

Registered number: 07533254

**LOWBROOK ACADEMY TRUST**

**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**



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**LOWBROOK ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**Members**

Dominique Du Pre  
Christine Rogers  
Paul Harrison

**Trustees / Governors**

Dominique Du Pre	Chair and Member
Paul Harrison	Member
Dave Rooney	Principal and Accounting Officer
Mary Gallop	Trustee
James Spiteri	Trustee
Bianca Iasi	Trustee
Guy van der Knaap	Trustee
Christine Sherwood-Phelps	Trustee
Stuart Muir	Trustee

**Company Secretary**

Kate Bailey

**Senior Management Team**

Dave Rooney	Principal
Martin Gosling	Acting Head of School
Laura Denham	Deputy Head/KS2 Leader
Ronni Quinby	KS1 Leader
Francis Garland	SEN
Paula West/Kay Redjeb	HLTA Representative
Pauline Reid	Business Manager
Kate Bailey	Clerk

**Company Name**

Lowbrook Academy Trust

**Principal and registered office**

Lowbrook Academy Trust, The Fairway, Cox Green, Maidenhead, Berkshire SL6 3AR

**Company registered number**

07533254 (England & Wales)

**Independent Auditor**

MHA MacIntyre Hudson, Abbey Place, 24 - 28 Easton Street, High Wycombe, Buckinghamshire, HP11 1NT

**Bankers**

Natwest Bank Plc, 66 High Street, Maidenhead, Berkshire SL6 1QA

**Solicitors**

Brethertons LLP, The Robbins Building, 25 Albert Street, Rugby, Warwickshire CV21 2SD

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**LOWBROOK ACADEMY TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The trustees present their annual report together with the financial statements and auditors' reports of the charitable company for the year ended /period to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 4 to 11 serving a catchment area in Maidenhead. It has a pupil capacity of 300 and had a roll of 330 in the school census on 7<sup>th</sup> November 2019.

**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 Lowbrook Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Lowbrook Trading Company Limited.

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

**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**

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £810.

**Method of Recruitment and Appointment or Election of Trustees**

The members may appoint up to 3 Trustees. The Members may appoint Staff Trustees through such process as they may determine, Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when she/he is elected. The community Trustee may be appointed by the Governing Body provided that the person who is appointed as a Community Trustee, lives and or works in the community.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new Governors will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are not normally many new governors a year, induction tends to be done informally and is tailored specifically to the individual.

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

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**Organisational Structure**

The organisational structure consists of two levels: the Governing Body and the Senior Leadership Team (SLT). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team includes the Principal, Head of School, Business Manager, Office Manager/Clerk and HLTA representative. This team is responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

**Arrangements for setting pay and remuneration of key management personnel**

The Senior Leadership team have their remuneration determined by recommendations given by the Principal to the Pay Committee based on their performance management. The guideline for these awards are listed in the Academy's Pay Policy, which is reflective of National and Local Authority pay tables.

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

Whilst there is no legal agreement between ourselves and Holt Trinity C of E Primary School we have forged a close connection during the period that Mr Rooney has been Executive Principal over both schools. Standards at Holy Trinity have dramatically risen by the efforts of all staff. This has resulted in an OFSTED rating of 'Outstanding'. Moving from 'Requires Improvement' to 'Outstanding' is not only an amazing and rapid transformation but it would not have been possible without the huge amount of support from all at Lowbrook Academy. The successful partnership with Lowbrook was also highlighted in Holy Trinity's recent SIAMs inspection report that also graded the school to be 'Outstanding' in all areas. This is an excellent example of the Academy model working very well to support another school. We are continuing on our joint leadership model across both schools.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the charitable company is the operation of Lowbrook Academy to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum for pupils of different abilities between the ages of 4 and 11.

**Objectives, Strategies and Activities**

- To continue to exploit the Cambridge review curriculum by ensuring reviewing our progression matrices in line with National and Global research and innovation
- To prioritise the attainment of boys reading is on parity with girls in several classes in KS2
- To raise attainment and improve pupil achievements for in year transfer children
- To ensure that at least 75% of teaching is Outstanding;
- To obtain best value in purchasing of resources and services;
- To ensure that financial resources are maximised so that educational resources are available to raise standards of pupil achievement;
- To maintain 3 year budget planning with the aims of incorporating all priorities identified within the school's development plan;
- To continue a rolling programme of improvement to the internal and external decoration of the school without detriment to the wider aims of raising pupils' attainments.

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

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**Public Benefit**

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the Academy Trust's purpose for the Public Benefit include all statutory obligations outlined within the school's funding agreement.

**The Impact of Covid-19 on Lowbrook Academy**

Covid-19 has had a significant impact on the academy in this financial year. The school implemented teaching from home in the lockdown that started in March and was able to assist with the children of essential workers by allowing them to come into the school. As the lockdown progressed, the school was able to welcome more pupils to work in the school in a socially distanced format using the ability to also work in outside classrooms with many wash stations in the school.

The school faced significant additional costs with the outbreak of the pandemic including a better IT infrastructure, installation of wash stations and significant additional cleaning requirements. However, there was also the impact of lost revenue from reduced wrap around care services and reduced ability to fund raise by the PTA. The board of Trustees realises that this does not prevent Lowbrook Academy from being in a relatively strong position financially and as such continues to adopt the going concern basis of preparing accounts. There are not significant changes to the reserves of the school and the reserves policy remains.

The Principle and his team were required to work many more hours than is normally expected to prepare firstly for the lockdown and then afterwards when welcoming back the pupils partially and then wholly to the school. The classrooms have been adapted to be Covid-19 compliant with all the children facing forward. The staff have need to change how they teach the children and the curriculum has been some adaptation to deal with the changing environment. To save, the school more costs, the Principle made large efforts to sanitise the school regularly in his own time.

The pandemic has had the potential to have a significant impact on the pupils and staff of Lowbrook Academy. The school is engaging with pupils on a regular basis and focussing on the more vulnerable children to understand how they are feeling. Staff surveys have been circulated to make sure that the team were not struggling with the stress and extra workload.

**STRATEGIC REPORT**

**Achievements and Performance**

Lowbrook Academy had a challenging year in 2019/20: Some of the main highlights were:

- We were the highest performing school for Key Stage 2 results in the local borough yet again. 97% of children attained the expected standard in all areas as compared to 65% nationally.
- Key Stage 1 children continue to achieve well above national average. Lowbrook children at greater depth were Reading: 53%, Writing: 50%, Maths: 52%, National Average was Reading: 26%, Writing: 16%, Maths: 22%
- 100% of children passed the Year 1 Phonic Screening Test compared to 82% nationally.
- 93% of the 30 children in Early Years Foundation Stage have achieved GLD (Good Level of Development), compared to 71.5% nationally.
- Lowbrook competed in competition in many sports including Rugby, Football, Netball, Golf and Cricket
- Lowbrook has a high participation in sports and clubs with 94% of children in KS1 and KS2 participating in at least one club.
- Sports week was another great success with 100% of the pupils participating in more than 30 different activities
- Attendance at school was very high at 98% attendance

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

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**Key Financial Performance Indicators**

The Academy has achieved a Good rating from the DfE for the FMGE (Financial Management and Governance Evaluation)

The gross salary staffing costs as a percentage of the GAG for the financial year 2019-20 were 72% (2019: 72%). Moving forwards, we anticipate that staffing costs will remain stable as a percentage of the GAG for the next financial year.

**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**

The academy met all its academic targets whilst being fully staffed and within budget. Resource management is successfully managed within the budget and the learning environment within the academy is outstanding.

Income for the year ended 31 August 2020 was £1,523,542 (2019: £1,586,031) and expenditure after depreciation of £86,196 (2019: £92,791) and FRS 102 pension adjustments of £70,000 (2019: £68,000) was £1,577,492 (2019: £1,592,403). The surplus for the year before depreciation and pension adjustments was £102,246 (2019: £154,419).

**Reserves Policy**

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The governors wish to maintain unrestricted funds at year end towards future projects.

Compare the amount of reserves held with the academy's reserves policy and explain, where relevant, the steps being taken to bring the level of reserves into line with the level identified by the trustees as being appropriate.

In reviewing reserves the academy must state the amount of total funds at 31 August 2020 and identify the amount of any restricted funds not available for general purposes of the academy trust at 31 August 2020.

The trust must also review the balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2020. In the statements that follow this would be net reserves of £471,944.

At 31 August 2020 the total funds comprised:

Unrestricted		471,944
Restricted:	Fixed asset funds	3,674,404
	Pension reserve	(739,000)
	Other	-
		<u>3,407,348</u>

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

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**Investment Policy**

The Academy's Financial Procedures states that steps should be taken to invest surplus funds, but due to the ongoing development during the year the surplus funds were kept in a bank saving account enabling the Academy to access them at short notice without incurring any penalties.

If significant balances can be foreseen, the academy's Financial Procedures policy states that steps should be taken to invest the surplus funds in the academy's bank savings account.

**Principal Risks and Uncertainties**

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

**PLANS FOR FUTURE PERIODS**

Lowbrook Academy aims to maintain its high standards both in the classroom and outside. We will attempt to raise attainment and achievement in Writing at the great depth standard. There will be an added focus on In-Year Transfer children and disadvantaged children to improve pupil achievement.

We have found that the results of the monitoring such as the Learning Walks and the Lesson Observations have helped us to improve and these will be continued and focussed on.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

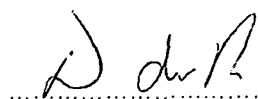
Neither the Academy Trust nor its governors are acting as custodian trustee on behalf of others.

**AUDITOR**

In so far as the trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 27 November 2020 and signed on the board's behalf by:



**D Du Pre**  
Trustee



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**LOWBROOK ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**SCOPE OF RESPONSIBILITY**

As trustees we acknowledge we have overall responsibility for ensuring that Lowbrook Academy 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 Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lowbrook Academy Trust and the Secretary of State for Education. He is 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 3 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
Dominique Du Pre	Chair	4	4
Paul Harrison	Vice Chair	3	5
Dave Rooney	(Principal/Accounting Officer)	5	7
Mary Gallop	(Staff trustee)	2	4
Bianca Iasi	(Staff trustee)	6	7
Christine Sherwood-Phelps	(Community trustee)	4	6
James Spiteri	(Parent trustee)	2	4
Guy van der Knaap	(Parent trustee)	5	5

- The board is entrusted with the task of adopting policies that set clear expectations and standards for pupil's achievements and promote student wellbeing. This includes, allocating resources, planning and goal setting, establishing a vision for the school and recruiting and reviewing the performance of the chief executive.
- At Lowbrook Academy there is a multitude of information that the board can use to assist it in helping guide the school in the right direction. This includes academic results, surveys of pupils, parents and staff. Funding decisions for pupil premium and sports premium

The Finance, Sites and Buildings Committee is a sub-committee of the main board of trustees. Its purpose is to:

- In consultation with the Principal, to draft the first formal budget plan of the financial year
- To establish and maintain an up to date 3 year financial plan
- To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the Governing Body
- To ensure that the school operates within the Financial Regulations of the new Academies Handbook

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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**GOVERNANCE (continued)**

- To monitor expenditure of all voluntary funds kept on behalf of the Governing Body
- To annually review charges and remissions policies and expenses policies.
- To make decisions in respect of service agreements
- To make decisions on expenditure following recommendations from other committees
- To prepare financial statements for inclusion in the governing body report to parents
- To ensure, as far as is practical, that Health and Safety issues are appropriately prioritised
- To determine whether sufficient funds are available for pay increments as recommended by the Principal
- In the light of the Principal's Performance Management Group's recommendations, to determine whether sufficient funds are available for increments
- To monitor the progress and development of the school development plan and report back to the governing body
- To monitor the school self-evaluation cycle and to report findings back to the governing body
- To monitor the progress of development and review of policies
- Collect evidence from monitoring visits by governors
- To monitor the progress, development and review of policies
- To ensure that Auditors are in place
- To monitor and review Single Central Record
- Monitor the use of Pupil Premium and Sports Premium

Attendance at Finance, Sites and Buildings Committee meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
C Sherwood-Phelps	1	2
P Harrison	1	2
D Rooney	1	2
G van der Knaap	2	2
B Iasi	2	2

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**REVIEW OF VALUE FOR MONEY**

I accept that as accounting officer of Lowbrook Academy I am responsible and accountable for ensuring that the academy trust delivers good value in the use of public resources. I am aware of the guide to academy value for money statements published by the Education Funding Agency and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

I set out below how I have ensured that the academy trust's use of its resources has provided good value for money during the academic year.

The Governing Body is accountable for the way in which the school's resources are allocated to meet the objectives set out in our School Development Plans (SDP). Governors need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in our achievements and services.

The Academy strives to obtain best value for money from all purchases. A large proportion of purchases will be paid for by public funds, therefore the Academy needs to maintain the integrity of these funds.

The allocation of funding each year is decided by the Governing Body in close consultation with the Principal. If during the year, it becomes necessary to increase or decrease the allocation, then the matter must first be discussed with the Governors, who will either make a decision or, if the matter falls outside their delegated authority, make a recommendation to the full Governing Body. Virements will only be made in accordance with the Academy's Virements Policy.

We use the principles of Best Value as they apply to securing continuous improvement in the school and will:-

- Regularly review the functions of the school, challenging how and why services are provided and setting targets and performance indicators for improvement.
- Monitor outcomes and compare performance with similar schools and within the school.
- Consult appropriate stakeholders before major decisions are made.
- Promote fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way.

The Governors and Senior Leadership Team apply these principles of best value when making decisions about:

- Staffing - Teaching - Learning - Use of Premise - Use of Resources - Purchasing
- Income Generated - Student Welfare - Health & Safety.
- Monitoring of Best Value

The monitoring of these areas for Best Value, take place in several ways:-

- In-house by the Senior Leadership Team and by other senior members of staff through classroom practice and work sampling.
- Target setting meetings between members of the Leadership Team and other senior members of staff
- Annual Review Meetings.
- Annual Budget Planning process and the preparation of Annual Accounts.
- School Development Plan
- Analysis of school pupil performance data, including exam result, and Raise online data
- Ofsted Inspection Reports
- Classroom observation
- Full Governing Body Meetings
- Information to parents via school website and weekly newsletters

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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**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 Lowbrook Academy Trust for the period 1<sup>st</sup> September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The board of trustees has reviewed the key risks to which the 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 1<sup>st</sup> September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

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

The board of trustees has considered the need for a specific internal audit function and has decided:

- to maintain Guy van der Knaap as internal auditor
- management accounts will be reviewed by him
- monthly meeting with the school business manager
- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

The finance governor will report to the board of trustees 3 times a year, through the Sites and Finance Committee Meetings on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

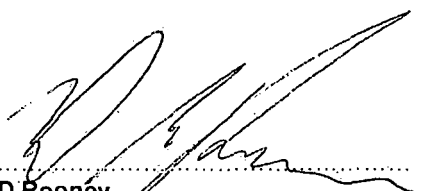
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**REVIEW OF EFFECTIVENESS**

As accounting officer, Dave Rooney 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 Governor
- 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

Approved by order of the members of the board of trustees on 27 November 2020 and signed on its behalf by:

  
.....  
**D Du Pre**  
Chair of Trustees  
.....  
**D Rooney**  
Accounting Officer

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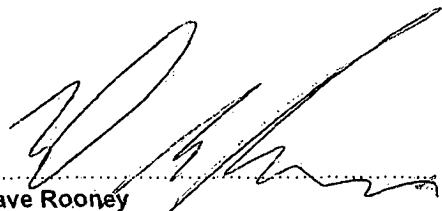
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

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



**Dave Rooney**  
Accounting officer

27 November 2020

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

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

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

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

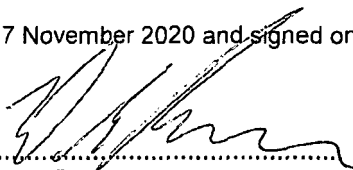
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charitable company and enable them to ensure that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

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

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

Approved by order of the members of the Board of Trustees on 27 November 2020 and signed on its behalf by:

  
.....  
**Dominique Du Pre**  
Chair of Trustees

  
.....  
**Dave Rooney**  
Accounting Officer

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**LOWBROOK ACADEMY TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
LOWBROOK ACADEMY TRUST**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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



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**LOWBROOK ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
LOWBROOK ACADEMY TRUST (CONTINUED)**

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**Other information**

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

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**LOWBROOK ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LOWBROOK ACADEMY TRUST (CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

**Use of our report**

This report is made solely to the Academy Trust's members and Trustees, 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)**

for and on behalf of  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors  
Abbey Place  
24-28 Easton Street  
High Wycombe  
Buckinghamshire  
HP11 1NT

Date: 29 January 2021

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**LOWBROOK ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
LOWBROOK ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 22 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lowbrook Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Lowbrook Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Lowbrook Academy Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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**LOWBROOK ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties; consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquires of 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 year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Reporting Accountant**

**MHA MacIntyre Hudson**

Abbey Place  
24-28 Easton Street  
High Wycombe  
Buckinghamshire  
HP11 1NT

Date: 29 January 2021

**LOWBROOK ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	461	-	7,701	8,162	43,348
Charitable activities	4	-	1,298,190	-	1,298,190	1,303,811
Other trading activities	5	217,190	-	-	217,190	238,866
Investments	6	-	-	-	-	6
<b>Total income and endowments</b>		<b>217,651</b>	<b>1,298,190</b>	<b>7,701</b>	<b>1,523,542</b>	<b>1,586,031</b>
<b>Expenditure on:</b>						
Raising funds		18,196	-	-	18,196	31,711
Charitable activities	8	21,412	1,451,688	86,196	1,559,296	1,560,692
<b>Total expenditure</b>	7	<b>39,608</b>	<b>1,451,688</b>	<b>86,196</b>	<b>1,577,492</b>	<b>1,592,403</b>
<b>Net income/ (expenditure)</b>	10	<b>178,043</b>	<b>(153,498)</b>	<b>(78,495)</b>	<b>(53,950)</b>	<b>(6,372)</b>
Transfers between funds	18	(107,002)	56,784	50,218	-	-
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	24	-	(134,000)	-	(134,000)	(102,000)
<b>Net movement in funds</b>		<b>71,041</b>	<b>(230,714)</b>	<b>(28,277)</b>	<b>(187,950)</b>	<b>(108,372)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		400,903	(508,286)	3,702,681	3,595,298	3,703,670
Net movement in funds		71,041	(230,714)	(28,277)	(187,950)	(108,372)
<b>Total funds carried forward</b>		<b>471,944</b>	<b>(739,000)</b>	<b>3,674,404</b>	<b>3,407,348</b>	<b>3,595,298</b>

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

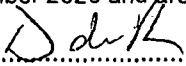
The notes on pages 23 to 53 form part of these financial statements.

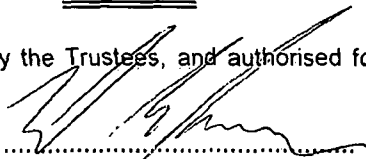
**LOWBROOK ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07533254**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	14		3,674,404		3,702,681
<b>Current assets</b>					
Debtors	16	61,558		68,753	
Cash at bank and in hand		519,002		459,044	
		<u>580,560</u>		<u>527,797</u>	
Creditors: amounts falling due within one year	17	(108,616)		(100,180)	
<b>Net current assets</b>			<u>471,944</u>		<u>427,617</u>
<b>Total assets less current liabilities</b>			<u>4,146,348</u>		<u>4,130,298</u>
Defined benefit pension scheme liability	24		(739,000)		(535,000)
<b>Total net assets</b>			<u><u>3,407,348</u></u>		<u><u>3,595,298</u></u>
<b>Funds of the Academy Trust</b>					
Restricted fixed asset fund	18		3,674,404		3,702,681
<b>Restricted funds:</b>					
Restricted income funds	18	-		26,714	
Pension reserve	18	(739,000)		(535,000)	
<b>Total restricted funds</b>	18		<u>(739,000)</u>		<u>(508,286)</u>
<b>Unrestricted income funds</b>	18		<u>471,944</u>		<u>400,903</u>
<b>Total funds</b>			<u><u>3,407,348</u></u>		<u><u>3,595,298</u></u>

The financial statements on pages 19 to 53 were approved by the Trustees, and authorised for issue on 27 November 2020 and are signed on their behalf, by:

  
 .....  
**Dominique Du Pre**  
 Chair of Trustees

  
 .....  
**Dave Rooney**  
 Accounting Officer

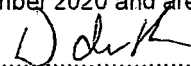
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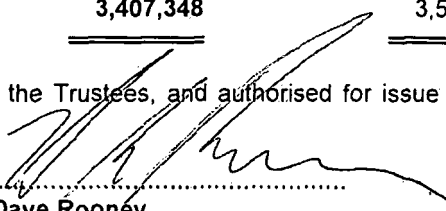
**LOWBROOK ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07533254**

**ACADEMY TRUST BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Tangible assets	14		3,674,404		3,702,681
Investments	15		100		100
			<u>3,674,504</u>		<u>3,702,781</u>
<b>Current assets</b>					
Debtors	16	136,452		144,623	
Cash at bank and in hand		442,008		377,938	
		<u>578,460</u>		<u>522,561</u>	
Creditors: amounts falling due within one year	17	(106,616)		(95,044)	
<b>Net current assets</b>			<u>471,844</u>		<u>427,517</u>
<b>Total assets less current liabilities</b>			<u>4,146,348</u>		<u>4,130,298</u>
Defined benefit pension scheme liability	24	(739,000)		(535,000)	
<b>Total net assets</b>			<u><u>3,407,348</u></u>		<u><u>3,595,298</u></u>
<b>Funds of the Academy Trust</b>					
<b>Restricted funds:</b>					
Fixed asset funds	18	3,674,404		3,702,681	
Restricted income funds		-		37,074	
Pension reserve	18	(739,000)		(535,000)	
<b>Total restricted funds</b>			<u>2,935,404</u>		<u>3,204,755</u>
<b>Unrestricted income funds</b>			<u>471,944</u>		<u>390,543</u>
<b>Total funds</b>			<u><u>3,407,348</u></u>		<u><u>3,595,298</u></u>

The financial statements on pages 19 to 53 were approved by the Trustees, and authorised for issue on 27 November 2020 and are signed on their behalf, by:

  
 .....  
**Dominique Du Pre**  
 Chair of Trustees

  
 .....  
**Dave Rooney**  
 Accounting Officer

The notes on pages 23 to 53 form part of these financial statements.

**LOWBROOK ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>110,176</b>	81,767
<b>Cash flows from investing activities</b>	21	<b>(50,218)</b>	(10,431)
<b>Change in cash and cash equivalents in the year</b>		<b>59,958</b>	71,336
Cash and cash equivalents at the beginning of the year		<b>459,044</b>	387,708
<b>Cash and cash equivalents at the end of the year</b>	22, 23	<b>519,002</b>	<b>459,044</b>

The notes on pages 23 to 53 form part of these financial statements



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**LOWBROOK ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

**1.2 Basis for consolidation**

The financial statements consolidate the accounts of Lowbrook Academy Trust and all of its subsidiary undertakings ('subsidiaries').

The Academy Trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities incorporating income and expenditure account.

The statement of financial activities incorporating income and expenditure account for the year is dealt with in the accounts of the parent company.

**1.3 Fund accounting**

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

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

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

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

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

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**1. Accounting policies (continued)**

**1.4 Income**

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

**1.5 Expenditure**

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

- **Expenditure on raising funds**

Expenditure on raising funds includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

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**1. Accounting policies (continued)**

**1.5 Expenditure (continued)**

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.6 Going concern**

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

**1.7 Tangible fixed assets**

Assets costing more than £500 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% per annum on cost (on buildings only)
Fixtures and fittings	- 20 - 33% per annum on cost
Computer equipment	- 33% per annum on cost

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 Consolidated Statement of Financial Activities.

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

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**1. Accounting policies (continued)**

**1.8 Investments**

The Academy's shareholding in the wholly owned subsidiary, Lowbrook Trading Company Limited, is included in the Balance Sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

**1.9 Operating leases**

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

**1.10 Taxation**

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

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

**1.11 Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

**1.12 Cash at bank and in hand**

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

**1.13 Liabilities and provisions**

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

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

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

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

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**1. Accounting policies (continued)**

**1.14 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.15 Pensions**

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

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

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

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

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**2. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The judgements that have had a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

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**FOR THE YEAR ENDED 31 AUGUST 2020**

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

	Unrestricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	461	-	461
Devolved formula capital	-	7,701	7,701
	<u>461</u>	<u>7,701</u>	<u>8,162</u>

	Unrestricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Donations	9,978	12,000	21,978
Devolved formula capital	-	21,370	21,370
	<u>9,978</u>	<u>33,370</u>	<u>43,348</u>

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**4. Funding for the Academy Trust's educational operations**

	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	1,126,537	1,126,537
Pupil premium	31,060	31,060
Other DfE/ESFA grants	119,024	119,024
	<hr/>	<hr/>
	1,276,621	1,276,621
<b>Other government grants</b>		
SEN funding	4,378	4,378
	<hr/>	<hr/>
	4,378	4,378
<b>Other funding</b>		
Trip income	17,191	17,191
	<hr/>	<hr/>
	17,191	17,191
	<hr/>	<hr/>
	1,298,190	1,298,190
	<hr/>	<hr/>



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

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

	Restricted funds 2019 £	Total funds 2019 £
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	1,132,384	1,132,384
Pupil premium	26,418	26,418
Other DfE/ESFA grants	85,758	85,758
	<u>1,244,560</u>	<u>1,244,560</u>
<b>Other government grants</b>		
SEN funding	12,044	12,044
	<u>12,044</u>	<u>12,044</u>
<b>Other funding</b>		
Trip income	47,207	47,207
	<u>47,207</u>	<u>47,207</u>
	<u>1,303,811</u>	<u>1,303,811</u>

There are no unfulfilled conditions or other contingencies attached to the government grants above.

**5. Income from other trading activities**

	Unrestricted funds 2020 £	Total funds 2020 £
Trading subsidiary operations	60,585	60,585
School clubs	71,634	71,634
Consultancy	61,494	61,494
Other income	23,477	23,477
	<u>217,190</u>	<u>217,190</u>

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

	Unrestricted funds 2019 £	Total funds 2019 £
Trading subsidiary operations	73,274	73,274
School clubs	95,536	95,536
Consultancy	60,551	60,551
Other income	9,505	9,505
	<u>238,866</u>	<u>238,866</u>

**6. Investment income**

	Total funds 2020 £
Bank interest received	-
	<u>-</u>

	Unrestricted funds 2019 £	Total funds 2019 £
Bank interest received	6	6
	<u>6</u>	<u>6</u>

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**FOR THE YEAR ENDED 31 AUGUST 2020**

**7. Expenditure**

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on raising voluntary income	10,049	-	8,147	18,196
Academy's educational operations:				
Direct costs	1,001,673	54,317	137,975	1,193,965
Support costs	128,524	96,530	140,277	365,331
	<u>1,140,246</u>	<u>150,847</u>	<u>286,399</u>	<u>1,577,492</u>
	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Expenditure on raising voluntary income	14,187	-	17,524	31,711
Academy's educational operations:				
Direct costs	908,038	54,704	194,514	1,157,256
Support costs	163,506	89,719	150,211	403,436
	<u>1,085,731</u>	<u>144,423</u>	<u>362,249</u>	<u>1,592,403</u>

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**8. Charitable activities**

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Academy trust's educational operations	<u>1,193,965</u>	<u>365,331</u>	<u>1,559,296</u>

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Academy trust's educational operations	<u>1,157,256</u>	<u>403,436</u>	<u>1,560,692</u>

**Analysis of direct costs**

	Total funds 2020 £	Total funds 2019 £
Teaching and educational support staff costs	1,001,673	908,038
Depreciation	86,196	92,791
School trip expenditure	21,269	47,371
Educational supplies	53,913	74,229
Educational consultancy	117	875
Other staff costs	6,540	13,582
Other direct costs	24,257	20,370
	<u>1,193,965</u>	<u>1,157,256</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Charitable activities (continued)**

**Analysis of support costs**

	Total funds 2020 £	Total funds 2019 £
Pension finance cost	9,000	9,000
Staff costs	128,524	163,506
Maintenance of premises and equipment	27,121	32,502
Cleaning	27,811	22,123
Energy	24,561	24,086
Rates	9,078	4,273
Catering supplies	20,611	37,643
Legal and professional	14,252	10,605
Non staff related insurance	7,959	7,801
Technology costs	28,994	27,639
Other support costs	53,661	49,078
Bank charges	1,459	2,330
Governance costs	12,300	12,850
	365,331	403,436

**9. Analysis of specific expenses**

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £	Reason
Gifts made by the trust	95	-	

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**FOR THE YEAR ENDED 31 AUGUST 2020**

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

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	3,112	7,880
Depreciation of tangible fixed assets - owned by the charitable group	86,196	92,791
Fees paid to auditors for:		
- audit	6,450	6,250
- other services	5,850	6,600
	<u>          </u>	<u>          </u>

**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	Group 2020 £	Group 2019 £	Academy Trust 2020 £	Academy Trust 2019 £
Wages and salaries	812,724	815,435	812,724	815,435
Social security costs	61,533	63,912	61,533	63,912
Pension costs	230,186	196,269	230,186	196,269
	<u>1,104,443</u>	<u>1,075,616</u>	<u>1,104,443</u>	<u>1,075,616</u>
Agency staff costs	35,803	10,115	35,803	10,115
	<u>1,140,246</u>	<u>1,085,731</u>	<u>1,140,246</u>	<u>1,085,731</u>

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

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**11. Staff (continued)**

**b. Staff numbers**

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

	<b>Group 2020 No.</b>	<b>Group 2019 No.</b>
Teachers	<b>14</b>	16
Administration and support	<b>23</b>	25
Management	<b>1</b>	1
	<b>38</b>	42

**c. Higher paid staff**

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

	<b>Group 2020 No.</b>	<b>Group 2019 No.</b>
In the band £90,001 - £100,000	-	1
In the band £110,001 - £120,000	<b>1</b>	-

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £502,184 (2019 - £474,123).

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**12. Related Party Transactions - Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020 £	2019 £
Dave Rooney, Principal	Remuneration	110,000 - 115,000	90,000 - 95,000
	Pension contributions paid	25,000 - 30,000	15,000 - 20,000
Mary Gallop, Staff Trustee	Remuneration	20,000 - 25,000	40,000 - 45,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Bianca Iasi, Staff Governor	Remuneration	50,000 - 55,000	45,000 - 50,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

**13. Trustees' and officers' insurance**

In accordance with normal commercial practice, the Group has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was included in the total insurance premium (2019 - £720).



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. Tangible fixed assets**

**Group and Academy Trust**

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2019	3,908,197	311,224	203,170	4,422,591
Additions	-	39,769	18,150	57,919
At 31 August 2020	3,908,197	350,993	221,320	4,480,510
<b>Depreciation</b>				
At 1 September 2019	282,966	244,941	192,003	719,910
Charge for the year	44,082	32,539	9,575	86,196
At 31 August 2020	327,048	277,480	201,578	806,106
<b>Net book value</b>				
At 31 August 2020	3,581,149	73,513	19,742	3,674,404
At 31 August 2019	3,625,231	66,283	11,167	3,702,681

Included within long leasehold property is land at value of £1,711,984 (2019: £1,711,984) which is not depreciated.

**LOWBROOK ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Fixed asset investments**

Academy Trust

	Shares in group undertaking £
<b>Cost or valuation</b>	
At 1 September 2019	100
<b>At 31 August 2020</b>	<u>100</u>
<b>Net book value</b>	
At 31 August 2020	100
At 31 August 2019	<u>100</u>

Investments at cost comprise the wholly owned subsidiary, Lowbrook Trading Company Limited. All the fixed asset investments are held in the UK.

**16. Debtors**

	Group 2020 £	Group 2019 £	Academy Trust 2020 £	Academy Trust 2019 £
<b>Due within one year</b>				
Trade debtors	418	13,557	277	11,635
Amounts owed by group undertakings	-	-	84,547	87,289
Other debtors	9,512	9,497	-	-
Prepayments and accrued income	36,328	31,983	36,328	31,983
Tax recoverable	15,300	13,716	15,300	13,716
	<u>61,558</u>	<u>68,753</u>	<u>136,452</u>	<u>144,623</u>

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

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Academy Trust 2020 £</b>	<b>Academy Trust 2019 £</b>
Trade creditors	<b>59,312</b>	46,182	<b>59,312</b>	43,046
Other creditors	<b>12,193</b>	14,901	<b>12,193</b>	14,901
Accruals and deferred income	<b>37,111</b>	39,097	<b>35,111</b>	37,097
	<b>108,616</b>	100,180	<b>106,616</b>	95,044

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Academy Trust 2020 £</b>	<b>Academy Trust 2019 £</b>
Deferred income at 1 September 2019	<b>25,747</b>	32,758	<b>25,747</b>	32,758
Resources deferred during the year	<b>19,841</b>	25,747	<b>19,841</b>	25,747
Amounts released from previous periods	<b>(25,747)</b>	(32,758)	<b>(25,747)</b>	(32,758)
	<b>19,841</b>	25,747	<b>19,841</b>	25,747

At the Balance Sheet date, the Academy Trust was holding funds received in advance for universal infant free school meals provision for September 2020 onwards.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds - Group**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General Funds	400,903	157,066	(35,762)	(50,263)	-	471,944
Lowbrook trading company	-	60,585	(3,846)	(56,739)	-	-
	<u>400,903</u>	<u>217,651</u>	<u>(39,608)</u>	<u>(107,002)</u>	<u>-</u>	<u>471,944</u>
<b>Restricted fixed asset funds</b>						
Fixed asset fund	3,702,681	-	(86,196)	57,919	-	3,674,404
Devolved formula capital	-	7,701	-	(7,701)	-	-
	<u>3,702,681</u>	<u>7,701</u>	<u>(86,196)</u>	<u>50,218</u>	<u>-</u>	<u>3,674,404</u>
<b>Restricted general funds</b>						
General annual grant	26,714	1,126,537	(1,210,035)	56,784	-	-
Other DFE/ESFA income	-	150,084	(150,084)	-	-	-
Other restricted income	-	17,191	(17,191)	-	-	-
LA income	-	4,378	(4,378)	-	-	-
Pension reserve	(535,000)	-	(70,000)	-	(134,000)	(739,000)
	<u>(508,286)</u>	<u>1,298,190</u>	<u>(1,451,688)</u>	<u>56,784</u>	<u>(134,000)</u>	<u>(739,000)</u>
<b>Total funds</b>	<u><u>3,595,298</u></u>	<u><u>1,523,542</u></u>	<u><u>(1,577,492)</u></u>	<u><u>-</u></u>	<u><u>(134,000)</u></u>	<u><u>3,407,348</u></u>

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

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**18. Statement of funds (continued)**

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

All general funds are held for the purposes of education in line with the Academy's objectives.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education and Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy.

The other DfE/ESFA restricted fund represents other funding received from the government which does not form part of GAG but is received in relation to specific purposes.

The pension reserve fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to Academy status, and through which all the pension scheme movements are recognised.

The restricted fixed assets fund has been set up to recognise the tangible assets transferred to the Academy on conversion and purchased by the Academy following conversion.

Transfers reflect amounts capitalised or spent to fund revenue expenditure during the period.

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

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

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds	290,760	175,576	(117,083)	51,650	-	400,903
Lowbrook trading company	-	73,274	(11,193)	(62,081)	-	-
	<u>290,760</u>	<u>248,850</u>	<u>(128,276)</u>	<u>(10,431)</u>	<u>-</u>	<u>400,903</u>
<b>Restricted fixed asset funds</b>						
Fixed asset fund	3,751,671	-	(92,791)	43,801	-	3,702,681
Devolved formula capital	-	21,370	-	(21,370)	-	-
Donations	-	12,000	-	(12,000)	-	-
	<u>3,751,671</u>	<u>33,370</u>	<u>(92,791)</u>	<u>10,431</u>	<u>-</u>	<u>3,702,681</u>
<b>Restricted general funds</b>						
General annual grant	-	1,132,384	(1,131,909)	26,239	-	26,714
Predecessor school	26,239	-	-	(26,239)	-	-
Other DFE/ESFA income	-	112,176	(112,176)	-	-	-
Other restricted income	-	47,207	(47,207)	-	-	-
LA income	-	12,044	(12,044)	-	-	-
Pension reserve	(365,000)	-	(68,000)	-	(102,000)	(535,000)
	<u>(338,761)</u>	<u>1,303,811</u>	<u>(1,371,336)</u>	<u>-</u>	<u>(102,000)</u>	<u>(508,286)</u>
<b>Total funds</b>	<u>3,703,670</u>	<u>1,586,031</u>	<u>(1,592,403)</u>	<u>-</u>	<u>(102,000)</u>	<u>3,595,298</u>

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

**Analysis of net assets between funds - current year - Group**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	3,674,404	3,674,404
Current assets	471,944	108,616	-	580,560
Creditors due within one year	-	(108,616)	-	(108,616)
Provisions for liabilities and charges	-	(739,000)	-	(739,000)
<b>Total</b>	<b>471,944</b>	<b>(739,000)</b>	<b>3,674,404</b>	<b>3,407,348</b>

**Analysis of net assets between funds - prior year - Group**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	3,702,681	3,702,681
Current assets	400,903	126,894	-	527,797
Creditors due within one year	-	(100,180)	-	(100,180)
Provisions for liabilities and charges	-	(535,000)	-	(535,000)
<b>Total</b>	<b>400,903</b>	<b>(508,286)</b>	<b>3,702,681</b>	<b>3,595,298</b>

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**20. Reconciliation of net expenditure to net cash flow from operating activities**

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(53,950)	(6,372)
<b>Adjustments for:</b>		
Depreciation	86,196	92,791
Capital grants from DfE and other capital income	(7,701)	(33,370)
Decrease/(increase) in debtors	7,195	(9,625)
Increase/(decrease) in creditors	8,436	(29,657)
Pension adjustment	70,000	68,000
<b>Net cash provided by operating activities</b>	<b>110,176</b>	<b>81,767</b>

**21. Cash flows from investing activities**

	Group 2020 £	Group 2019 £
Purchase of tangible fixed assets	(57,919)	(43,801)
Capital grants from DfE Group	7,701	21,370
Capital donation	-	12,000
<b>Net cash used in investing activities</b>	<b>(50,218)</b>	<b>(10,431)</b>

**22. Analysis of cash and cash equivalents**

	Group 2020 £	Group 2019 £
Cash in hand	519,002	459,044



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Analysis of changes in net debt**

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	459,044	59,958	519,002
	<u>459,044</u>	<u>59,958</u>	<u>519,002</u>

**24. Pension commitments**

The Group'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 the Royal County of Berkshire. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

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

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

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**24. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £125,131 (2019 - £96,820).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £58,000 (2019 - £60,000), of which employer's contributions totalled £45,000 (2019 - £46,000) and employees' contributions totalled £ 13,000 (2019 - £14,000). The agreed contribution rates for future years are 19.6% per cent for employers and 12.5% per cent for employees.

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

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**24. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2020</b>	<b>2019</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.20%</b>	<b>3.65%</b>
Rate of increase for pensions in payment/inflation	<b>2.20%</b>	<b>2.15%</b>
Discount rate for scheme liabilities	<b>1.65%</b>	<b>1.90%</b>
Inflation assumption (CPI)	<b>2.20%</b>	<b>2.15%</b>
RPI increases	<b>3.00%</b>	<b>3.15%</b>

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

	<b>2020</b>	<b>2019</b>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	<b>21.5</b>	<b>22.1</b>
Females	<b>24.1</b>	<b>24.0</b>
<i>Retiring in 20 years</i>		
Males	<b>22.9</b>	<b>23.7</b>
Females	<b>25.5</b>	<b>25.8</b>

**Sensitivity analysis**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	<b>1,052</b>	<b>876</b>
Discount rate -0.1%	<b>1,123</b>	<b>931</b>
Mortality assumption - 1 year increase	<b>1,125</b>	<b>933</b>
Mortality assumption - 1 year decrease	<b>1,050</b>	<b>874</b>
CPI rate +0.1%	<b>1,122</b>	<b>929</b>
CPI rate -0.1%	<b>1,053</b>	<b>878</b>

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**24. Pension commitments (continued)**

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

	2020 £	2019 £
Equities	204,000	205,000
Bonds	46,000	53,000
Property	49,000	46,000
Cash and other liquid assets	33,000	29,000
Alternative assets	16,000	35,000
<b>Total market value of assets</b>	<b>348,000</b>	<b>368,000</b>

The actual return on scheme assets was £17,000 (2019 - £20,000).

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

	2020 £	2019 £
Current service cost	(106,000)	(93,000)
Past service cost	-	(12,000)
Interest cost	(9,000)	(9,000)
<b>Total</b>	<b>(115,000)</b>	<b>(114,000)</b>

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

	2020 £	2019 £
<b>Opening defined benefit obligation</b>	<b>903,000</b>	<b>654,000</b>
Current service cost	106,000	93,000
Interest cost	17,000	18,000
Employee contributions	13,000	14,000
Actuarial losses	50,000	113,000
Benefits paid	(2,000)	(1,000)
Past service costs	-	12,000
<b>Closing defined benefit obligation</b>	<b>1,087,000</b>	<b>903,000</b>

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**24. Pension commitments (continued)**

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

	2020 £	2019 £
<b>Opening fair value of scheme assets</b>	<b>368,000</b>	<b>289,000</b>
Interest on plan assets	8,000	9,000
Actuarial losses	(84,000)	11,000
Employee contributions	13,000	14,000
Benefits paid	(2,000)	(1,000)
Employer contributions	45,000	46,000
<b>Closing fair value of scheme assets</b>	<b>348,000</b>	<b>368,000</b>

	2020 £	2019 £
<b>The amount shown in the Consolidated Statement of Financial Activities is:</b>		
Changes in financial assumptions	(50,000)	(113,000)
Return on plan assets	(84,000)	11,000
<b>Actuarial gains/(losses) on defined benefit pension scheme</b>	<b>(134,000)</b>	<b>(102,000)</b>

	2020 £	2019 £
<b>The amount shown in the Balance Sheet is:</b>		
Present value of defined benefit obligation	(1,087,000)	(903,000)
Fair value of scheme assets	348,000	368,000
<b>Defined benefit pension scheme liability</b>	<b>(739,000)</b>	<b>(535,000)</b>

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**25. Operating lease commitments**

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

	<b>Group</b> <b>2020</b> £	<b>Group</b> <b>2019</b> £	<b>Academy</b> <b>Trust</b> <b>2020</b> £	<b>Academy</b> <b>Trust</b> <b>2019</b> £
Not later than 1 year	<b>1,738</b>	7,880	<b>1,738</b>	7,880
Later than 1 year and not later than 5 years	-	4,080	-	4,080
	<b>1,738</b>	11,960	<b>1,738</b>	11,960

**26. Related party transactions**

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

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.

**27. Principal subsidiaries**

The following were subsidiary undertakings of the Academy Trust:

<b>Names</b>	<b>Company number</b>	<b>Principal activity</b>	<b>Holding</b>	<b>Included in consolidation</b>
Lowbrook Trading Company Limited	07773819	Premises letting and fundraising	100%	Yes

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**27. Principal subsidiaries (continued)**

The financial results of the subsidiaries for the year were:

<b>Names</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit for the year £</b>	<b>Net assets after Gift Aid £</b>
Lowbrook Trading Company Limited	<b>60,585</b>	<b>3,846</b>	<b>56,739</b>	<b>100</b>

The profit for the year was donated by Gift Aid to the Academy Trust.

**28. Members' liability**

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