust 2019 £000</i>
Repayable by instalments	71	<i>81</i>	71	<i>81</i>
	71	<i>81</i>	71	<i>81</i>

Other loans, including amounts due in less than one year, comprises:

£28k (2019: £15k) 0% interest salix loan. The loan is repayable over eight years by installments paid every six months. The installments commenced March 2015. The final installment is September 2022.

£81k (2019: £85k) 2.82% loan from Cambridgeshire County Council inherited upon the conversion of Bar Hill Primary School. The loan is repayable monthly. The final repayment is March 2031.

£26k (2019: £30k) 2.48% loan from Cambridge County Council inherited upon the conversion of Lantern Community Primary School. The loan is repayable monthly. The final repayment is August 2032.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

23. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	2,423	2,610	(2,059)	-	-	2,974
Investment property fund	350	-	-	-	-	350
	<u>2,773</u>	<u>2,610</u>	<u>(2,059)</u>	<u>-</u>	<u>-</u>	<u>3,324</u>
Restricted general funds						
General Annual Grant (GAG)	-	40,149	(40,138)	(11)	-	-
Pupil premium	-	1,627	(1,627)	-	-	-
Other DfE/ESFA revenue grants	-	1,703	(1,703)	-	-	-
Cambridge Partnership / Leadership East	304	1,204	(1,056)	-	-	452
SEN funding	-	1,350	(1,350)	-	-	-
EOTAS	-	554	(554)	-	-	-
Other	-	399	(399)	-	-	-
Coronavirus funding	-	103	(103)	-	-	-
Pension reserve	(14,507)	-	(2,456)	-	329	(16,634)
	<u>(14,203)</u>	<u>47,089</u>	<u>(49,386)</u>	<u>(11)</u>	<u>329</u>	<u>(16,182)</u>
Restricted fixed asset funds						
Fixed asset fund	131,899	14,881	(2,837)	2,236	-	146,179
DfE/ESFA capital fund	613	1,821	(88)	(1,760)	-	586
Other capital grants	-	1,517	(827)	(465)	-	225
	<u>132,512</u>	<u>18,219</u>	<u>(3,752)</u>	<u>11</u>	<u>-</u>	<u>146,990</u>

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

23. Statement of funds (continued)

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Total Restricted funds	118,309	65,308	(53,138)	-	329	130,808
Total funds	121,082	67,918	(55,197)	-	329	134,132

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

Unrestricted funds relate to unrestricted income to be used to support the trust's charitable objectives.

The restricted revenue funds are to be used for educational purposes in line with the corresponding funding agreement. The balance on restricted revenue funds, excluding the pension reserve, is £452,000.

The restricted pension reserve represents the LGPS obligation for the employees of the trust.

The restricted fixed asset fund represents the net book value of tangible fixed assets of the trust less the value of capital loans inherited upon schools joining the trust. The DfE/ESFA capital fund and other capital grants represent unspent capital funds at the 31 August 2020.

The transfer to the restricted fixed asset fund represents capital works and loan repayments funded from restricted revenue funds.

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

23. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £000	2019 £000
Bar Hill Primary School	45	56
Cambridge Meridian Academies Trust	932	778
Cambridge Meridian Academies Trust Investment Property	350	350
Downham Feoffees Primary Academy	135	156
Ely College	(426)	(494)
Lantern Community Primary School	(11)	101
Martin Bacon Academy	74	-
Nene Park Academy	1,113	1,025
North Cambridge Academy	(27)	(152)
Sawtry Junior Academy	81	103
Sawtry Village Academy	(50)	8
Stamford Welland Academy	(10)	(195)
Swavesey Village College	224	238
The Cambridge Partnership/Leadership East	452	304
The Ferrers School	585	447
West Town Primary Academy	309	352
Total before fixed asset funds and pension reserve	3,776	3,077
Restricted fixed asset fund	146,990	132,512
Pension reserve	(16,634)	(14,507)
Total	134,132	121,082

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £000
Ely College	(426)
Lantern Community Primary School	(11)
North Cambridge Academy	(27)
Sawtry Village Academy	(50)
Stamford Welland Academy	(10)

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

23. Statement of funds (continued)

Ely College

Ely College joined the trust in special measures in July 2016 with a debt of £680k and a deficit budget forecast for 2016/17 of over £600k. In addition the school was experiencing falling pupil numbers in KS3, KS4 and post 16.

Since this point CMAT has made considerable efforts to improve the quality of education to restore the reputation of the school. This was hindered significantly by inefficient, historically poor quality KS5 provision which, as the only KS5 provider in this deprived Opportunity Area, we passionately worked to retain. The school's efforts successfully reversed the decline in numbers and Ely College is today educating more children than it has ever done. In 2019/20, after a successful case was made to the ESFA in response to a statement made by Lord Agnew about how lagged funding was penalising and constraining such turn around success stories, funding on in-year actuals was confirmed by DFE for 2019/20 and the two subsequent years. We have already seen a considerable improvement in Ely College's financial position as a result and are confident this will continue to improve moving forward such that the College will be in a surplus position, with a nearly full school by the end of 2021/22.

Lantern Community Primary Academy

The impact on schools of Coronavirus for the financial year to 31 August 2020 was acute, particularly so where schools historically generated significant incomes from additional activities. Lantern Community Primary School saw a significant reduction in income relating to wraparound care provision which resulted in a cumulative deficit position.

North Cambridge Academy

CMAT took over a failing school (The Manor) which had KS4 outcomes (5A* C inc Eng and Maths) in the bottom 10 of all schools in England.

In the first year we inherited a Year 7 cohort of just 40 students. The school serves a deprived community (in the bottom 20 in the country according to the Centre for Cities report 2017) which is bordered by affluent areas of Cambridge. This places considerable pressure on the school with regard to recruiting students even though the academy's outcomes and Ofsted report are very strong.

We have invested in these improved pupil outcomes and have already seen a threefold improvement. We have invested to provide the necessary support for disadvantaged students and the breadth of curriculum required to serve this community. It must be noted that operating a small academy serving a deprived community in an historically and currently underfunded authority is practically impossible. This is compounded by decisions taken by the local schools' forum.

CMAT is committed to continuing to provide an excellent education for this community. To return to a balanced budget, the academy has taken a proactive approach to driving up incomes and reducing costs where possible. This has been demonstrated in the 19/20 results where the deficit has reduced from £152k to £27k. Local demographics suggest that there should be an increase in local pupil numbers that will ultimately enable us to both provide the required quality and breadth of education and balance the budget. Recent year 7 intake figures have now risen to 140+ pupils, over three times the numbers we inherited, and should continue to rise.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

23. Statement of funds (continued)

Sawtry Village Academy

CMAT took over this once failing academy at a time when it had a dramatically falling roll, due to the creation of a new local school, as well as reputation issues, and significant failings in the standard of the buildings. We have invested heavily in returning the school buildings to an acceptable and safe standard and also in improving pupil outcomes. The academy was rated good with an outstanding sixth form by Ofsted where previously it had been placed in special measures. Student numbers have improved moving into 2020/21 academic year and we will continue to work to support the academy back into a financial surplus. The impact of some reduced cohorts that joined the school continues to place pressure on the budget, as does maintaining a highly successful sixth form with reduced numbers. The trust was always aware that this was a long term recovery project after a prolonged period of mismanagement. We remain committed to ensuring that the community has the school it has long deserved and expect to return to surplus in the latter part of the coming decade.

Stamford Welland Academy

CMAT was clear on taking over Stamford Welland Academy that this would be a long term project to break even, the inherited surplus funds being allocated as start up funds to address the long term challenges faced by the school. Student numbers, which were falling and were fewer than 40 for year 7 are now over 100 for first choices. The recent 'Good' Ofsted rating confirms the positive steps CMAT has taken. In 2019/20 funding on in-year actuals was confirmed by DFE for three years. We have already seen a significant improvement in Stamford Welland Academy's financial position as a result and are confident this will continue to improve moving forward. We expect SWA to be in surplus by the end of the 2022/23 academic year.

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

23. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000
Bar Hill Primary School	899	174	51	197	1,321
Cambridge Meridian Academies Trust	2,010	1,464	44	1,921	5,439
Downham Feoffees Primary Academy	538	80	43	136	797
Ely College	4,482	1,220	535	680	6,917
Lantern Community Primary School	1,303	404	87	239	2,033
Martin Bacon Academy	247	69	34	99	449
Nene Park Academy	4,783	932	428	843	6,986
North Cambridge Academy	1,850	697	265	406	3,218
Sawtry Junior Academy	648	118	24	178	968
Sawtry Village Academy	3,462	697	445	487	5,091
Stamford Welland Academy	1,998	448	162	315	2,923
Swavesey Village College	4,966	1,243	603	836	7,648
The Cambridge Partnership/Leadership East	58	244	3	748	1,053
The Ferrers School	3,468	893	570	565	5,496
West Town Primary Academy	1,561	198	56	208	2,023
Trust	32,273	8,881	3,350	7,858	52,362

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

23. Statement of funds (continued)

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

	<i>Teaching and educational support staff costs £000</i>	<i>Other support staff costs £000</i>	<i>Educational supplies £000</i>	<i>Other costs excluding depreciation £000</i>	<i>Total 2019 £000</i>
Bar Hill Primary School	986	204	59	156	1,405
Cambridge Meridian Academies Trust	1,412	1,052	435	831	3,730
Downham Feoffees Primary Academy	486	69	40	114	709
Ely College	4,114	1,210	440	665	6,429
Lantern Community Primary School	1,212	398	86	193	1,889
Nene Park Academy	4,636	859	379	936	6,810
North Cambridge Academy	1,694	570	437	452	3,153
Sawtry Junior Academy	572	115	31	99	817
Sawtry Village Academy	3,347	626	528	498	4,999
Stamford Welland Academy	1,742	387	190	264	2,583
Swavesey Village College	4,709	928	895	935	7,467
The Cambridge Partnership/Leadership East	70	173	6	930	1,179
The Ferrers School	2,062	467	333	512	3,374
West Town Primary Academy	1,294	325	105	199	1,923
Trust	28,336	7,383	3,964	6,784	46,467

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

23. Statement of funds (continued)

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

	<i>Balance at 1 September 2018 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2019 £000</i>
Unrestricted funds						
General funds	1,791	4,170	(3,538)	-	-	2,423
Investment property fund	350	-	-	-	-	350
	<u>2,141</u>	<u>4,170</u>	<u>(3,538)</u>	<u>-</u>	<u>-</u>	<u>2,773</u>
Restricted general funds						
General Annual Grant (GAG)	-	35,513	(35,326)	(187)	-	-
Start-up grants and conversion funds	-	393	(393)	-	-	-
Pupil premium	-	1,595	(1,595)	-	-	-
Other DfE/ESFA revenue grants	-	1,225	(1,225)	-	-	-
Cambridge Partnership / Leadership East	130	1,305	(1,131)	-	-	304
SEN funding	-	891	(891)	-	-	-
EOTAS	-	538	(538)	-	-	-
Pension reserve	(5,869)	(1,466)	(1,595)	-	(5,577)	(14,507)
	<u>(5,739)</u>	<u>39,994</u>	<u>(42,694)</u>	<u>(187)</u>	<u>(5,577)</u>	<u>(14,203)</u>
Restricted fixed asset funds						
Fixed asset fund	117,378	12,670	(2,659)	4,510	-	131,899
DfE/ESFA capital fund	981	3,644	(224)	(3,788)	-	613
Other capital grants	520	28	(13)	(535)	-	-

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

23. Statement of funds (continued)

	<i>Balance at 1 September 2018 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2019 £000</i>
	118,879	16,342	(2,896)	187	-	132,512
Total Restricted funds	113,140	56,336	(45,590)	-	(5,577)	118,309
Total funds	115,281	60,506	(49,128)	-	(5,577)	121,082

24. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Unrestricted funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	146,286	2	146,288
Investment property	-	-	350	350
Current assets	452	811	10,087	11,350
Creditors due within one year	-	(6)	(7,098)	(7,104)
Creditors due in more than one year	-	(101)	(17)	(118)
Provisions for liabilities and charges	(16,634)	-	-	(16,634)
Total	(16,182)	146,990	3,324	134,132

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

24. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2019 £000</i>	<i>Restricted fixed asset funds 2019 £000</i>	<i>Unrestricted funds 2019 £000</i>	<i>Total funds 2019 £000</i>
Tangible fixed assets	-	132,014	-	132,014
Investment property	-	-	350	350
Current assets	304	959	7,364	8,627
Creditors due within one year	-	(346)	(4,941)	(5,287)
Creditors due in more than one year	-	(115)	-	(115)
Provisions for liabilities and charges	(14,507)	-	-	(14,507)
Total	(14,203)	132,512	2,773	121,082

25. Reconciliation of net income to net cash flow from operating activities

	2020 £000	2019 £000
Net income for the period (as per Statement of Financial Activities)	12,721	11,378
Adjustments for:		
Depreciation	2,837	2,661
Capital grants from DfE and other capital income	(3,338)	(3,672)
Interest receivable	(22)	(38)
Defined benefit pension scheme obligation inherited	-	1,466
Defined benefit pension scheme cost less contributions payable	2,173	1,394
Defined benefit pension scheme finance cost	283	201
Decrease in stocks	9	55
Decrease/(increase) in debtors	214	(247)
Increase in creditors	1,839	323
Net gain on assets and liabilities transferred on schools joining the trust	(14,881)	(13,247)
Net cash provided by operating activities	1,835	274

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

26. Cash flows from financing activities

	Group 2020 £000	Group 2019 £000
Repayments of borrowing	(19)	(17)
Cash transferred upon a school joining the trust	-	676
Net cash (used in)/provided by financing activities	(19)	659

27. Cash flows from investing activities

	Group 2020 £000	Group 2019 £000
Dividends, interest and rents from investments	22	38
Purchase of tangible fixed assets	(2,230)	(4,176)
Capital grants from DfE Group and other capital income	3,338	3,672
Net cash provided by/(used in) investing activities	1,130	(466)

28. Analysis of cash and cash equivalents

	Group 2020 £000	Group 2019 £000
Cash in hand	8,983	6,037
Total cash and cash equivalents	8,983	6,037

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

29. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2020 £000
Cash at bank and in hand	6,037	2,946	-	8,983
Debt due within 1 year	(15)	19	(21)	(17)
Debt due after 1 year	(115)	-	(3)	(118)
	<u>5,907</u>	<u>2,965</u>	<u>(24)</u>	<u>8,848</u>

30. Capital commitments

	Group 2020 £000	Group 2019 £000	Trust 2020 £000	Trust 2019 £000
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	<u>278</u>	<u>352</u>	<u>278</u>	<u>352</u>

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

31. Pension commitments

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

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

Contributions amounting to £718,000 were payable to the schemes at 31 August 2020 (2019 - £nil) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

31. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £4,696,000 (2019 - £2,929,000).

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

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

Local Government Pension Scheme

Certain employees of Stamford Welland Academy are part of the Lincolnshire Pension Fund. At 31 August 2020 the scheme had a deficit of £320,000 (2019 - £28,000). Certain employees of The Ferrers School are part of the Northamptonshire Pension Fund. At 31 August 2020 the scheme had a deficit of £2,258,000 (2019 - £2,064,000). The remaining trust staff who are members of an LGPS are members of the Cambridgeshire Pension Fund. The trust's Cambridgeshire scheme had a deficit of £14,056,000 (2019 - £12,415,000) at 31 August 2020. The results of the three schemes are combined below.

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 £1,976,000 (2019 - £1,976,000), of which employer's contributions totalled £1,526,000 (2019 - £1,537,000) and employees' contributions totalled £ 450,000 (2019 - £439,000). The agreed contribution rates for future years are 22 per cent for employers and tiered per cent for employees.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.7	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.5	21.3
Females	23.7	23.4
<i>Retiring in 20 years</i>		
Males	22.5	22.4
Females	25.1	24.9

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

31. Pension commitments (continued)

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	1,108	1,089
Discount rate -0.1%	(1,108)	(1,089)
Mortality assumption - 1 year increase	1,811	1,674
Mortality assumption - 1 year decrease	(1,811)	(1,674)
CPI rate +0.1%	1,033	941
CPI rate -0.1%	(1,033)	(941)

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

	2020	2019
	£000	£000
Equities	19,985	20,376
Property	3,576	2,929
Cash and other liquid assets	4,052	297
Bonds	1,021	3,745
Total market value of assets	28,634	27,347

The actual return on scheme assets was £(301,000) (2019 - £1,356,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2020	2019
	£000	£000
Current service cost	(3,645)	(2,789)
Past service cost	(54)	(142)
Interest income	510	681
Interest cost	(793)	(882)
Total amount recognised in the Consolidated Statement of Financial Activities	(3,982)	(3,132)

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

31. Pension commitments (continued)

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

	2020	2019
	£000	£000
At 1 September	41,854	28,071
Transferred in on existing academies joining the trust	-	3,536
Current service cost	3,645	2,789
Interest cost	793	882
Employee contributions	450	439
Actuarial (losses)/gains	(1,140)	6,220
Benefits paid	(388)	(225)
Past service costs	54	142
At 31 August	45,268	41,854

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

	2020	2019
	£000	£000
At 1 September	27,347	22,202
Transferred in on existing academies joining the trust	-	2,070
Interest income	510	681
Actuarial (losses)/gains	(811)	643
Employer contributions	1,526	1,537
Employee contributions	450	439
Benefits paid	(388)	(225)
At 31 August	28,634	27,347

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

32. Operating lease commitments

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

	Group 2020 £000	<i>Group 2019 £000</i>	Trust 2020 £000	<i>Trust 2019 £000</i>
Group and Trust				
Within 1 year	6	44	6	44
Between 1 and 5 years	-	4	-	4
Total	6	48	6	48

33. 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.

34. Related party transactions

Owing to the nature of the trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year the trust undertook the following transactions with CMAT Education Services Limited, its 100% subsidiary.

	2020	2019
Sales and recharges	468	438
Gift Aid received	108	66
(Creditor)/debtor at 31 August	(8)	244

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

35. Post balance sheet events

On 1 September 2020 Northstowe Secondary College, and on 1 October 2020 Stratton Upper School, joined the trust.

36. Agency arrangements

The trust distributes initial teacher training funds as an agent. In the accounting period ending 31 August 2020 the trust received £585,000 (2019 - £789,000) and distributed £569,000 (2019 - £789,000). £16,000 (2019 - £Nil) is included in creditors relating to undistributed funds.

37. Principal subsidiaries

The following was a subsidiary undertaking of the trust:

Name	Company number	Registered office or principal place of business	Principal activity
CMAT Education Services Limited	09200472	Swavesey Village College, Gibraltar Lane, Swavesey, Cambridge, CB24 4RS	Provision of IT services, business and education services and lettings
Class of shares	Holding	Included in consolidation	
ordinary	100%	Yes	

The financial results of the subsidiary for the year were:

Name	Income £000	Expenditure £000	Profit/(Loss) for the year £000	Net assets £000
CMAT Education Services Limited	591	(508)	83	2

CAMBRIDGE MERIDIAN ACADEMIES TRUST

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

38. Teaching school trading account

	2020	2020	2019	2019
	£000	£000	£000	£000
Income				
Direct income				
Initial teacher training income	988		1,023	
Post qualification teachers training	160		172	
Assessments	(3)		70	
NPQ For Executive Leadership	36		65	
	<hr/>		<hr/>	
Total direct income	1,181		1,330	
Other Income				
Other	20		23	
Total income		1,201		1,353
Expenditure				
Direct expenditure				
Staff costs	291		262	
Supplies and services	751		904	
	<hr/>		<hr/>	
Total direct expenditure	1,042		1,166	
Other expenditure				
Occupation costs	11		13	
Total expenditure		1,053		1,179
		<hr/>		<hr/>
Surplus/ (Deficit) from all sources		148		174
Teaching school balances at 1 September 2019		304		130
		<hr/>		<hr/>
Teaching school balances at 31 August 2020		452		304
		<hr/> <hr/>		<hr/> <hr/>