

Company Registration No. 07740516 (England and Wales)

ABBAY COLLEGE, RAMSEY

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2016

ABBHEY COLLEGE, RAMSEY

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ABBEY COLLEGE, RAMSEY

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

J A R Chrisp (Trustee)
A Christoforou (Accounting Officer)
S Clark (Trustee) (Resigned 9 December 2015)
C A Dalton (Trustee) (Resigned 4 January 2016)
A J Dods (Trustee)
D N Draycott (Trustee) (Resigned 16 September 2016)
E J Edwards (Trustee)
B Garrett (Trustee) (Resigned 15 April 2016)
M A Jackson (Trustee)
J F Stevens (Trustee) (Resigned 29 January 2016)
A E Thompson (Trustee)
C Dowling (Trustee) (Appointed 23 October 2015 and resigned 1 September 2016)
Mr G Jones (Trustee) (Appointed 9 May 2016)

Members

- Chair of Trustees

M A Jackson
A J Dods
J A R Chrisp

Senior management team

- Headteacher A Christoforou
- Deputy headteacher Dr L Newman
- Assistant headteacher N Chalkley (Macdonald) (resigned 31 August 2016)
- Assistant headteacher C Moss (Gawthorp)
- Assistant headteacher H Bennett (Farrag)
- Director of operations B Heal
- Assistant headteacher R Askoolum
- Accounting officer A Christoforou

Company registration number

07740516 (England and Wales)

Registered office

Abbey Road
Ramsey
Cambridgeshire
PE26 1DG

Independent auditor

Rawlinsons Chartered Accountants
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Bankers

Lloyds Bank PLC
99 High Street
Huntingdon
Cambridgeshire
PE29 3DU

ABBEY COLLEGE, RAMSEY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Ramsey, Huntingdon. It has an annual pupil admission number of 180, a capacity of 1550 and had a roll of 1054 in the school census on January 2016.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Abbey College, Ramsey are also the directors of the charitable company for the purposes of company law.

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. The members of the Charitable Company are:

M A Jackson

A J Dods J Chrisp

Details of the trustees who served during the year were:

J Chrisp

A Christoforou

S Clark (Resigned 9 December 2015)

C Dalton (Resigned 4 Jan 2016)

A Dods

C Dowling (appointed 23 October 2016)

D Draycott

E Edwards

B Garrett (Resigned 15 April 2016)

M Jackson

G Jones (Appointed 9 May 2016)

J Stevens (Resigned 29 Jan 2016)

A Thompson

Associate Governor

S Wilson, Head of Sawtry Village Academy

Associate Governors have no Trustee rights and are invited to advise the Governing body from an aspect of specialist knowledge only.

Trustees' indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business.

Method of recruitment and appointment or election of trustees

The articles of association require the appointment of at least three trustees but may appoint up to 2 community trustees, 4 staff trustees, a maximum of 7 parent trustees, 5 foundation trustees, the head teacher and may co-opt up to 3 additional trustees as required. Trustees may invite Associate Governors with specialist knowledge to advise the Governing body.

ABBEY COLLEGE, RAMSEY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Policies and procedures adopted for the induction and training of trustees

Staff trustees are appointed through an election process. Foundation trustees are appointed by the trustees of the Ramsey foundation. Parent trustees are appointed by the board of trustees if there are fewer candidates than there are vacancies. Otherwise parent trustees are elected by parents. Staff trustees are appointed by the board of trustees if there are fewer candidates than there are vacancies. Otherwise staff trustees are elected by a secret ballot of all staff employed by the academy.

New governors attend an induction meeting with the Chairman and Clerk, receive an induction pack of information and attend an introductory meeting with the Head teacher and a visit to the school. New governors attend full governing body meetings and subsequently populate committees, often according to interests and personal expertise. All governors are encouraged to attend the County Council's induction training and further training as appropriate.

No trustee has a beneficial interest in the academy.

Organisational structure

Abbey College, Ramsey operates as a single academy, governed by a board of trustees. Levels of delegation have been made by the board of trustees to committees of the board. During the year, the Governance structure has been further reorganised from strategic and finance, learner engagement, learner progress and learner environment to operations and learner progress and engagement. Delegated powers are also vested in the Head teacher. Financial responsibilities are delegated in line with the Financial Handbook. Strategic development of the academy is governed by the board of Trustees and is overseen at operational level by the Head teacher and senior staff. The Senior Leadership Team is responsible for the day to day operations of the academy.

Arrangements for setting pay and remuneration of key management personnel

Pay for the senior leadership team is set by the governing body pay committee and is reviewed in line with staff performance appraisals and national guidance. The size of the leadership team is reviewed against the requirements of the Academy to meet Ofsted guidance and in line with students numbers.

Connected organisations including related party relationships

The college has a working relationship with Cambridge Meridian Academies Trust and the trustees of the Ramsey Foundation.

The trustees have assessed the major risks to which the academy is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and activities

Objects and aims

The academy's principal activity is to advance for the public benefit, education in the Ramsey area, in particular by establishing, maintaining, carrying on, managing and developing an academy school offering a broad and balanced curriculum, high academic standards and a safe and enjoyable environment for its students, staff and visitors. The policies adopted in furtherance of these objectives are agreed and reviewed regularly by trustees and there has been no material change in these during the period.

The academy has provided education to students of mixed ability between the ages of 11 to 18 years in line with the current curriculum. It has also provided adult community education to the local population.

A summer school provided opportunity for new students to experience the college life as part of their transition process.

Objectives, strategies and activities

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the academy should undertake.

ABBEY COLLEGE, RAMSEY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Public benefit

In September 2011, Abbey College, Ramsey became an academy, taking responsibility for shaping its own future in the context of the new freedoms to make educational choices. There are many areas in which Abbey College, Ramsey has achieved excellence and the school plays a leading role in the local community.

Strategic report

Achievements and performance

Abbey College, Ramsey Academy achieved its best ever GCSE and A level results in the year 2015-16 and these are listed below.

GCSE

5A*-C including English and Maths = 68% and represents an improvement of 13%

5A*-C = 74%

2 or more C+ grades in Science = 51%

Ebacc = 16%

Progress 8 = 0.21, which represents above national average attainment in results

Levels of Progress KS2-4

% of students making 3 levels of progress in English = 90

% of students making 3 levels of progress in Maths = 78

A Level

A*-A 48%, an improvement of 18%

A*-B 69%, an improvement of 29%

A*-C 89%, an improvement of 25%

A*-E 100%, our best ever result recorded for Abbey College

Attendance

In the year 2015-16 the attendance was 95.7% which is 1% above the national average.. This is 0.9% on the figures the school reported last year. The national Persistent Absentee percentage measurement has changed from last year's method; and the school has achieved 8.6% this represents an excellent performance against the national average of 13.8% for secondary schools.

Going concern

The full Governing Body approves the budget each year and is mindful of the need to balance expenditure against income to ensure that the Academy Trust remains a "going concern". The Governing Body also receives and approves the Annual Accounts and the External Auditors Management Report.

Financial review

Most of the income is derived from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants from the EFA and the associated expenditure are shown as restricted funds in the statement of financial activities.

For a considerable time Cambridgeshire authority has received less funding for education compared to other authorities. We remain one of the lowest funded authorities.

The academy also received funding for capital expenditure from the EFA: these amounts are shown as restricted income in the fixed asset funds.

The in-year surplus of GAG funding over expenditure has been achieved through good management of restricted and unrestricted funds. This has been used to repay a part of the deficit that the academy inherited on conversion. The trustees continue to work with the EFA to remove the deficit within the next 12 months.

Plans for the future

The Regional Schools Commissioner for East of England continues to encourage academies to become members of Multi Academy Trusts and the trustees are actively investigating this possibility.

ABBEY COLLEGE, RAMSEY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The College is investigating numerous avenues to develop the College facilities and buildings in conjunction with the Education Funding Authority, Hunts District Council and Cambridge County Council. Further efficiencies and cost savings are being developed through school building consolidation and financial initiatives.

Additional sources of income from non-core activities continue to be pursued.

Reserves policy

The Governors have generated funds to meet the Academy's obligations to fund the EFA loan repayments in respect of the deficit inherited on conversion to the Academy Trust. There is an ongoing review of reserves in the light of further anticipated budget pressures related to a falling GAG income, but it is the intention of the Governors to hold sufficient funds to manage the impact of those pressures.

The Academy is confident that it will meet the required contributions from its projected income without significantly impacting on its planned level of charitable activity. It continues to calculate its "free", general or unrestricted reserves without setting aside designated reserves to cover the pension liability .

Investment policy and powers

The Academy Trust ensures that all surplus cash balances are invested in interest bearing accounts to maximize interest earning potential.

Principal risks and uncertainties

The trustees have reviewed major risks and uncertainties to which the academy trust is exposed and identified:

Financial – The Academy is reliant on the level of funding received from Government through the Education Funding Agency. Future Government funding policies, practices and terms are not assured.

Failures in governance and / or management – arising from the potential failure to manage the Academy finances, internal controls, compliance with regulations and legislation, statutory returns etc. The trustees continue to review and ensure appropriate measures are in place to mitigate these risks and the academy appoints independent auditors to regularly review the finances.

Reputational- the continuing success of the academy is dependent on continuing to attract sufficient numbers of pupils by maintaining the highest educational standards. The Trustees ensure student success and achievement are regularly monitored and continually improved upon.

Safeguarding and Child Protection – The trustees continue to ensure the highest standards of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline. There is a safeguarding risk inherited from Cambridgeshire County Council on transfer relating to the dual site usage, shared access arrangements and general public access to the grounds. The trustees are mitigating this risk with gated access, staff monitoring and CCTV.

Fraud / Mismanagement of funds – The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff are kept up to date with financial practices and regularly review expenditure.

The Academy continues to strengthen its risk management process throughout the year by adapting policies and procedures and creating staff awareness.

ABBHEY COLLEGE, RAMSEY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Plans for future periods

The overriding priorities for Abbey College during 2016/17 academic year including those set by Ofsted are:

- To continue to improve levels of academic performance where possible particularly in Sciences and Modern Foreign Languages at GCSE level through employing strong leadership, sharing strategies and monitoring performance improvement.
- To provide excellent teaching and learning in all subjects at all levels through coaching and developing staff, undertaking learning walks, developing individual staff plans and monitoring performance.
- To ensure that our provision for well-being, personal development, behaviour and inclusion is outstanding through new initiatives aligned to the school values.
- To continue to develop long term strategy of the facilities in conjunction with Education Funding Authority.
- To establish consistently good behaviour and positive attitudes to learning for all pupils, ensuring that communications provide all stakeholders with a clear understanding of school leaders' raised aspirations for pupils and the standards of behaviour expected.
- To ensure that pupils are stretched by matching the learning activity more closely to the needs of pupils across all subjects.

Auditor

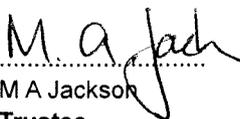
The board of trustees have confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Insofar as the trustees are aware:

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

A resolution proposing that Rawlinsons Chartered Accountants be reappointed as auditor of the charitable company will be put to the members.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 6.12.16..... and signed on the board's behalf by:


.....
M A Jackson
Trustee

ABBEY COLLEGE, RAMSEY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Head teacher, 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 Abbey College, Ramsey 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 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
J A R Chrisp (Trustee)	5	6
A Christoforou (Accounting Officer)	5	6
S Clark (Trustee) (Resigned 9 December 2015)	5	6
C A Dalton (Trustee) (Resigned 4 January 2016)	6	6
A J Dods (Trustee)	5	6
D N Draycott (Trustee) (Resigned 16 September 2016)	1	6
E J Edwards (Trustee)	5	6
B Garrett (Trustee) (Resigned 15 April 2016)	6	6
M A Jackson (Trustee)	6	6
J F Stevens (Trustee) (Resigned 29 January 2016)	5	6
A E Thompson (Trustee)	1	2
C Dowling (Trustee) (Appointed 23 October 2015 and resigned 1 September 2016)		
Mr G Jones (Trustee) (Appointed 9 May 2016)	2	2

There has been some change to the number of Trustees in the last 12 months and this has required a reduction in the number of Governance committees. The Trustees are actively recruiting to fill vacancies in the Governing body and have introduced the role of Associate Governor to gain valuable specialist advice. As at 01 September 2015, we currently have Headteacher, 2 community trustees, 3 foundation trustees, 2 staff governors and 4 parent governors.

ABBEY COLLEGE, RAMSEY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

During the year, governors have completed further skills and self-evaluation audits to continue developing the impact and effectiveness of the board of Trustees. These have support the continuance of the Governors Improvement Plan for the year and have assisted with assigning specific actions to individual trustees and to support skill development. This is an ongoing program and the next evaluation will be Summer 2017.

The Trustees have introduced strategic planning sessions to develop, monitor and revise the Governors Improvement Plan; and a specific strategic working party to develop longer term actions to improve the school site and facilities.

During the Year Ofsted have graded the Leadership and management of the school and Governance as "Good". Further work is required to develop the overall grading from Requires Improvement and Governors aware working with the leadership on the Post Ofsted Action Plan to achieve a "Good" grade by the next inspection.

During the period, the governance structure has been reorganised to further improve the strategic focus of the trustees and support the reducing number of Trustees. The responsibilities previously held by strategic and finance committee, being a sub-committee of the main board of trustees, are now undertaken by the Operations committee.

Operations Committee

Its purpose is to:

Review the Annual Budget in detail and to make recommendations to the Board, be responsible for authorisation of expenditure above £30,000; review the Academy's internal and external financial statements and reports to ensure that they reflect best practice, ensure the College's Business Manager discusses with the external auditor the nature and scope of each forthcoming audit. Ensure that the external auditor has the fullest co-operation of staff; consider all relevant reports by the Director of Operations or the appointed external auditor, including reports on the Academy's accounts, achievement of value for money and the response to any management letters, review the effectiveness of the Academy's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner;

During the year the committee has overseen the development of the Strategic Working Party, Governance restructure and the preparation of the Scheme of Delegation.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended Out of a possible	
J Chrisp	6	6
A Christoforou	6	6
S Clark (Resigned 9 December 2015)	2	2
C Dalton (Resigned 4 Jan 2016)	1	2
A Dods	4	6
E Edwards	4	6
M Jackson	6	6
G Jones (Appointed 9 May 2016)	1	1
J Stevens (resigned 29 Jan 2016)	0	3

Review of value for money

Following the guide to academy value for money statements published by the Education Funding Agency and the understanding that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. We ensure that the Academy trust delivers good value in the use of public resources as follows:

ABBEY COLLEGE, RAMSEY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Improving Educational Results:

- Over the course of the year, the College has ensured that resources are directed where they are most needed and most effective in meeting educational requirements, for example by:
- Targeting resources in line with the School Improvement Plan priorities,
- Professional development for all staff to implement curriculum and assessment processes and further improve subject knowledge.
- Developing the assessment, tracking and monitoring processes to ensure that data is used to inform planning, target interventions and support differentiation, including regular internal and Senior Leadership Team meetings to review progress and impact of interventions for different groups of pupils. Continuously improving staff appraisal processes for effective monitoring of performance and pay progression.
- Using Pupil Premium to increase our levels of progress and support our strategies to improve attendance, reduce poor learning habits, and continue with KS3 &4 interventions.

Financial Governance and Oversight:

Examples of steps taken to ensure value for money when purchasing include:

- Exploring alternative purchasing options, both on-line and direct through suppliers, to obtain the best value.
- Working with other local schools in partnership to identify products and services that can be procured across a number of schools in order to drive down cost and/or negotiate favourable rates.
- Governors and school managers have developed procedures for assessing need and obtaining goods/ services which provide "best value" in terms of suitability, efficiency, time and cost. Measures in place include: competitive tendering procedures, high value purchases require three written quotes, procedures for accepting "best value" quotes, which are not necessarily the cheapest where suitability for purpose and quality of workmanship are required, benchmarking of suppliers, procedures which minimise office time by the purchase of goods/services direct from known reliable suppliers.
- All contracts are reviewed on an annual basis to ensure that they are fit for purpose and give best value to the school.

Better Income Generation:

The College continues to promote adult education programmes and offers the hire of the premises for weddings, clubs and community events.

Reviewing Controls and Managing Risks:

The Operations Committee, Director of Operations, College Business Manager, budget holders and the Senior Leadership Team have reviewed regular budget reports. This has ensured that spending is within budget and forward plans are agreed and implemented when there has been any variance.

Actions taken to manage risk include the appropriate level of insurance cover. Professional advice for HR and legal service providers has also been sought when needed.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Abbey College, Ramsey for the period 1st September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

ABBEY COLLEGE, RAMSEY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed Centre for Education and Finance Management (CEFM), the external auditor, to perform additional checks.

The external auditors role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the auditors reports to the board of trustees, through the finance and general purposes committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The external auditor has delivered their schedule of work as planned and provided reports to the board of trustees. The trustees review recommendations and take on board any relevant remedial action to rectify any issues.

Review of effectiveness

As accounting officer the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the responsible officer;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

ABBEY COLLEGE, RAMSEY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The accounting officer has been advised of the results of their review of the system of internal control to the Finance and General Purposes committee and subsequently the Strategic and Finance committee; and has advised a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 6.12.16..... and signed on its behalf by:



A Christoforou
Accounting Officer



M A Jackson
Trustee

ABBHEY COLLEGE, RAMSEY

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2016

As accounting officer of Abbey College, Ramsey I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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



A Christoforou
Accounting Officer

6.12.16

ABBHEY COLLEGE, RAMSEY

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2016

The trustees (who also act as governors for Abbey College, Ramsey and are also the directors of Abbey College, Ramsey for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the board of trustees on 6.12.16.... and signed on its behalf by:



M A Jackson
Trustee

ABBEY COLLEGE, RAMSEY

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF ABBEY COLLEGE, RAMSEY

We have audited the accounts of Abbey College, Ramsey for the year ended 31 August 2016 set out on pages 18 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the trustees, who are also the directors of Abbey College, Ramsey for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Report including the incorporated strategic report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

ABBEY COLLEGE, RAMSEY

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF ABBEY COLLEGE, RAMSEY (CONTINUED)

Matters on which we are required to report by exception

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

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



Mark Jackson FCA DChA (Senior Statutory Auditor)
for and on behalf of Rawlinsons Chartered Accountants

Chartered Accountants

Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Dated: ...8.12.2016.....

ABBEY COLLEGE, RAMSEY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ABBEY COLLEGE, RAMSEY AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 27 September 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Abbey College, Ramsey during the period 1 September 2015 to 31 August 2016 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 Abbey College, Ramsey and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Abbey College, Ramsey and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Abbey College, Ramsey and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Abbey College, Ramsey's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Abbey College, Ramsey's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. 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 period 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of trustees' meetings

ABBHEY COLLEGE, RAMSEY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ABBHEY COLLEGE, RAMSEY AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mark Jackson FCA DChA
Reporting Accountant
Rawlinsons Chartered Accountants
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Dated: 8.12.2016.....

ABBHEY COLLEGE, RAMSEY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £	Total 2015 £
Income and endowments from:						
Donations and capital grants	2	-	10,827	91,952	102,779	459,969
Charitable activities:						
- Funding for educational operations	3	196,284	6,144,215	-	6,340,499	6,157,082
Other trading activities	4	196,821	-	-	196,821	180,469
Investments	5	6,810	-	-	6,810	6,485
Total income and endowments		<u>399,915</u>	<u>6,155,042</u>	<u>91,952</u>	<u>6,646,909</u>	<u>6,804,005</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	369,419	6,101,414	649,175	7,120,008	6,895,482
Total expenditure	6	<u>369,419</u>	<u>6,101,414</u>	<u>649,175</u>	<u>7,120,008</u>	<u>6,895,482</u>
Net income/(expenditure)		30,496	53,628	(557,223)	(473,099)	(91,477)
Transfers between funds		65,440	(92,532)	27,092	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	(1,177,000)	-	(1,177,000)	(70,000)
Net movement in funds		<u>95,936</u>	<u>(1,215,904)</u>	<u>(530,131)</u>	<u>(1,650,099)</u>	<u>(161,477)</u>
Reconciliation of funds						
Total funds brought forward		(53,973)	(1,165,056)	28,399,074	27,180,045	27,341,522
Total funds carried forward		<u>41,963</u>	<u>(2,380,960)</u>	<u>27,868,943</u>	<u>25,529,946</u>	<u>27,180,045</u>

ABBEY COLLEGE, RAMSEY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information Year ended 31 August 2015	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2015 £
Income and endowments from:					
Donations and capital grants	2	-	2,323	457,646	459,969
Charitable activities:					
- Funding for educational operations	3	171,313	5,985,769	-	6,157,082
Other trading activities	4	180,469	-	-	180,469
Investments	5	6,485	-	-	6,485
Total income and endowments		<u>358,267</u>	<u>5,988,092</u>	<u>457,646</u>	<u>6,804,005</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	316,075	5,935,742	643,665	6,895,482
Total expenditure	6	<u>316,075</u>	<u>5,935,742</u>	<u>643,665</u>	<u>6,895,482</u>
Net income/(expenditure)		42,192	52,350	(186,019)	(91,477)
Transfers between funds		64,653	(64,653)	-	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	20	-	(70,000)	-	(70,000)
Net movement in funds		106,845	(82,303)	(186,019)	(161,477)
Reconciliation of funds					
Total funds brought forward		(160,818)	(1,082,753)	28,585,093	27,341,522
Total funds carried forward		<u>(53,973)</u>	<u>(1,165,056)</u>	<u>28,399,074</u>	<u>27,180,045</u>

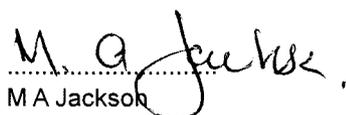
ABBHEY COLLEGE, RAMSEY

BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	11		27,839,759		28,134,659
Current assets					
Stocks	13	7,230		6,789	
Debtors	14	144,070		105,863	
Cash at bank and in hand		714,544		897,342	
		<u>865,844</u>		<u>1,009,994</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(429,857)		(450,823)	
Net current assets			435,987		559,171
Total assets less current liabilities			<u>28,275,746</u>		<u>28,693,830</u>
Creditors: amounts falling due after more than one year	16		(2,800)		(68,785)
Net assets excluding pension liability			<u>28,272,946</u>		<u>28,625,045</u>
Defined benefit pension liability	20		(2,743,000)		(1,445,000)
Net assets			<u>25,529,946</u>		<u>27,180,045</u>
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			27,868,943		28,399,074
- Restricted income funds			362,040		279,944
- Pension reserve			(2,743,000)		(1,445,000)
Total restricted funds			<u>25,487,983</u>		<u>27,234,018</u>
Unrestricted income funds	18		41,963		(53,973)
Total funds			<u>25,529,946</u>		<u>27,180,045</u>

The accounts set out on pages 18 to 40 were approved by the board of trustees and authorised for issue on 16.12.16..... and are signed on its behalf by:


M A Jackson
Trustee
Company Number 07740516

ABBEY COLLEGE, RAMSEY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Net cash provided by operating activities	21		138,300		239,246
Cash flows from investing activities					
Dividends, interest and rents from investments		6,810		6,485	
Capital grants from DfE and EFA		84,452		457,646	
Capital funding from sponsors and others		7,500		-	
Payments to acquire tangible fixed assets		(363,025)		(304,362)	
Proceeds from sales of tangible fixed assets		8,750		-	
		<u> </u>	(255,513)	<u> </u>	159,769
Cash flows from financing activities					
Repayment of long term bank loan		(65,585)		(68,786)	
		<u> </u>	(65,585)	<u> </u>	(68,786)
Change in cash and cash equivalents in the reporting period			(182,798)		330,229
Cash and cash equivalents at 1 September 2015			897,342		567,113
Cash and cash equivalents at 31 August 2016			<u>714,544</u>		<u>897,342</u>

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Abbey College, Ramsey meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of Abbey College, Ramsey prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees have made this assessment in respect of a period of one year from the date of approval of the accounts, and consider that the going concern basis is appropriate. The trustees consider that this is appropriate because, despite the deficit transferred from the Local Authority on conversion and the further deficit on the General Annual Grant in a prior year, the plans put in place have enabled the school to return an operating surplus and also to meet the repayment terms of the loan with the EFA.

1.3 Income

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

Grants receivable

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

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

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

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.

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold property	50 years
IT equipment	3 years
Fixtures, fittings & equipment	10 years
Motor vehicles	5 years

The land and buildings from which the academy operate are partly under a licence to occupy from the local authority, and partly leased from a number of other bodies, including the trustees of the Ramsey Foundation. A valuation was undertaken on the property as at 31 August 2012 on a depreciated replacement cost basis by a professional valuer, commissioned by the EFA. Depreciation is charged in accordance with the accounting policies set out above.

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

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Stock

Unsold catering stock is valued at the lower of cost and net realisable value.

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.9 Taxation

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

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 Fund accounting

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

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

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

1.12 Critical accounting estimates and areas of judgement

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

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Private sponsorship	-	10,827	10,827	2,323
Capital grants	-	84,452	84,452	457,646
Other donations	-	7,500	7,500	-
	-	102,779	102,779	459,969

3 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
DfE / EFA grants				
General annual grant (GAG)	-	5,543,174	5,543,174	5,309,173
Other DfE / EFA grants	-	218,922	218,922	286,058
	-	5,762,096	5,762,096	5,595,231
Other government grants				
Local authority grants	-	318,482	318,482	365,103
Other funds				
Other incoming resources	196,284	63,637	259,921	196,748
Total funding	196,284	6,144,215	6,340,499	6,157,082

ABBNEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Lettings	13,247	-	13,247	9,457
Catering income	183,574	-	183,574	171,012
	<u>196,821</u>	<u>-</u>	<u>196,821</u>	<u>180,469</u>

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	6,810	-	6,810	6,485
	<u>6,810</u>	<u>-</u>	<u>6,810</u>	<u>6,485</u>

6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2016 £	Total 2015 £
Academy's educational operations					
- Direct costs	3,642,620	-	543,902	4,186,522	4,129,270
- Allocated support costs	1,421,938	746,004	765,544	2,933,486	2,766,212
	<u>5,064,558</u>	<u>746,004</u>	<u>1,309,446</u>	<u>7,120,008</u>	<u>6,895,482</u>
Total expenditure	<u>5,064,558</u>	<u>746,004</u>	<u>1,309,446</u>	<u>7,120,008</u>	<u>6,895,482</u>

Net income/(expenditure) for the year includes:

	2016 £	2015 £
Fees payable to auditor for:		
- Audit	11,500	11,250
- Other services	3,113	1,761
Operating lease rentals	89,592	28,615
Depreciation of tangible fixed assets	657,725	643,032
(Gain)/loss on disposal of fixed assets	(8,550)	633
	<u>763,380</u>	<u>1,334,281</u>

ABBNEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Direct costs - educational operations	191,370	3,995,152	4,186,522	4,129,270
Support costs - educational operations	178,049	2,755,437	2,933,486	2,766,212
	<u>369,419</u>	<u>6,750,589</u>	<u>7,120,008</u>	<u>6,895,482</u>

Analysis of costs

	2016 £	2015 £
Direct costs		
Teaching and educational support staff costs	3,604,134	3,696,206
Staff development	38,486	24,221
Technology costs	13,480	13,938
Educational supplies and services	392,770	284,477
Other direct costs	137,652	110,428
	<u>4,186,522</u>	<u>4,129,270</u>
Support costs		
Support staff costs	1,421,938	1,295,597
Depreciation and amortisation	649,175	643,665
Technology costs	88,048	125,169
Maintenance of premises and equipment	96,829	81,760
Rent and rates	295,120	315,115
Catering	114,348	112,700
Interest and finance costs	56,000	(13,000)
Other support costs	186,327	186,580
Governance costs	25,701	18,626
	<u>2,933,486</u>	<u>2,766,212</u>

8 Staff costs

	2016 £	2015 £
Wages and salaries	3,627,485	3,777,996
Social security costs	275,263	251,977
Operating costs of defined benefit pension schemes	667,675	670,770
	<u>4,570,423</u>	<u>4,700,743</u>
Staff costs	4,570,423	4,700,743
Supply staff costs	346,939	248,537
Staff restructuring costs	44,170	-
Staff development and other staff costs	103,026	66,744
	<u>5,064,558</u>	<u>5,016,024</u>
Total staff expenditure	5,064,558	5,016,024

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

8 Staff costs

(Continued)

Staff numbers

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

	2016 Number	2015 Number
Teachers	64	70
Administration and support	123	117
Management	6	6
	<u>193</u>	<u>193</u>

Higher paid staff

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

	2016 Number	2015 Number
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
	<u>1</u>	<u>1</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are severance payments totalling £44,170 (2015: £23,000). Individually, the payments were: £13,170, £4,000, £23,000, £4,000.

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £575,288.

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

9 Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration and other benefits was as follows:

A Christoforou (headteacher and governor):

Remuneration £85,000 - £90,000 (2015: £85,000 - £60,000)

Employer's pension contributions £10,000 - £15,000 (2015: £10,000 - £15,000)

N Robinson (staff governor):

Remuneration £nil (2015: £20,000 - £25,000)

Employer's pension contributions £nil (2015: £0 - £5,000)

B Garrett (staff governor):

Remuneration £5,000 - £10,000 (2015: £15,000 - £20,000)

Employer's pension contributions £nil (2015: £nil)

A Thompson (staff governor):

Remuneration £35,000 - £40,000 (2015: £35,000 - £40,000)

Employer's pension contributions £5,000 - £10,000 (2015: £0 - £5,000)

G Jones (staff governor):

Remuneration £5,000 - £10,000 (2015: £nil)

Employer's pension contributions £nil (2015: £nil)

During the year, travel and subsistence payments totalling £290 (2015: £368) were reimbursed or paid directly to 2 trustees (2015: 3 trustees).

Other related party transactions involving the trustees are set out within the related parties note.

10 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year is included within the total insurance costs of £89,556 (2015: £87,712).

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

11 Tangible fixed assets

	Leasehold property	IT equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2015	30,271,560	235,088	326,797	20,000	30,853,445
Additions	171,965	23,089	139,526	28,445	363,025
Disposals	-	-	(1,000)	(20,000)	(21,000)
At 31 August 2016	30,443,525	258,177	465,323	28,445	31,195,470
Depreciation					
At 1 September 2015	2,235,707	213,865	249,214	20,000	2,718,786
On disposals	-	-	(800)	(20,000)	(20,800)
Charge for the year	571,280	13,992	68,785	3,668	657,725
At 31 August 2016	2,806,987	227,857	317,199	3,668	3,355,711
Net book value					
At 31 August 2016	27,636,538	30,320	148,124	24,777	27,839,759
At 31 August 2015	28,035,853	21,223	77,583	-	28,134,659

12 Fixed asset investments

The academy is a member of Huntingdonshire Academies Secondary Partnership, a company limited by guarantee. The company was dormant at the end of the year.

13 Stocks	2016 £	2015 £
Catering and other stock	7,230	6,789
14 Debtors	2016 £	2015 £
Trade debtors	-	6,345
VAT recoverable	12,471	12,332
Other debtors	761	878
Prepayments and accrued income	130,838	86,308
	144,070	105,863

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

15 Creditors: amounts falling due within one year	2016 £	2015 £
Government loans	69,185	68,785
Trade creditors	93,948	65,581
Other taxation and social security	84,285	78,132
Other creditors	75,519	70,778
Accruals and deferred income	106,920	167,547
	<u>429,857</u>	<u>450,823</u>

Government loans includes an interest free loan of £68,785 in respect of the deficit that the academy inherited on conversion from a local authority school.

Also included within government loans is an interest free concessionary Salix loan, which was a requirement of a capital grant. A loan of £3,200 was advanced in the year, of which £400 is payable within one year, and the balance of £2,800 after more than one year.

16 Creditors: amounts falling due after more than one year	2016 £	2015 £
Government loans	2,800	68,785
	<u>2,800</u>	<u>68,785</u>
Analysis of loans		
Wholly repayable within five years	71,985	137,570
Less: included in current liabilities	(69,185)	(68,785)
	<u>2,800</u>	<u>68,785</u>
Amounts included above	<u>2,800</u>	<u>68,785</u>
Loan maturity		
Debt due in one year or less	69,185	68,785
Due in more than one year but not more than two years	400	68,785
Due in more than two years but not more than five years	1,600	-
Due in more than five years	800	-
	<u>71,985</u>	<u>137,570</u>

ABBNEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Deferred income	2016 £	2015 £
Deferred income is included within:		
Creditors due within one year	39,244	56,527
Deferred income at 1 September 2015	56,527	44,796
Released from previous years	(56,527)	(44,796)
Amounts deferred in the year	39,244	56,527
Deferred income at 31 August 2016	39,244	56,527

At the balance sheet date the academy was holding funds received in advance for the next school year for school trips and school meals.

18 Funds	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	279,944	5,543,174	(5,383,254)	(77,824)	362,040
Other DfE / EFA grants	-	218,922	(218,922)	-	-
Other government grants	-	318,482	(318,482)	-	-
Adult Community Learning	-	10,700	-	(10,700)	-
Summer School	-	5,055	(1,047)	(4,008)	-
Other restricted funds	-	58,709	(58,709)	-	-
Funds excluding pensions	279,944	6,155,042	(5,980,414)	(92,532)	362,040
Pension reserve	(1,445,000)	-	(121,000)	(1,177,000)	(2,743,000)
	(1,165,056)	6,155,042	(6,101,414)	(1,269,532)	(2,380,960)
Restricted fixed asset funds					
DfE / EFA capital grants	264,415	84,452	-	(319,683)	29,184
Inherited funds	27,440,514	-	(608,873)	(8,750)	26,822,891
Capital expenditure from DfE / EFA grants	694,145	-	(40,302)	363,025	1,016,868
Private sector capital sponsorship	-	7,500	-	(7,500)	-
	28,399,074	91,952	(649,175)	27,092	27,868,943
Total restricted funds	27,234,018	6,246,994	(6,750,589)	(1,242,440)	25,487,983

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Funds	(Continued)				
Unrestricted funds					
General funds	(53,973)	399,915	(369,419)	65,440	41,963
	<u> </u>				
Total funds	27,180,045	6,646,909	(7,120,008)	(1,177,000)	25,529,946
	<u> </u>				
General unrestricted funds include the following designated funds:					
School fund	40,724	138,161	(137,652)	(9,933)	31,300
Balance of general funds	(94,697)	261,754	(231,767)	75,373	10,663
	<u> </u>				
	<u>(53,973)</u>	<u>399,915</u>	<u>(369,419)</u>	<u>65,440</u>	<u>41,963</u>
	<u> </u>				

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

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

The fixed asset fund represents the net book value of fixed assets held by the academy. During the year fixed assets were sold resulting in a profit of £8,750, which has been used to purchase fixed assets in the year. A further £27,092 of fixed asset purchases have been funded using GAG funding in the year.

£6,829 of capital maintenance funding grants received in the prior year from the EFA have been utilised on property improvements and transferred to the fixed asset fund. The balance of £7,080 is to be spent on continued improvements to the premises, which were ongoing at the year end.

£46,364 of devolved capital funding received from the EFA in the current and prior year has been utilised on property improvements and transferred to the fixed asset fund.

£60,179 was received in the year which was the final funding for two condition improvement funds from the EFA. During the year, £266,490 of these funds were spent on property improvements and the balance of £22,104 represents the unspent funds at the year end.

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.

Transfers to the general funds consist of profits generated in the year on ACL and Summer School activities of £6,588, and contributions towards EFA loan repayments of £68,785.

During the year £9,933 was transferred from the school fund to the restricted funds to represent contributions made in the year towards specific items of expenditure.

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	27,839,759	27,839,759
Current assets	131,878	704,782	29,184	865,844
Creditors falling due within one year	(89,915)	(339,942)	-	(429,857)
Creditors falling due after one year	-	(2,800)	-	(2,800)
Defined benefit pension liability	-	(2,743,000)	-	(2,743,000)
	<u>41,963</u>	<u>(2,380,960)</u>	<u>27,868,943</u>	<u>25,529,946</u>

20 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and that of the LGPS related to the period ended 31 March 2013.

Contributions amounting to £75,479 (2015: £70,125) were payable to the schemes at 31 August 2016 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

20 Pensions and similar obligations

(Continued)

The key elements of the 2014 valuation and subsequent consultation were:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £364,367 (2015: £331,249).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21% for employers and 5.5 to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £241,000.

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

Total contributions made	2016	2015
	£	£
Employer's contributions	266,000	209,000
Employees' contributions	62,000	59,000
Total contributions	<u>328,000</u>	<u>268,000</u>

Principal actuarial assumptions	2016	2015
	%	%
Rate of increases in salaries	4.1	4.6
Rate of increase for pensions in payment	2.1	2.7
Discount rate	2.1	3.8

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

20 Pensions and similar obligations

(Continued)

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

<u>Change in assumptions at 31 August 2016:</u>	<u>Approximate % increase to Employer Liability</u>	<u>Approximate monetary amount (£000)</u>
0.5% decrease in Real Discount Rate	13%	944
1 year increase in member life expectancy	3%	218
0.5% increase in the Salary Increase Rate	5%	371
0.5% increase in the Pension Increase Rate	7%	538

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

	2016 Years	2015 Years
Retiring today		
- Males	22.5	22.5
- Females	24.5	24.5
Retiring in 20 years		
- Males	24.4	24.4
- Females	26.9	26.9

The academy trust's share of the assets in the scheme

	2016 Fair value £	2015 Fair value £
Equities	3,396,000	2,608,000
Bonds	679,200	529,000
Cash	135,840	106,000
Property	316,960	282,000
Total market value of assets	4,528,000	3,525,000
Actual return on scheme assets - gain/(loss)	717,000	(47,000)

Amounts recognised in the statement of financial activities

	2016 £	2015 £
Current service cost (net of employee contributions)	318,000	308,000
Net interest cost	56,000	(13,000)
Plan introductions, benefit changes, curtailments and settlements	13,000	-
Total operating charge	387,000	295,000

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

20 Pensions and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2016	
	£	
Obligations at 1 September 2015	3,525,000	
Current service cost	1,763,000	
Interest cost	195,000	
Employee contributions	62,000	
Actuarial loss	1,755,000	
Benefits paid	(42,000)	
Plan introductions, benefit changes, curtailments and settlements	13,000	
	<hr/>	
At 31 August 2016	7,271,000	
	<hr/> <hr/>	
Changes in the fair value of the academy trust's share of scheme assets	2016	
	£	
Assets at 1 September 2015	3,525,000	
Interest income	139,000	
Return on plan assets (excluding amounts included in net interest):		
Actuarial gain	578,000	
Employer contributions	266,000	
Employee contributions	62,000	
Benefits paid	(42,000)	
	<hr/>	
At 31 August 2016	4,528,000	
	<hr/> <hr/>	
21 Reconciliation of net expenditure to net cash flows from operating activities	2016	2015
	£	£
Net expenditure for the reporting period	(473,099)	(91,477)
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(91,952)	(457,646)
Investment income	(6,810)	(6,485)
Defined benefit pension costs less contributions payable	65,000	99,000
Defined benefit pension net finance cost/(income)	56,000	(13,000)
Depreciation of tangible fixed assets	657,725	643,032
Losses/(profits) on disposals of fixed assets	(8,550)	633
(Increase)/decrease in stocks	(441)	5,693
(Increase)/decrease in debtors	(38,207)	3,959
Increase/(decrease) in creditors	(21,366)	55,537
	<hr/>	<hr/>
Net cash provided by operating activities	138,300	239,246
	<hr/> <hr/>	<hr/> <hr/>

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

22 Contingent liabilities

The school leases The Abbey and part of its land for a peppercorn rent on a 99 year lease, expiring in 2035. The school has an obligation to return the property in good tenable repair and condition and therefore there may be a liability for any works that are required, but any liability that may exist has not been quantified.

23 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2016 £	2015 £
Amounts due within one year	97,673	84,432
Amounts due in two and five years	79,233	134,670
	<u>176,906</u>	<u>219,102</u>

24 Capital commitments

	2016 £	2015 £
Expenditure contracted for but not provided in the accounts	-	169,363
	<u>-</u>	<u>169,363</u>

At the year end, capital commitments were in place amounting to £nil (2015: £169,363) in relation to the Condition Improvement Fund windows project.

25 Related party transactions

Owing to the nature of the academy's operations and the composition of the board of the trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During the period, a donation amounting to £855 (2015: £495) was received from Ramsey Tennis Club, of which E J Edwards, an academy trustee, is a member.

During the period, donations amounting to £11,210 (2015: £11,500) were received from the Ramsey Foundation. Five of the academy trustees are also trustees of the Ramsey Foundation.

During the year, Huntingdon Academy Schools Partnership (HASP) was closed and funds were distributed to the member schools. Abbey College, Ramsey received £5,462.

Some of the Governors have children who are pupils at the Academy, consequently there will be transactions between those Governors and the Academy in respect of their children's education. These are on the same basis as other pupils at the Academy.

ABBEY COLLEGE, RAMSEY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

26 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

No individual has a controlling interest in the charitable company.