REGISTERED COMPANY NUMBER 02400784 (England and Wales)
EXEMPT CHARITY

ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST AUGUST 2015
THE BROOKE WESTON TRUST

(A Company Limited by Guarantee)

TUESDAY
A4MT16L5
A32 22/12/2015 #316
COMPANIES HOUSE

Smith Hodge & Baxter
Chartered Accountants
& Statutory Auditors
Thorpe House
93 Headlands
KETTERING
Northamptonshire
NN15 6BL

THE BROOKE WESTON TRUST

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FOR THE YEAR ENDED 31ST AUGUST 2015

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THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2015

Members	A E G de Capell Brooke	
	R Lane	
	C Priestley	
	H Stevenson	
	G G Weston	
	G H Weston	
	R Morrison	
Trustees/Directors	Mrs M Banham	(Resigned 19 February 2015)
	D Barton	(Resigned 19 February 2015)
	A E G de Capell Brooke	
	Dr A Campbell	(Chief Executive Officer and Accounting Officer)
	Mrs D Cassie	(Resigned 19 February 2015)
	C Chenery	(Resigned 19 February 2015)
	P Harris-Bridge	
	Miss K James	(Resigned 19 February 2015)
	R Lane	
	R Morrison	(Chairman)
	C Priestley	
	H Stevenson	
	G G Weston	
	G H Weston	
Company Secretary	Mrs D Tysoe	
Senior Management Team		
Chief Executive Officer	Dr A Campbell	
Finance Director	Mrs D Tysoe	
Executive Principal	J Henrys	
Executive Principal	Miss P Stringer	
Cluster Business Manager	T Laws	
Cluster Business Manager	Mrs C Stewart	
Chair of Finance and Audit Committee	P Harris-Bridge	
Principal and Registered office	Coomb Road	
	Great Oakley	
	Corby	
	Northamptonshire	
	NN18 8LA	
Company Registration Number	02400784 (England and Wales)	
Independent Auditor	Smith Hodge & Baxter	
	Chartered Accountants	
	& Statutory Auditors	
	Thorpe House	
	93 Headlands	
	Kettering	
	Northamptonshire	
	NN15 6BL	
Bankers	HSBC Bank plc	
	22-24 Corporation Street	
	Corby	
	Northamptonshire	
	NN17 1NJ	

REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

Solicitors	Browne Jacobson LLP Victoria Square House Victoria Square Birmingham B2 4BU
Subsidiary undertakings	Corby CTC Trading Limited Corby Business Academy Trading Company Limited

TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST AUGUST 2015

The trustees present their report together with the financial statements and auditors' report of the charitable company for the period 1st September 2014 to 31st August 2015. The annual report serves the purposes of both a trustee's report, and a directors' report under company law.

The trust operates four primary academies, three secondary academies, one all-through academy and one secondary free school in Northamptonshire and Wisbech. Its academies have a combined pupil capacity of 7,522 and had a roll of 6,702 in the school census on 1st October 2015.

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 The Brooke Weston Trust are also directors of the charitable company for the purposes of company law.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Brooke Weston City Technology College was formed in 1991. In 2007 it changed its name to become The Brooke Weston Trust before becoming an Academy in 2008. Corby Business Academy opened September 2008. It ceased trading as an independent company and joined The Brooke Weston Trust on 1st April 2012. Kettering Science Academy joined The Brooke Weston Trust alongside Corby Business Academy on 1st April 2012. It had previously been an independent company operating since September 2009. Thomas Clarkson Academy joined the trust on the 1st June 2012 having previously been part of Cambridgeshire County Council. On 1st September 2012 the trust expanded further to include Beanfield Primary School, Corby Technical School and Gretton Primary School. Both the Primary Schools transferred to the trust from Northamptonshire County Council whilst Corby Technical School is a new free school serving the needs of the local area. Peckover Primary School transferred to the trust from Cambridgeshire County Council on 1st April 2013. Oakley Vale Primary School transferred to the trust from Northamptonshire County Council on 1st September 2013.

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.

Trustees' indemnities

In accordance with normal commercial practice the academy trust has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on academy business.

Principal activities

The academy trust's principal activity, as set out in its articles of association and funding agreement, is to advance, for the public benefit, education in the United Kingdom through its carrying on as a school offering a broad curriculum with emphasis on particular specialisms.

Method of recruitment and appointment or election of directors/trustees

The articles of association require no less than three directors. The Principal Sponsors (A de Capell Brooke and the Garfield Weston Foundation) may appoint up to two directors each including themselves. The Chief Executive Officer shall remain a director for as long as he remains in office. There shall be a minimum of two parent directors unless there are Local Governing Bodies which include at least two parent members. The Secretary of State for Education may appoint as many directors as he thinks fit in accordance with the terms of the funding agreement. In addition to this, the directors themselves may appoint up to seven co-opted directors for a term of up to four years.

The term of office for any director shall be limited to four years, except the Chief Executive Officer (who remains a director whilst in post) and the Principal Sponsor (during any period in which the Principal Sponsor is a director), subject to the remaining being eligible to be a particular type of director, any director may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of directors/trustees

The training and induction provided for new directors will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as directors. Induction tends to be done informally and is tailored specifically to the individual.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The trust governance structure consists of three levels; the Board of Trustees, the Operations Group and the Local Governing Bodies. The Board of Trustees has two sub-committees; the Finance and Audit Committee and the Remunerations Committee. Each school has its own Local Governing Body.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the schools by the use of budgets and making major decisions about the direction of the schools, capital expenditure and appointment of the Chief Executive Officer and Finance Director.

The trust's Operational Business Model has three levels; the Chief Executive Officer, the Executive Principals and the School Leadership Teams. The aim of the management structure is to develop responsibility and encourage involved decision making at all levels. The Chief Executive Officer, the Operations Group, the Executive Principals and the Senior Leadership Teams control the schools at an executive level implementing the policies laid down by the trustees and reporting back to them.

RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

Subsidiary companies

The Brooke Weston Trust owns 100% of the issued ordinary shares of Corby CTC Trading Limited, a company incorporated in England and Wales (registration no. 03062232) and Corby Business Academy Trading Company Limited, a company incorporated in England and Wales (registration no. 06725975). Further details regarding the subsidiary companies are given in note 13 to the financial statements.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal object and activity of the academy trust is to provide education for pupils of different abilities between the ages of 3 and 19.

In accordance with the articles of association the academy trust has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the academies, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on science and technology and their practical applications.

Objectives, strategies and activities

The main objectives of the academy trust during the year ended 31st August 2015 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the academies by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce;
- to conduct the academy trust's business in accordance with the highest standards of integrity, probity and openness.

The academy trust's main strategy to carry out the objects is to provide education for pupils of different abilities, in a learning environment utilising the best possible teaching facilities and staff. To this end the activities provided include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications;
- training opportunities for all staff, and especially teaching staff;
- secondments and placing of students with industrial and commercial partners;
- a programme of sporting and after school leisure activities for all students;
- a system of after school clubs to allow students to explore science and technology in a practical and project orientated way;
- a careers advice and a guidance programme to help students obtain employment or move on to higher education.

OBJECTIVES AND ACTIVITIES (continued)

Public benefit
The trustees have regard to the charity commission's guidance on public benefit section 4 of the Charities Act 2011. The trustees ensure that the academy trust's activities are undertaken in line with the charitable objects and aims.

Equal opportunities policy
The trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The academy trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Employees and disabled persons
Ramps to access some class rooms and all teaching blocks. Disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the academies. The policy of the academy trust is to support recruitment and retention of students and employees with disabilities. The academy trust does this by adapting the physical environment, by making support resources available and through training and career development.

At each school there is a staff consultation committee which meets termly with the school's principal to discuss any matters affecting staff.

STRATEGIC REPORT
ACHIEVEMENTS AND PERFORMANCE
Dr A Campbell's report on achievements and performance is detailed below.

Introduction
For two years now we have progressed a raft of structural and operational changes necessary for making the trust more 'fit for purpose'. We have evolved the work of the board itself and established a new forum for Chairs of Governors, implemented a revised senior leadership structure within the executive level of the trust and pursued other significant leadership changes within the senior teams of individual schools. In tandem we have begun migrating to a suite of common platforms for everything from academic performance monitoring to accounting and financial modelling, asset tracking and site maintenance.

All of this has been important and has resulted in, for example, a positive EFA audit report on the trust's governance arrangements. However, the core purpose for which we should be fit is the delivery of a high standard of education in every one of our schools at all times. Despite the improvements in the quality of teaching across primary and secondary sectors, we have not yet seen a commensurate improvement in every school's external examination performances. We must address this and do so within the context of financial challenges caused by a cut in real terms funding. This goal must be at the heart of our trust if we are to realise the levels of performance we desire, particularly in our most challenged schools.

Commentary on Overall Trust Progress in 2014/15

Improving Academic Performance
Despite some disappointments this year, overall there is a continuing trend of improved academic performance with a second year of improved outcomes across our primary schools and at sixth form level. The value added performance of all our schools has improved at key stage 4, though it is still not strong and the headline 5A*CEM scores were not all where would wish to see them. In line with the increased emphasis on individual student progress irrespective of starting point in pending national performance measures, it is right to concentrate on this direction of travel within the trust and foreground our future value added performance ('progress 8') rather than raw attainment statistics. There is much still to do before all Brooke Weston Trust schools are returning above national average progress performance, but this is absolutely the goal that we have set for ourselves now.

Quality Teaching
The quality of teaching is stronger than ever across all year groups and the trust as a whole. The new academic year should bring the fruits of this as the changes in teaching personnel and strong performance management really begin to have an impact. Many of our primary schools have had major staff changes over the last two years which have helped them to improve. Conversely, I am pleased to report a greater degree of stability at Thomas Clarkson Academy which is key to its future success after many years of staff turbulence and inability to recruit. It is of course unwise to average the quality of teaching across the trust and be satisfied with a single figure because for every child we educate it is the teacher in front of them that counts. The Teaching School continues to play an important part in providing high quality training and development for staff from all our schools and it is a valuable source of recruitment of new teachers for our schools.

ACHIEVEMENTS AND PERFORMANCE (continued)

OfSTED and DFE inspections

The inspections carried out in 2014/15 were reaffirming in that once again they corroborated our own quality assurance. It was significant for KSA to receive a number of good judgements in its inspection and our interventions at Oakley Vale resulted in a much improved report compared to when it joined the trust. Early in the year we also received no-notice behaviour inspections at Thomas Clarkson and Peckover, both of which went well.

Leadership

The trust has implemented a new executive leadership structure that provides greater capacity for both educational challenge and operational management. The Executive Principal role has been permanently established and the new Operations Group comprising the Chief Executive Officer, Finance Director, Executive Principals and Cluster Business Managers is already proving effective. At individual academy level we have appointed Associate Principals for Brooke Weston Academy (interim) and Corby Business Academy as well as making a number of other senior staff changes to the leadership teams of our secondary schools. In the primary sector we have replaced the Director of Primary post with a more cost-effective Chair of Primary Group post and commissioned expert HMI support and brokered a collaboration with a successful primary-only MAT to assist our primaries in their development over the next 12 months.

Governance

The trust's governance structure is now fit for purpose and is cited by the DFE as one model of good practice for MATs because we have an appropriate blend of skills at board level, a clear scheme of delegation and good checks and balances in our procedures for decision-making.

Demand for a Brooke Weston Trust Education

Demand for place at Brooke Weston schools in Corby continues to be high. In Wisbech Thomas Clarkson has reached its target intake number of the first time ever this September. This year we must be aware of increased admissions competition from other secondary schools in Kettering. All of our primary schools continue to be popular.

New Opportunities for Students

This year we have produced our very first joint musical event drawing together secondary students from across the trust. The Brooke Weston Trust CCF is now up and running in its own right providing opportunities for students from every secondary school. There have been a variety of primary joint events including competitions and visits. During the year we also agreed a single sports strategy for the trust and this is being driven by our new Director of Sport as we seek to improve participation and quality of opportunity for students of all ages.

Outcomes 2014/15

Secondary Outcomes 2014/15

A Level

This year has been the trust's strongest A level performance to date. Exceptional outcomes at Brooke Weston Academy should rightly make the headlines, but each of our other academies has also seen improvements.

Brooke Weston Academy (BWA)

BWA teachers and students gave an outstanding performance which resulted in 74% of all grades awarded being with the A* to B range. This is a 5% rise on BWA's best ever previous performance. Six students secured places at Oxford or Cambridge with very many others going to Russell Group destinations. The average points score per student was also the highest the academy has ever achieved and should put it in the top ranks of comprehensive schools nationally.

Corby Business Academy (CBA)

CBA has recovered well from a dip in post-16 performance last year. Despite a below average ability profile on entry, results have matched national average and a key indicator is the significant increase in the average point score per student, which is almost double that for 2014.

Kettering Science Academy (KSA)

KSA has met the predictions for its sixth form performance. When OfSTED visited earlier in the year they said that doing this would confirm the 'good' grading awarded during the inspection. Another significant feature of KSA's performance is that this year the sixth form cohort was double the size of the previous year.

ACHIEVEMENTS AND PERFORMANCE (continued)

Thomas Clarkson Academy (TCA)

TCA's sixth form performance continues to build. Whilst student numbers are still modest and the ability profile on entry is low, the quality of the outcomes is improved with an increased average points score per student and the academy is doing an excellent job at giving more life chances to students. This is the first year that all sixth form outcomes can be attributed to TCA teachers without any input from external providers such as the College of West Anglia.

GCSE

The table below shows provisional GCSE performance for this year against 2014 national results.

Secondary 2015	[redacted]	CBA	KSA	TCA	[redacted]	2014 National
%3LOP EN		67.9	66.0	51.0	NA	70%
%4 LOP EN		26.8	19.9	13.0	NA	32%
%3 LOP MA		64.6	53.4	37.0	NA	65%
%4 LOP MA		[redacted]	16.6	5.0	NA	29%
%5A*CEM		52.0	43.8	25.0	NA	55%
Indicative P8 score		-0.24	-0.74	-0.51	NA	Floor for 2016 set at -0.5

Key for Trust assessment of individual academy performance: Green = pleased with performance which is at or above national; amber = concerned but see signs of promise and within 5% of national; red = disappointed at this point and > 5% below 2014 national figure for this measure.

Some KS4 GCSE statistics will alter when schools factor in disapplications that are legitimate for inspection purposes. For example CBA's figures rise to 55% 5A*CEM and to above national levels for 3LOP in English and maths when special unit students are discounted. However, with the exception of Brooke Weston Academy it is clear we have much work to do over the next few years, starting now. Corby Technical School (CTS) remains on track to deliver strong results in two years' time.

Brooke Weston Academy

BWA had a strong year and the challenge now is to maintain this high level of performance whilst seeking further marginal gains wherever possible.

Corby Business Academy

CBA fell a few percent short of its targets for whole school performance, though it was within tolerance when the impact of a higher number of Year 11 special school students is taken into account.

Kettering Science Academy

KSA's 5A*CEM figure of 44% was 4% below the minimum performance predicted this year, although still above the government's current 40% A*CEM floor target. Although performance is certainly not yet good, there was a significant improvement in KSA's value added score as it is currently calculated. However in order to achieve a stronger Progress 8 score next year KSA needs to address levels of progress for all students across all subjects.

Thomas Clarkson Academy

TCA's headline 5A*CEM figure of 25% was well below predictions which were nearer to 40%. Of the target Year 11 group, 27 students missed a C in English by just 3 marks and 18 missed by equally narrow margins in maths. We must also remember the scale of the challenge at TCA – the key stage 2 prior attainment for this Year 11 cohort was well below national average and this scenario repeats for future years at TCA. However, despite this disappointment, there is some positive news in that the Progress 8 figure for the school is at the government's provisional floor target for next year.

Corby Technical School (CTS)

There are currently no official exam results for CTS as this is a new free school established by the Brooke Weston Trust in August 2012 with the first cohort of year 7 students being admitted to the school in September 2012. Excellent progress has been made by all students since the school opened and all signs point towards CTS achieving strong results from its first GCSE exam sittings in the 2016/17 academic year.

ACHIEVEMENTS AND PERFORMANCE (continued)

Primary Outcomes 2015

The table below gives a summary of headline primary performance. Figures show schools performance +/- 2014 outcomes for selected measures and present the outcomes after a small number of 'discounted' students (i.e. very late arrivals, recent EAL arrivals, high level SEN) have been removed at Beanfield and Peckover.

	BPS	GPS	KSA(P)	OVPS	PPS	2014 Nat.
% 2+ LOP Reading	81% = + 16	100% = + 5	85% = - 6	98% = + 21	97% = + 22	98%
% 2+ LOP Writing	88% = + 19	100% = + 5	95% = - 7	98% = + 1	100% = + 20	98%
% 2+ LOP Maths	83% = + 20	100% = 0	83% = - 13	95% = + 14	91% = + 9	95%
% at L4+ RWM	79% = + 18	100% = + 15	61% = - 17	85% = + 15	85% = + 24	85%

Key for Trust assessment of individual academy performance in top line of the table: Green = pleased with progress so far; Amber= concerned but see signs of promise; Red = disappointed at this point.

Beanfield Primary School (BPS)

BPS continued along its trajectory of improvement and is now closer to national expectations in all measures. Focus for the academic year 2015/16 Beanfield should further close the gap on national standards and increase the number of children achieving higher levels in reading, writing and maths.

Gretton Primary School (GPS)

GPS achieved outstanding results with 100% of children achieving L4 in all subjects and 100% children making the expected progress through KS2. All measures improved this academic year. Target for 2015/16 is to maintain these standards as the variances in the small cohorts within different year groups can affect consistency.

Kettering Science Academy Primary Phase (KSAP)

KSAP's outcomes were ultimately as the Leadership team expected, though they had hoped for more. Results did not maintain the standard of the previous academic year however the value added measures in all the subjects demonstrated considerable improvement particularly in writing. KSAP's target for 2015/16 is to achieve results at least back in line with national standards.

Oakley Vale Primary School (OVPS)

OVPS saw a significant improvement in its results in both attainment and progress. All measures exceeded national standards except L5 writing and maths. The focus for 2015/16 will be to increase the percentage of children reaching a higher level in writing and maths.

Peckover Primary School (PPS)

PPS's percentage of children achieving Level 4 rose significantly and now exceeds the national standards. This huge improvement is mirrored in the percentage of children making expected progress. Focus for 2015/16 is to meet the national standards of children achieving higher levels in all three subjects.

Student Attendance 2014/15

The target for 2014/15 was to improve overall student attendance to 95%+ across the trust. As the table below shows, we have achieved this and all but one school is now above national average.

Primary	Beanfield	Gretton	KSA (P)	OVPS	Peckover	National
	96.0	96.8	95.4	95.6	96.0	95.2
Secondary	BWA	CBA	CTS	KSA (S)	TCA	
	96.1	95.2	95.7	95.0	93.2	94.9

Key: green= in line with or above national; amber = within 5% of national; red = >than 5% below national.

As last year, the attendance in schools across our trust averages to above national figures for both the primary and secondary phases.

ACHIEVEMENTS AND PERFORMANCE (continued)

Governance and Infrastructure

Financial Governance and Operational Efficiencies
During 2014/15 we made good progress in this area. In particular, the Operations Group was established to help plan and implement a revised 5 year financial plan. The RACI matrix for 2015/16 has been updated to include the role of the Operations Group and Executive Principals.

Feedback from the EFA audit was both positive and helpful in recommending a small number of minor adjustments to our practices.

General Governance
During the last year the trust has also improved its capacity to manage its assets and estate. We are also reviewing our risk software to see if this can also be integrated into a single compliance and risk dashboard.

Several of our policies are due to be reviewed this year. Given the many changes in government legislation and new emphases in the inspection process, we have asked our lawyers, Browne Jacobson, to review all of our policies with the exception of pay and performance management, which are being updated in conjunction with our HR and personnel advisors, EPM.

Concluding Remarks
The road ahead remains a challenging one. To fulfil our obligation to the all the young people we educate we cannot be deviated from the priorities this report recommends. Students are not robots and we do not control all the circumstances that will affect their performance. However, we can draw strength from our experience of overcoming social disadvantage and ensure we make best use of those things that have been important to our successes to date. Similarly we can and must learn lessons from every setback.

GOING CONCERN

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

FINANCIAL REVIEW

Financial report for the year
Most of the academy trust's income is obtained from the Education Funding Agency (EFA)/Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA/DfE during the year ended 31st August 2015 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy trust also receives grants for fixed assets from the EFA/DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting Activities by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

In addition funds are received from various activities carried out to generate funds, such as any running costs of the academies not met by restricted grants. Any surplus is carried forward as an unrestricted fund in the balance sheet.

During the year ended 31st August 2015 total revenue expenditure was £42.343 million and total incoming funds from the DfE and other sources were £42.227 million.

At 31st August 2015 the net book value of tangible fixed assets was £129.425 million and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy trust.

FINANCIAL REVIEW (continued)

Financial position
The academy trust held fund balances at 31st August 2015 of £129.288 million comprising £124.374 million of restricted funds and £4.914 million of unrestricted funds. The restricted pension reserve is currently in deficit of £5.797 million. This deficit relates solely to the actuarial assessment of Local Government Pension Scheme and future contribution rates have been agreed taking this deficit into account.

Reserves policy
The trustees review the reserve levels of the academy trust continually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that the approximate level of free reserves should be equivalent of 12 weeks expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy trust's current level of free reserves (total funds less the amount held in restricted funds and amounts held as fixed assets) is £4.914 million which is less than is needed. The academy trust intends to continue building up free reserves to the level required.

Investment policy
The academy trust does not hold any investments other than cash at bank and its £200 investment in its subsidiary undertakings, as noted earlier in this report. The trustee's transferred £1 million of these cash reserves to an investment account in order to maximise the returns available. No further funds have been transferred to this account as the trustee's wish to maintain the working capital of each school at a minimum level in order to meet the day-to-day expenditure incurred in line with the reserves policy as noted earlier in this report. The total income received from these investments amounted to £32,000 during the current year (2014: £18,000).

PRINCIPAL RISKS AND UNCERTAINTIES

Risk management
The trustees have a duty to identify and review the risks to which the academy trust is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have assessed the major risks to which the academy trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy trust, and its finances. The trustees have implemented a number of systems to assess risks that the academy trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and academy trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement .

Financial and Risk Management Objectives and Policies
The trustees regularly review the risks faced by the academy trust and have completed a "Risk Map" to identify the critical areas of concern. As far as possible the trustees have put in place management controls to minimise/mitigate risks.

Principal risks and uncertainties
The trustees consider the following items are the principal risks facing the academy trust:

Financial
- Fluctuating student numbers year on year impact directly on funding received from the EFA. This, along with continuing change of instability in the formula for determining the funding at a county and national level, creates uncertainty around future income. This makes effective budgeting more challenging.
- The defined benefit pension scheme liability stands at a deficit of £5.797m at 31st August 2015. Funding this deficit may lead to increased employer contributions from the academies.

Other financial risks:
- Credit risk - the academy trust has healthy cash balances and is able to pay its suppliers in accordance with agreed credit terms. Therefore credit risk is considered to be low.
- Cash flow and liquidity risks - Due to the front-loaded cash flow profile of funding received from the EFA, the cash flow and liquidity risks of the academy trust are considered to be low.

PLANS FOR FUTURE PERIODS

It is now time to focus on a smaller number of priorities fundamental to improving the quality of education the trust is offering *in every Brooke Weston Trust classroom*. This requires clarity of purpose and leadership, but it also requires additional resources for our most challenged schools over the next few years. The one year priorities for 2015/16 are in the following three areas:

1. **Education Standards**
   - Move towards trust-wide curriculum alignment and collaboration on examination courses
   - Introduce common academic data tracking systems performance toolkits
   - Aim for much improved student progress and value added performance

2. **Leadership Capacity**
   - Launch a revised values and ethos communications strategy to promote a single trust message
   - Focus on talent management and trust-wide succession planning for key roles
   - Enhance our effectiveness in terms of recruitment

3. **Governance and operational efficiencies**
   - Implement a new five year financial plan providing greater resources for school standards work.
   - Respond to EFA recommendation and internal audit findings to embed compliance across the trust

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware:

- there is no relevant information of which the charitable company's auditor is unaware, and
- the trustees have taken all the 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.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 18 DECEMBER 2015 and signed on the board's behalf by:

.....

R Morrison
Trustee

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2015

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Brooke Weston 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.

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 The Brooke Weston 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 three times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M Banham (Resigned 19 February 2015)	1	2
D Barton (Resigned 19 February 2015)	1	2
A E G de Capell Brooke	3	3
Dr A Campbell	3	3
Mrs D Cassie (Resigned 19 February 2015)	0	2
P Harris-Bridge	2	3
Miss K James (Resigned 19 February 2015)	0	2
R Lane	2	3
R Morrison (Chair of the Board)	3	3
C Priestley	3	3
H Stevenson	3	3
C Chenery (Resigned 19 February 2015)	2	2
G G Weston	2	3
G H Weston	2	3

Governance reviews:
Internal evaluation and review has been undertaken during the year on the impact and effectiveness of the board of trustees and the outcome of this is the new streamlined board implemented in February 2015. The Finance and Audit Committee has also reviewed its effectiveness with the outcomes to be reported at the next meeting. Filtering downwards the Local Governing Bodies have undertaken internal evaluation and review with their outcomes to be reported back to the individual meetings and included in the minutes to these meetings. These reviews are to be undertaken on an annual basis.

The finance and audit committee is a sub-committee of the main board of trustees. Its purpose is to oversee the finance and audit aspects of the academy trust. This included reviewing the financial position of the academy trust and the work of the external auditors and other matters arising from the internal audit procedures.

Trustee	Meetings attended	Out of a possible
R Morrison	4	4
P Harris-Bridge	4	4
Mrs M Banham (Resigned 19 February 2015)	2	2
Dr A Campbell	4	4

Whilst Dr A Campbell is a member of the finance and audit committee he does not take part in votes on matters which are deemed to be related to the audit responsibilities of this committee.

Review of Value for Money

As accounting officer the Chief Executive Officer has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayers resources received.

Review of Value for Money (continued)
The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Forming a new strategic leadership team, the Operations Group, comprising the CEO, Finance Director, the Executive Principals and the Cluster Business Managers. This group meets weekly to review actual performance against the five year financial plan and to ensure that goods and services are procured under trust-wide agreements wherever possible in order to maximise savings.
- Undertaking a comprehensive review of staffing levels across the trust in order to establish stronger short and medium term control over expenditure on staff within all of the academies. This involved benchmarking staff levels across the trust and against other academy trusts in the area, and introducing new appointment forms which must justify recruitment and be approved by the CEO.
- Introducing five year facilities management and IT strategies for all academies, including scrutinising existing maintenance contracts, in order to ensure value for money is achieved on all trust expenditure.
- Maximising income generation by opening the premises at Kettering Science Academy and Corby Technical School to the public outside of school hours for sports lettings and other functions/events, and opening the new gym at the Brooke Weston Academy. It is anticipated that these revenue streams will continue to increase over the coming years.

The purpose of the system of internal control
The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Brooke Weston Trust for the period from 1st September 2014 to 31st August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk
The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period from 1st September 2014 to 31st August 2015 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 audit and 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;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Smith Hodge & Baxter as internal auditor.

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

- testing of payroll systems
- testing of income systems
- testing of purchase systems
- testing of debit/credit card payments
- testing of control account/bank reconciliations

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2015

The risk and control framework (continued)
On a quarterly basis, the auditor reports to the board of trustees, through the finance and audit committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. There were no material control issues arising as a result of the auditors' review.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

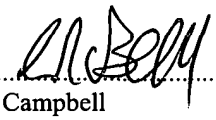
Review of effectiveness
As accounting officer the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the finance and audit committee;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the academy 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 audit and 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 on 18 DECEMBER 2015 and signed on its behalf by:

R Morrison
Trustee



Dr A Campbell
Accounting Officer

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31ST AUGUST 2015

As accounting officer of The Brooke Weston Trust I have considered my responsibility to notify the academy trust board of trustees and the Educational 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.

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

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.

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Dr A Campbell
Accounting Officer

18 DECEMBER 2015

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31ST AUGUST 2015

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (2005);
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 18 DECEMBER 2015 and signed on its behalf by:

R Morrison
Trustee

INDEPENDENT AUDITORS REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE BROOKE WESTON TRUST FOR THE YEAR ENDED 31ST AUGUST 2015

We have audited the financial statements of The Brooke Weston Trust for the year ended 31st August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the academy 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 academy trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust 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 auditor
As explained more fully in the Statement of Trustees' Responsibilities, as set out on page 16, the trustees (who are also the directors of the academy 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.

Our responsibility is to audit and express an opinion on the financial statements 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 financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy trust'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 financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements 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 financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31st August 2015, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Trustees' Annual Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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;
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made: or
- we have not received all the information and explanations we require for our audit.

Ian Chown (Senior Statutory Auditor)
for and on behalf of Smith Hodge & Baxter
Chartered Accountants & Statutory Auditors
Thorpe House
93 Headlands
KETTERING
Northamptonshire
NN15 6BL

18 DECEMBER 2015

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BROOKE WESTON TRUST AND THE EDUCATION FUNDING AGENCY FOR THE YEAR ENDED 31ST AUGUST 2015

In accordance with the terms of our engagement letter dated 8th September 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Brooke Weston Trust during the period 1st September 2014 to 31st August 2015 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 The Brooke Weston Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Brook Weston Trust 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 The Brooke Weston Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Brooke Weston Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Brooke Weston Trust's funding agreement with the Secretary of State for Education dated 30th March 2012 and the Academies Financial Handbook, extant from 1st September 2014, 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 2014 to 2015. 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 1st September 2014 to 31st August 2015 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 2014 to 2015 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 our conclusion includes:

- Assessment and testing of the internal audit work and reliance placed upon this work for the review of internal control procedures.
- Further testing of the internal control procedures has been carried out in the following areas:
  - Sample test of delegated authority procedures
  - Enquiry and review of transactions with connected persons
  - Review of governance procedures including inspection of trustee and relevant board minutes
  - Sample test of procurement procedures.
- Communications with the accounting officer

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2014 to 31st August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
Smith Hodge & Baxter
Chartered Accountants & Statutory Auditors
Thorpe House
93 Headlands
Kettering
NN15 6BL

18 DECEMBER 2015

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2015

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Unrestricted Funds £000s	Restricted Pension Reserve £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Restricted Endowment Funds £000s	Total 2015 £000s	Total 2014 £000s
INCOMING RESOURCES								
Incoming resources from generated funds								
Voluntary income		-	-	-	-	-	-	-
Voluntary income - transfer of academies into the academy trust		-	-	-	-	-	-	3,179
Activities for generating funds	2	727	-	2,057	-	-	2,784	2,337
Investment income	3	65	-	-	-	-	65	38
Incoming resources from charitable activities								
Funding for the Academy Trust's educational operations	4	-	-	38,557	821	-	39,378	39,062
Total incoming resources		792	-	40,614	821	-	42,227	44,616
RESOURCES EXPENDED								
Charitable activities								
Academy trust's educational operations	6	88	507	39,402	2,237	-	42,234	41,947
Governance costs	7	-	-	109	-	-	109	114
Total resources expended	5	88	507	39,511	2,237	-	42,343	42,061
Net incoming/(outgoing) resources before transfers		704	(507)	1,103	(1,416)	-	(116)	2,555
Gross transfers between funds	17	-	-	(816)	816	-	-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR		704	(507)	287	(600)	-	(116)	2,555
Other recognised (losses)/gains								
Actuarial (losses)/gains on defined benefit pension schemes	26	-	(74)	-	-	-	(74)	(2,163)
Net movement in funds		704	(581)	287	(600)	-	(190)	392
RECONCILIATION OF FUNDS								
Total funds brought forward at 1st September 2014		4,210	(5,216)	71	130,365	48	129,478	129,086
Total funds carried forward at 31st August 2015	17	4,914	(5,797)	358	129,765	48	129,288	129,478

All of the academy trust's activities derive from continuing operations and acquisitions during the above two financial periods.

The notes form part of the financial statements

BALANCE SHEET AT 31ST AUGUST 2015

	Notes	2015 £000s		2014 £000s	
FIXED ASSETS					
Tangible assets	12		129,425		130,270
Investments	13		-		-
			129,425		130,270
CURRENT ASSETS					
Stocks	14	10		10	
Debtors	15	1,121		608	
Cash at bank and in hand		8,272		7,244	
		9,403		7,862	
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	16	(3,743)		(3,438)	
NET CURRENT ASSETS			5,660		4,424
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS EXCLUDING PENSION LIABILITY			135,085		134,694
PENSION SCHEME LIABILITY	26		(5,797)		(5,216)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			129,288		129,478
FUNDS OF THE ACADEMY TRUST	17				
Restricted funds:					
Fixed asset fund		129,765		130,365	
General fund		358		71	
Pension reserve		(5,797)		(5,216)	
Endowment fund		48		48	
Total restricted funds			124,374		125,268
Unrestricted income funds:					
General fund		4,914		4,210	
Total unrestricted funds			4,914		4,210
TOTAL FUNDS			129,288		129,478

The financial statements on pages 19 to 38 were approved by the trustees and authorised for issue on 18 DECEMBER 2015 and are signed on their behalf by:

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R Morrison – Trustee

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2015

	Notes	2015 £000s	2014 £000s
Net cash inflow from operating activities	20	1,763	1,324
Returns on investment and servicing of finance	21	44	416
Capital expenditure and financial investment	22	(779)	(1,434)
Cash transferred from academies transferring into the academy trust		-	149
Increase in cash in the year	23	1,028	455
Reconciliation of net cash flow to movements in net funds			
Net funds at 1st September 2014		7,244	6,789
Increase in cash in the year		1,028	455
Net funds at 31st August 2015	23	8,272	7,244

The notes form part of these financial statements

1. STATEMENT OF ACCOUNTING POLICIES

Basis of Preparation
The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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 my cast significant doubts on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Preparation of Consolidated Financial Statements
The financial statements contain information about The Brooke Weston Trust as an individual charitable company and do not contain consolidated financial information as the parent of a group. In the trustees' opinion the results of the subsidiaries are not material to an understanding of the academy trust's financial statements as in accordance with S405(2) of Companies Act 2006 and 19(1)(a) of the Charities (Accounts and Reports) Regulations 2008.

Incoming Resources
All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

  General Annual Grant (GAG) is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- **Sponsorship Income**
  Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

- **Donations**
  Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

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

- **Donated services and gifts in kind**
  The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trust's policies.

  The academy trust has entered into 125 year leases with Cambridgeshire County Council and Northamptonshire County Council for some of the academy trust's land and buildings. The rental charges under these leases is a peppercorn. Substantially all the risks and rewards incidental to ownership are assumed by the academy trust and therefore the leases are treated as finance leases and the assets capitalised and depreciated over the period of the leases, in accordance with the tangible fixed assets accounting policy below.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Resources Expended
Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Charitable activities**
  These are costs incurred on the academy trust's educational operations.
- **Governance costs**
  These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets
Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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.

Depreciation is provided on all tangible fixed assets except some leasehold land (which is included at a value of £1.94 million) and assets subject to PFI agreements (see below), at rates calculated to write off the cost of each asset on a reducing balances basis over its expected useful life, as follows:

Freehold buildings	2% of written down value
Long leasehold land and buildings	2% of written down value or over the period of the lease
Furniture and equipment	10% of written down value
Motor vehicles	33% of written down value
Computer equipment	33% of written down value

Long leasehold land and buildings and other tangible fixed assets totalling £36,391,965 have been provided and are maintained by a third party under a PFI agreement with Cambridgeshire County Council. The academy trust has entered into a 25 year agreement with Cambridgeshire County Council to reimburse that local authority for the major part of its commitment under its PFI agreement. During the year ended 31st August 2015 maintenance of premises and equipment includes £999,415 (2014: £968,114) in respect of payments to the local authority under this agreement. The long leasehold land and buildings and other tangible fixed assets were introduced into the financial statements at insurance values, being the trustees' estimate of their current market value at 31st August 2013. Due to the nature of the maintenance element of the PFI agreement no depreciation is considered necessary in respect of these assets over the term of the agreement. Once the agreement expires, these assets will be depreciated in accordance with the academy trust's existing accounting policy for tangible fixed assets.

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

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.

Investments
The academy trust's shareholding in the wholly owned subsidiaries Corby CTC Trading Limited and Corby Business Academy Trading Company Limited are included in the balance sheet at the cost of the share capital owned. There is no readily available market value and the cost of a valuation exceeds the benefit derived.

Leased Assets
Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the lease term.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Stocks
Unused stationery and catering stores are valued at the lower of cost or net realisable value.

Taxation
The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Pension 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 quinquennial valuations using a prospective benefit method. As stated in Note 26, the TPS is a multi employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

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

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

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

Restricted pension reserve funds represent the academy trust's share of the assets and liabilities of the Local Government Pension Scheme.

Restricted endowment funds represent funds transferred from Ise Community College, the predecessor school of Kettering Science Academy. The trustees have the power to spend the capital; both the capital and income are restricted to funding the educational activities of the academy trust.

2. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £000s	Restricted Funds £000s	Total Funds 2015 £000s	Total Funds 2014 £000s
Trips	-	574	574	428
Transport	-	320	320	257
Catering income	-	1,067	1,067	934
Uniform	-	25	25	77
Other income	727	71	798	641
	727	2,057	2,784	2,337

3. INVESTMENT INCOME

	Unrestricted Funds £000s	Restricted Funds £000s	Total Funds 2015 £000s	Total Funds 2014 £000s
Gift aid - subsidiary undertakings	33	-	33	20
Bank interest	32	-	32	18
	65	-	65	38

4. FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000s	Restricted Funds £000s	Total Funds 2015 £000s	Total Funds 2014 £000s
DfE/EFA grants				
General Annual Grant (GAG)	-	33,842	33,842	33,203
Start Up grants	-	186	186	294
Capital grants	-	821	821	1,913
Other DfE/EFA grants	-	2,779	2,779	2,052
	-	37,628	37,628	37,462
Other Government grants				
Local authority grants	-	1,750	1,750	1,574
Local authority capital grants	-	-	-	26
	-	1,750	1,750	1,600
	-	39,378	39,378	39,062

5. RESOURCES EXPENDED

	Staff Costs £000s	Non pay Expenditure Premises £000s	Non pay Expenditure Other Costs £000s	Total 2015 £000s	Total 2014 £000s
Academy's educational operations:					
Direct costs	21,777	1,119	4,522	27,418	28,268
Allocated support costs	8,307	2,969	3,540	14,816	13,679
	30,084	4,088	8,062	42,234	41,947
Governance costs including allocated support costs	30	-	79	109	114
	30,114	4,088	8,141	42,343	42,061

Net income/(expenditure) for the year includes:

	Total 2015 £000s	Total 2014 £000s
Fees payable to auditor - audit	21	22
- other services	19	11
Depreciation - owned assets	2,105	2,198

6. CHARITABLE ACTIVITIES

	Total 2015 £000s	Total 2014 £000s
Direct Costs - educational operations		
Teaching and educational support staff costs	21,777	22,313
Depreciation	2,102	2,193
Educational supplies	1,267	1,555
Examination fees	438	481
Staff development	214	238
Educational consultancy	58	117
Teaching school costs	90	113
Other direct costs	1,472	1,258
	27,418	28,268
Support Costs - educational operations		
Support staff costs	7,302	6,515
Depreciation	3	5
Cleaning	121	97
Recruitment and support	119	93
Light and heat	595	638
Rates and rents	354	333
Insurance	208	282
Maintenance of premises and equipment	1,732	1,811
Security and transport	330	302
Catering staff and other costs	2,381	2,168
IT costs	850	653
Bank interest and charges	21	19
BW Fitness staff and other costs	88	-
Other support costs	712	763
	14,816	13,679
Total direct and support costs	42,234	41,947

7. GOVERNANCE COSTS

	Total 2015 £000s	Total 2014 £000s
Support staff costs	30	30
Auditors' remuneration		
- audit of financial statements	21	22
- other services	19	11
Legal and professional fees	39	51
	109	114

8. STAFF

a. Staff Costs

	2015 £000s	2014 £000s
Staff costs during the year were:		
Wages and salaries	23,734	23,689
Social security	1,640	1,687
Operating costs of defined benefit pension schemes	3,658	3,279
	29,032	28,655
Supply staff costs	894	1,006
Staff restructuring costs	188	96
	30,114	29,757

8. STAFF COSTS (continued)

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £133,314 (2014: £nil). Individually, the payments were: £1,750, £2,300, £2,800, £6,000, £6,000, £7,000, £8,000, £8,100, £9,500, £11,000, £30,750 and £40,114.

c. Staff numbers

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

Charitable Activities	2015 No.	2014 No.
Teachers	398	410
Administration and support	412	409
Management	35	41
	845	860

d. Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2015 No.	2014 No.
£60,001 - £70,000	14	14
£70,001 - £80,000	4	5
£80,001 - £90,000	-	1
£90,001 - £100,000	3	2
£100,001 - £110,000	1	1
£110,001 - £120,000	-	1
£120,001 - £130,000	2	1
£140,001 - £150,000	-	1
£160,001 - £170,000	1	-

Twenty two (2014: twenty four) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31st August 2015 pension contributions for these members of staff amounted to £225,707 (2014: £231,356). The other three (2014: two) employees participated in the Local Government Pension Scheme, pension contributions amounted to £35,401 (2014: £24,239).

9. CENTRAL SERVICES

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

- Financial services
- Property Management services
- IT services
- Educational support services
- Operations, procurement and compliance services
- Other services as arising

The trust charged for these services at approximately 4% of budgeted income.

9. CENTRAL SERVICES (continued)

The actual amounts charged during the year were as follows:

	£000
Beanfield Primary School	114
Brooke Weston Academy	278
Corby Business Academy	268
Corby Technical School	72
Gretton Primary School	26
Kettering Science Academy	324
Oakley Vale Primary School	63
Peckover Primary School	76
Thomas Clarkson Academy	268
	1,489

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive Officer and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive Officer and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration was as follows:

Dr A Campbell (CEO/Executive Principal and trustee):
Remuneration £160,000 - £165,000 (2014: £145,000 - £150,000)
Employer's pension contributions £20,000 - £25,000 (£20,000 - £25,000)

During the years ended 31st August 2015 and at 31st August 2014 no expenses were reimbursed to trustees.

Other related party transactions involving the trustees are set out in note 27.

11. 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 £2,000,000 aggregate liability in any one year and the cost for the year ended 31st August 2015 was £2,827 (2014: £2,827). The cost of this insurance is included in the total insurance cost.

12. TANGIBLE FIXED ASSETS

	Freehold buildings £000s	Long leasehold land and buildings £000s	Furniture & equipment £000s	Computer equipment £000s	Motor vehicles £000s	Totals £000s
COST						
At 1st September 2014	5,675	127,883	5,603	8,069	182	147,412
Additions	150	50	670	390	-	1,260
At 31st August 2015	5,825	127,933	6,273	8,459	182	148,672
DEPRECIATION						
At 1st September 2014	682	7,739	2,673	5,874	174	17,142
Charge for year	103	1,017	360	622	3	2,105
At 31st August 2015	785	8,756	3,033	6,496	177	19,247
NET BOOK VALUE						
At 31st August 2015	5,040	119,177	3,240	1,963	5	129,425
At 31st August 2014	4,993	120,144	2,930	2,195	8	130,270

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings
COST	**£**
At 1st September 2014 and at 31st August 2015	200
NET BOOK VALUE	
At 31st August 2015	200
At 31st August 2014	200

The investments are shown in the balance sheet at cost. The trustees have not prepared group accounts as they are of the opinion that the results of the subsidiaries are not material to an understanding of the academy trust's financial statements in accordance with S405(2) of Companies Act 2006 and 19(1)(a) of the Charities (Accounts and Reports) Regulations 2008.

The academy trust's investments at the balance sheet date in the share capital of companies include the following:

Corby CTC Trading Limited
Country of incorporation: England
Nature of business: hire of sports and business facilities

Class of share:	% holding	
Ordinary	100	**31st August 2014 £000s**
Aggregate capital and reserves		12
Loss for the year		3

A summary of the last audited results for the year ended 31st August 2014 and the balance sheet position as at 31st August 2014 is shown below:

	2014 £ 000s
Turnover	58
Expenditure	61
Loss on ordinary activities before Gift Aid payment	(3)
Gift Aid payment to The Brooke Weston Trust	-
Net loss before taxation	(3)
Taxation	-
Sustained loss for year	(3)
Retained profits brought forward at 1st September 2013	15
Retained profit carried forward at 31st August 2014	12
Fixed Assets	32
Current assets	170
Current liabilities	(186)
Provisions for liabilities and charges	(4)
	12
Called up share capital	-
Profit and loss account	12
Shareholder's funds	12

The audited results for the year ended 31st August 2015 are not yet available. However the company's activity for the year and net assets position at the end of the year are not expected to be significantly different from those as at 31st August 2014.

13. FIXED ASSET INVESTMENTS (continued)

Corby Business Academy Trading Company Limited
Country of incorporation: England
Nature of business: hire of sports and business facilities

Class of Share	% holding
Ordinary	100

	31st August 2014 £000s
Aggregate capital and reserves	2
Profit for the year	1

A summary of the last audited results for the year ended 31st August 2014 and the balance sheet position as at 31st August 2014 is shown below:

	2014 £000s
Turnover	36
Expenditure	2
Profit on ordinary activities before Gift Aid payment	34
Gift Aid payment to Corby Business Academy	33
Net profit before taxation	1
Taxation	-
Retained profit for year	1
Retained profits brought forward at 1st September 2013	1
Retained profits carried forward at 31st August 2014	2
Current assets	38
Current liabilities	(36)
	2
Called up share capital	-
Profit and loss account	2
Shareholder's funds	2

The audited results for the year ended 31st August 2015 are not yet available. However the company's activity for the year and net assets position at the end of the year are not expected to be significantly different from those as at 31st August 2014.

14. STOCKS

	2015 £000s	2014 £000s
Stationery and other supplies	10	10

15. DEBTORS

	2015 £000s	2014 £000s
Trade debtors	87	28
VAT recoverable	264	457
Amounts owed by group undertakings	230	-
Prepayments and accrued income	540	123
	1,121	608

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £000s	2014 £000s
Trade creditors	1,202	1,628
Taxation and social security	496	497
Accruals and deferred income	1,599	834
Other creditors	446	459
Amounts owed to group undertakings	-	20
	3,743	3,438

17. FUNDS

	Balance at 1st September 2014 £000s	Incoming resources £000s	Resources expended £000s	Gains, losses and Transfers £000s	Balance at 31st August 2015 £000s
Restricted general funds					
General Annual Grant (GAG)	(78)	33,842	(32,590)	(816)	358
Other DfE/EFA grants	-	2,965	(2,965)	-	-
Other restricted general funds	-	3,807	(3,807)	-	-
Assets transferred from other academies	149	-	(149)	-	-
Pension Reserve	(5,216)	-	(507)	(74)	(5,797)
	(5,145)	40,614	(40,018)	(890)	(5,439)
Restricted fixed asset funds					
DfE/EFA capital grants	36,035	821	(1,072)	-	35,784
Capital expenditure from GAG	1,934	-	(239)	816	2,511
Other government grants	87,943	-	(825)	-	87,118
Private sector capital sponsorship	4,453	-	(101)	-	4,352
	130,365	821	(2,237)	816	129,765
Restricted endowment funds					
Expendable endowment funds	48	-	-	-	48
Total restricted funds	125,268	41,435	(42,255)	(74)	124,374
Unrestricted funds					
Unrestricted General Funds	4,210	792	(88)	-	4,914
Total unrestricted funds	4,210	792	(88)	-	4,914
TOTAL FUNDS	129,478	42,227	(42,343)	(74)	129,288

17. FUNDS (continued)

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

Restricted General Funds include unspent General Annual Grant (GAG), which must be used for the normal recurring costs of the academy trust together with other restricted general funds. 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 should carry forward at 31st August 2015. During the year a transfer of £816,000 was made to Restricted Fixed Asset Funds from GAG Funds in respect of capital expenditure funded from GAG income.

Restricted Fixed Asset Funds represent resources which have been applied to specific capital purposes imposed by the funder together with cash resources still to be expended.

Restricted Pension Reserve Funds represent the academy trust's share of the assets and liabilities of the Local Government Pension Scheme.

Restricted Endowment Funds represent expendable resources to be applied to specific education activities.

Analysis of academies by fund balance

Fund balances at 31st August 2015 were allocated as follows:

	Total £000s
Beanfield Primary School	785
Brooke Weston Academy	3,726
Corby Business Academy	1,399
Corby Technical School	(492)
Gretton Primary School	180
Kettering Science Academy	(64)
Oakley Vale Primary School	377
Peckover Primary School	109
Thomas Clarkson Academy	(969)
Central services	269
Total before fixed assets and pension reserve	5,320
Restricted fixed asset fund	129,765
Pension reserve	(5,797)
Total	129,288

Corby Technical School is carrying a deficit of £492,000. This deficit arose as a direct result of the establishment of the new school, including contributions towards the construction of the new buildings and the purchase of computer equipment and other fixtures and fittings. The school is expected to return to surplus over the coming years as more students are admitted to the school and the new buildings have now been completed.

Kettering Science Academy is carrying a deficit of £64,000. This deficit arose as a result of an over-spend on IT equipment and software, and recruitment costs in the previous year. Stricter monitoring of the expenditure has been adopted with all purchase orders being approved by the trust's Finance Director and no non-essential expenditure being approved. These actions have already helped to reduce this deficit by £129,000 over the course of the year ended 31 August 2015 and it is anticipated that Kettering Science Academy will return to a surplus during the next financial year.

Thomas Clarkson Academy is carrying a deficit of £969,000. This deficit arose as a result of significant increases in the cost of supply teachers as a result of the shortage of full-time teaching staff in the local area and high buildings maintenance costs under the current PFI agreement. The trust is attempting to stabilise the school's staffing numbers through the use of retention packages in order to curtail the reliance on supply teaching. A further detailed review of expenditure is being undertaken by the Finance Director to identify any inefficiencies or potential savings.

17. FUNDS (continued)

Analysis of academies by cost
Expenditure incurred by each academy during the year was as follows:

	Teaching & Educational Support Staff Costs £000s	Other Support Staff Costs £000s	Educational Supplies £000s	Other costs (excluding Depreciation) £000s	Total £000s
Beanfield Primary School	1,352	468	49	658	2,527
Brooke Weston Academy	3,798	1,554	136	2,079	7,567
Corby Business Academy	3,991	1,561	183	1,252	6,987
Corby Technical School	514	378	56	433	1,381
Gretton Primary School	289	148	22	159	618
Kettering Science Academy	4,603	1,852	184	1,499	8,138
Oakley Vale Primary School	890	350	40	236	1,516
Peckover Primary School	980	234	16	394	1,624
Thomas Clarkson Academy	5,069	999	564	1,851	8,483
Central Services	291	793	17	296	1,397
Academy Trust	21,777	8,337	1,267	8,857	40,238

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31st August 2015 are represented by:

	Unrestricted Funds £000s	Restricted Pension Reserve £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Restricted Endowment Funds £000s	Total Funds £000s
Tangible fixed assets	-	-	-	129,425	-	129,425
Fixed asset investments	-	-	-	-	-	-
Current assets	4,914	-	4,101	340	48	9,403
Current liabilities	-	-	(3,743)	-	-	(3,743)
Pension scheme liability	-	(5,797)	-	-	-	(5,797)
Total Net Assets	4,914	(5,797)	358	129,765	48	129,288

19. FINANCE COMMITMENTS

Academies with Private Finance Initiative (PFI)
Thomas Clarkson Academy joined the trust on 1st June 2012. Its main school buildings were financed under PFI arrangement which also provides services to the school including maintenance of premises and IT equipment, cleaning and the provision of certain utilities. The school pays an annual amount based on a combination of fixed contribution schedules and pupil numbers which will run until 2037. In the year ended 31st August 2015, £999,415 (2014: £968,115) of costs relating to this has been recognised in expenditure.

20. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £000s	2014 £000s
Net income	(116)	2,555
Net assets transferred from other academies	-	(3,179)
Depreciation (note 12)	2,105	2,198
Interest payable	21	19
Interest and gift aid receivable (note 3)	(65)	(38)
Capital grants from DfE and other capital income	(821)	(1,939)
FRS 17 pension cost less contributions payable (note 26)	520	267
FRS 17 pension finance costs (note 26)	(13)	14
Decrease/(increase) in debtors	(173)	2,724
(Decrease)/increase in creditors	305	(1,297)
Net cash provided by/(used in) Operating Activities	1,763	1,324

21. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2015 £000s	2014 £000s
Interest paid	(21)	(19)
Interest received	32	18
Gift aid- subsidiary undertakings	33	20
Repayments received on loans to subsidiary undertakings	-	397
Net cash inflow from returns on investment and servicing of finance	44	416

22. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2015 £000s	2014 £000s
Purchase of tangible fixed assets	(1,260)	(3,373)
Capital grants from DfE/EFA	481	1,913
Capital grants from local authorities	-	26
Net cash outflow from capital expenditure and financial investment	(779)	(1,434)

23. ANALYSIS OF CHANGES IN NET FUNDS

	At 1st September 2014 £000s	Cash Flows 000s	At 31st August 2015 £000s
Cash in hand and at bank	7,244	1,028	8,272
Total cash and cash equivalents	7,244	1,028	8,272

24. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means, of any asset for which a Government capital grant was received, the academy trust is required, either to re-invest the proceeds, or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State for Education.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State for Education or the academy trust serving notice, the academy trust shall repay to the Secretary of State for Education sums determined by reference to:

(a) the value at that time of the academy trust's sites and premises and other assets held for the purpose of the academy trust; and

(b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State for Education under the Funding Agreement.

25. 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 cease to be a member.

26. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes; the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hymans Robertson LLP. 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 31st March 2012 and of the LGPS 31st March 2013.

Contributions amounting to £409,084 (2014: £417,480) were payable to the schemes at 31st August 2015 and are included within creditors.

26. PENSION AND SIMILAR OBLIGATIONS (continued)

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 1st April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1st 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 31st 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 9th June 2014. The key elements of the valuation and subsequent consultation are:

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

The pension costs paid to TPS in the period amounted to £3,478,000 (2014: £3,410,000).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, 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 contribution made for the year ended 31st August 2015 was £1,509,000 (2014: £1,330,000) of which employer's contributions totalled £1,145,000 (2014: £1,002,000) and employees' contributions totalled £364,000 (2014: £328,000). The agreed contribution rates for future years are 14.3% to 23.6% for employers and 5.5% to 12.5% for employees.

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

26. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

Principal Actuarial Assumptions	**At 31st August 2015**	**At 31st August 2014**
Rate of increase in salaries	4.6%	4.5%
Rate of increase for pensions in payment/inflation	2.7%	2.7%
Discount rate for scheme liabilities	3.8%	3.7%
Inflation assumption (CPI)	2.7%	2.7%
Commutation of pensions to lump sums - Thomas Clarkson Academy and Peckover Primary School:		
Pre April 2008 service	25%	25%
Post April 2008 service	63%	63%
- Other academies in the federation:		
Pre April 2008 service	50%	50%
Post April 2008 service	75%	75%

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

Change in assumptions at year ended 31st August 2015:	**Approximate % increase to Employer**	**Approximate monetary Liability amount £000s**
0.5% decrease in Real Discount Rate	13%	2,453
1 year increase in member life expectancy	3%	566
0.5% increase in the Salary Increase Rate	6%	1,112
0.5 % increase in the Pension Increase Rate	7%	1,268

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

	At 31st August 2015	**At 31st August 2014**
Retiring today		
Males	22.3	22.3
Females	24.3	24.3
Retiring in 20 years		
Males	24.1	24.1
Females	26.6	26.6

The academy trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31st August 2015	**Fair value at 31st August 2015 £000s**	**Expected return at 31st August 2014**	**Fair value at 31st August 2014 £000s**
Equities	3.8%	9,222	6.4%	8,101
Bonds	3.8%	2,418	2.9%	2,115
Property	3.8%	1,159	4.5%	794
Cash	3.8%	279	3.3%	340
Total market value of assets		13,078		11,350
Present value of scheme liabilities				
- Funded		(18,875)		(16,566)
(Deficit)/surplus in the scheme		(5,797)		(5,216)

26. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

The expected returns on assets other than bonds have been calculated using 5,000 simulations of the Hymans Robertson Asset Model, calibrated using market data as at a recent date. The expected returns on bonds has been derived from the yields applicable at the accounting date on suitable bond indices.

The actual return on scheme assets was £369,000 (2014: £1,149,000).

Amounts recognised in the statement of financial activities	**2015 £000s**	**2014 £000s**
Current service cost (net of employee contributions)	1,653	1,269
Past service cost	-	-
Curtailments and settlements	12	-
Total operating charge	1,665	1,269

	2015 £000s	**2014 £000s**
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	660	560
Interest on pension liabilities	(647)	(574)
Pension finance income/(costs)	13	(14)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £1,262,000 loss (2014: £1,188,000 loss).

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

	2015 £000s	**2014 £000s**
At 1st September	16,566	11,418
Defined benefit obligations transferred in from other academies	-	348
Current service cost	1,653	1,269
Interest cost	647	574
Employee contributions	364	328
Actuarial loss/(gain)	(217)	2,806
Benefits paid	(150)	(177)
Past service cost	-	-
Curtailments and settlements	12	-
At 31st August	18,875	16,566

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

	2015 £000s	**2014 £000s**
At 1st September	11,350	8,897
Fair value of scheme assets transferred in from other academies	-	97
Expected return on assets	660	560
Actuarial gain/(loss)	(291)	643
Employer contributions	1,145	1,002
Employee contributions	364	328
Benefits paid	(150)	(177)
At 31st August	13,078	11,350

The estimated value of employer contributions for the year ending 31st August 2016 is £1,124,000.

26. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

The five year history of experience adjustments is as follows:

	2015 £000s	2014 £000s	2013 £000s	2012 £000s	2011 £000s
Present value of defined benefit obligations	(18,875)	(16,566)	(11,418)	(8,456)	(1,048)
Fair value of share of scheme assets	13,078	11,350	8,897	6,633	1,213
(Deficit)/surplus in the Scheme	(5,797)	(5,216)	(2,521)	(1,823)	165

	2015 £000s	2014 £000s	2013 £000s	2012 £000s	2011 £000s
Experience adjustments on share of scheme assets	(291)	643	647	166	588
Experience adjustments on scheme liabilities	39	(172)	-	(8)	(516)

27. RELATED PARTY TRANSACTIONS

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

The following related party transactions were carried out with the academy trust's wholly owned subsidiary, Corby CTC Trading Limited:

a) During the year Corby CTC Trading Limited was charged a management fee of £12,000 (2014: £12,000) and net recharges of £37,404 were made in respect of other costs incurred by the academy trust on behalf of the subsidiary (2014: net recharges of £37,235).

b) At 31st August 2015 debtors included £230,111 (2014: £19,685 creditor) due from the subsidiary.

The following related party transactions were carried out with the academy trust's wholly owned subsidiary, Corby Business Academy Trading Company Limited:

a) Incoming resources include gift aid of £33,000 (2014: £20,000) from Corby Business Academy Trading Company Limited.

b) At 31st August 2015 there were no amounts due to/from Corby Business Academy Trading Company Limited (2014: None)

The following related party transactions were carried out with Inspiring Leaders Limited, a company in which Miss P Stringer (Executive Principal) is a director and the Brooke Weston Academy is a member:

a) During the year the Brooke Weston Trust was charged £16,615 (2014: £nil) in respect of leadership development courses.

b) At 31st August 2015 creditors included £2,011 (2014: £nil) due to Inspiring Leaders Limited.

c) The trust made the purchases at arms' length in accordance with its financial regulations and normal procurement procedures, which Miss P Stringer neither participated in nor influenced. In entering into the transaction the trust has complied with the requirements of EFA's Academies Financial Handbook.

28. ULTIMATE CONTROLLING PARTY

The academy trust is under the control of the trustees and members.