

**REGISTERED COMPANY NUMBER 02400784 (England and Wales)
EXEMPT CHARITY**

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2014

THE BROOKE WESTON TRUST

(A Company Limited by Guarantee)

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

THE BROOKE WESTON TRUST

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FOR THE YEAR ENDED 31ST AUGUST 2014**

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THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31ST AUGUST 2014

Members	A E G de Capell Brooke H W G de Capell Brooke (Died 30 July 2014) R Lane C Priestley H Stevenson G G Weston G H Weston R Morrison
Trustees/Directors	Mrs M Banham D Barton A E G de Capell Brooke Dr A Campbell Mrs D Cassie C Chenery P Harris-Bridge Miss K James R Lane R Morrison (Chairman) C Priestley H Stevenson G G Weston G H Weston
Chief Executive Officer / Accounting Officer	Dr A Campbell
Company Secretary/ Director of Finance & Administration	Mrs D Tysoe
Chair of Audit and Finance Committee	P Harris-Bridge
Principal and Registered office	Coomb Road Great Oakley Corby Northamptonshire NN18 8LA
Company Registration Number	02400784 (England and Wales)
Independent Auditor	Smith Hodge & Baxter Chartered Accountants & Statutory Auditors Thorpe House 93 Headlands Kettering Northamptonshire NN15 6BL
Bankers	HSBC Bank plc 22-24 Corporation Street Corby Northamptonshire NN17 1NJ
Subsidiary undertakings	Corby CTC Trading Limited Corby Business Academy Trading Company Limited

TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST AUGUST 2014

The trustees present their report together with the financial statements and auditors' report of the charitable company for the period 1st September 2013 to 31st August 2014. The annual report serves the purposes of both a trustee's report, and a directors' report under company law.

The trust operates four primary academies, three secondary academies, one all-through academy and one secondary free school in Northamptonshire and Wisbech. Its academies have a combined pupil capacity of 7,408 and had a roll of 6,746 in the school census on 2nd October 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company, limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of The Brooke Weston Trust are also directors of the Charitable Company for the purposes of company law.

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

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

Members' liability

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

Trustees' indemnities

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

Principal activities

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

Method of recruitment and appointment or election of Directors (Trustees).

The articles of association require no less than three Directors. The sponsors may appoint up to four directors, staff directors can be appointed by the members (provided that the number of staff directors does not exceed one third of the total number of directors), the Chairmen of the Local Governing bodies shall elect five of their number as directors, the Chief Executive Officer is a director, parent members of the Local Governing bodies shall elect a minimum of two directors from their number and the Secretary of State for Education may appoint as many directors as he thinks fit. In addition to this, the directors themselves may appoint up to three co-opted directors for a term of up to four years.

The term of office for any director, shall be limited to 4 years except the Chief Executive Officer, (who remains a director whilst in post) and the Principal Sponsor, subject to the remaining being eligible to be a particular type of director, any director may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of Directors/Trustees

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The management structure consists of eight levels; the Members, the Board of Trustees, the Chief Executive Officer, the Local Governing Body for the individual schools, the Executive Principals, the Principals within the schools, the Senior Management Teams within the schools and the Departmental Management Teams within the schools. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the schools by the use of budgets and making major decisions about the direction of the schools, capital expenditure and appointment of the Principals.

The Senior Managers are the Executive Principals, the Principals, Vice Principals and the Director of Finance and Administration. These managers control the schools at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

The Departmental Management Team includes the Management Team and the Directors of Subject. These managers are responsible for the day to day operation of the departments within the schools and for a whole approach.

CONNECTED ORGANISATIONS INCLUDING RELATED PARTY RELATIONSHIPS

Subsidiary companies

The Brooke Weston Trust owns 100% of the issued ordinary shares of Corby CTC Trading Limited, a company incorporated in England and Wales (registration no. 03062232) and Corby Business Academy Trading Company Limited, a company incorporated in England and Wales (registration no. 06725975). Further details regarding the subsidiary companies are given in note 15 to the financial statements.

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

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

Objectives, strategies and activities

The main objectives of the Academy Trust during the year ended 31st August 2014 are summarised below:

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

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

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

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

OBJECTIVES AND ACTIVITIES (continued)

Public benefit

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

Equal opportunities policy

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

Employees and disabled persons

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

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

STRATEGIC REPORT
ACHIEVEMENTS AND PERFORMANCE

Dr A Campbell's report on achievements and performance is detailed below.

Introduction

Last autumn it was rehearsed to the Board that the Trust faced several serious challenges if we were to move forward and that much work was needed to be done to lay foundations for future success. Over the year we have made good progress in addressing these challenges and several others that emerged along the way. Whilst it is important to be clear on the significant improvements achieved by the Trust during the year, it is equally important to identify the areas where further improvements can be made in order to ensure that the Trust provides the best possible service to the local community. The commentary below summarises the progress made during the year and the steps taken in order to continue to improve upon this years results.

Secondary Academy Results and Developments 2013-14

At the Secondary level, Brooke Weston has returned results equal to its best ever performance in GCSEs and Corby Academy is for the first time significantly outperforming its local rivals. Whilst the headline figure has dipped at both Kettering Science Academy and Thomas Clarkson Academy many other indicators point to improvements being made in both Academies. The headline GCSE outcomes are summarised in the table below:

<u>Academy</u>	<u>2014 GCSE Results</u> <u>5 or more A* to C including</u> <u>En and Ma</u>	<u>2013 GCSE Results</u> <u>5 or more A* to C including</u> <u>En and Ma</u>
Brooke Weston	<u>85%</u>	<u>72%</u>
Corby Business Academy	<u>61%</u>	<u>52%</u>
Kettering Science Academy	<u>42%</u>	<u>50%</u>
Thomas Clarkson Academy	<u>30%</u>	<u>39%</u>
Corby Technical School	<u>N/A</u>	<u>N/A</u>

Brooke Weston Academy

After a disappointing year in 2012-13, which saw a drop in the headline GCSE results achieved, Brooke Weston has returned to its previously high levels of achievement with 85% of students achieving 5 or more A* to C grades including English and Maths, representing a 13% increase on the previous year. Levels of progress at Brooke Weston continue to be very high as evidenced by the record results achieved in Maths. Brooke Weston's A level performance was also impressive with 62% of all entries being awarded A* to B grades and 86% achieving A* to C grades. Whilst this represents a drop from the previous year's record results of 69% of students being awarded A* to B grades, Brooke Weston students continue to perform at levels above the national average. Many of our students have secured places at a number of Russell Group Universities, including Imperial College London, University of Warwick and University of St Andrew's, or apprenticeships with large multinational corporations, including Grant Thornton and KPMG. The early indications are that Brooke Weston is the highest performing school in Northamptonshire and I anticipate it will be back well inside the top 100 nationally.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

ACHIEVEMENTS AND PERFORMANCE (continued)

Brooke Weston Academy (continued)

During 2013-14 The Brooke Weston Teaching School Alliance continued to grow and develop with many staff from our own Trust and from other regional schools in the area benefitting from the high quality professional development and support it offers.

Corby Business Academy

Corby Business Academy has continued to improve on the previous period's GCSE results with 61% of all students achieving 5+ A* to C grades including English and Maths, which represents a 9% improvement on the previous year and a 28% improvement over the last two years. The focus for CBA now is to further improve the number of students making three or more levels of progress during their time with the school. The most recent results indicate that CBA is one of the three most improved schools in the whole of Northamptonshire, with further improvements expected in the next academic year. A level performance continued to be solid with a 100% pass rate on all vocational qualifications offered and an overall pass rate of 90% across all qualifications offered. All of the A level students have gone on to secure places at Universities across the country or have started other training or employment.

Kettering Science Academy

After a significant improvement in the headline GCSE results in the previous year, GCSE results have fallen to 42% which represents a drop of 8% on the previous year. Whilst the majority of subjects saw improvements compared to previous years with English A* to C grades the highest they have ever been, the performance in Maths was significantly lower than expected. Whilst this is still above the government floor target of 40%, more needs to be done in order to enable more students to make three or more levels of progress. A level performance has doubled over the last two years in terms of the percentage of students achieving A* to B grades. One student has secured a place at the University of Cambridge for the coming year - a first for KSA - whilst all other students have secured places at University or are starting other training or employment. The AS level results in this academic year are the best seen in the history of the school, which bodes well for the A level performance in the coming year.

Thomas Clarkson Academy

The percentage of students achieving 5 A* to C grades including English and Maths has fallen this year from 39% to 30%. Whilst this was expected, it is still disappointing and came in at the lower end of the predicted range. If year 11 re-sit results were included then this would be 33% and actual student achievement would be 35%. There has been some improvement in A level performance with 96% of students gaining A* to E grades and a 9% improvement in A* to C grades. The greatest improvements were seen in the core subjects of English, Maths and Science. One particularly impressive result was that of 14 year old Yousuf Bin-Suhayl who achieved A grades in both Physics and Chemistry. All students leaving the Sixth Form this year have either secured a place at University for the coming year or started other training or employment.

Corby Technical School

The new building at Corby Technical School was officially opened on 12th September 2014 but students were able to make use of the new facilities from December 2013. The school took on its first full cohort of Year 7 students at the start of the year and all internal assessments have been encouraging, indicating that the majority of students are making good progress. Over the coming years the number of students at the school is expected to continue to increase and additional experienced staff are expected to join the team to facilitate this expansion. The other major highlight of the year was the outstanding rating achieved during this year's OfSTED inspection which is very encouraging for the years to come and highlights the excellent job done by all of the trust staff involved, especially that of the Principal, Angela Reynolds.

Primary Academy Results and Developments

The key measure for primary schools is the percentage of students achieving national curriculum Level 4 in Reading, Writing and Mathematics. During this academic year the floor target was raised to 65% from 60%. Whilst our Primary schools have largely performed in line with our expectations, the two most challenging schools in 2013, Beanfield and KSA, have improved considerably and should give the Board confidence that our capacity and strategy during last year had the desired impact and can expect continued systematic improvement in these and our other primary schools in the coming year. The table below gives a summary of the headline primary school performance:

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

ACHIEVEMENTS AND PERFORMANCE (continued)

Primary Academy Results and Developments (continued)

	BP	GP	KSA(P)	OVPS	PP	2014 national average
L4+ RWM	67%	90%	78%	71%	63%*	79%
% progress R	75%	95%	93%	77%	77%	91%
% progress W	70%	95%	95%	97%	82%	93%
% progress M	73%	95%	96%	77%	82%	89%

**For inspection purposes schools are able to argue their case by presenting data which discounts SEN statements and recently arrived EAL students. By doing this Peckover's performance improves to over 70%.*

Gretton Primary Academy

Gretton has continued to achieve excellent results during this academic year with 90% of all students achieving Level 4 or higher in reading, writing and mathematics, well above the national average for 2014. Substantial building and renovation programmes were undertaken during the year as a result of the increase in the number of pupils on role. Jane Dooley and her team have managed these changes admirably whilst not allowing the school's high standards to be affected.

Beanfield Primary Academy

Whilst the results at Beanfield are below the national average, they are much improved on the previous year and have remained above the floor target for the year of 65%. There are many challenges still to overcome at Beanfield in terms of student progress and budgetary constraints. The Principal, Leyton Smith, has continued to work closely with the Trust's senior management team in order to address these challenges and whilst there have been significant improvements made during the year, more work is required to continue this progress.

Peckover Primary Academy

The SATS results at Peckover were below national average, though the percentage of students making good progress in some areas such as Writing and Maths was more healthy. Students with English as an additional language make up a significant proportion of the school (35-40%) and the majority of these make good progress, however the same is not currently true of white British students. Since joining the Brooke Weston Trust, Peckover has made good progress towards raising standards of teaching and achievement. Whilst there is room for further improvement we are confident that the strategy put in place during the year has had the desired impact and that the school will continue to improve over the coming years with Carrie Norman at the helm.

Kettering Science Academy Primary Phase

This year's SATs results were markedly improved on the previous year with 78% of students achieving Level 4 or higher in reading, writing and Maths. Whilst this is still fractionally below the national average for 2014, the percentage of students making expected progress in all subjects is now well over 90%. The hopes for 2014-15 are for these results to continue to improve and for the number of students achieving Level 4 or higher to exceed the national average. Under the stewardship of the Principal, Paul Davies, we are confident that this is a realistic target.

Oakley Vale Primary Academy

Oakley Vale Primary joined the Brooke Weston Trust on 1st September 2013. During this first year there have inevitably been some changes in the way the school operates although this does not appear to have any significant impact on the results for the year. The chief concern for Oakley Vale is that the percentage of students making expected progress in reading and Maths are well below the national average and are lower than the previous year's results. As with all of our academies, plans are in place to improve the achievements of Oakley Vale in the coming years.

Trust Developments

Governance and Operation

We have been successful both in retaining and recruiting some strong leaders in recent years. Despite the unsettling period that inevitably follows major changes to an organisation's most senior leadership and governance, we are delighted that our most experienced secondary Principals, Trish Stringer and John Henrys are still with us, and, in their new roles as Executive Principals, are working extremely hard to maintain high standards in their own schools whilst supporting their partner organisations and other Trust wide initiatives, including the Teaching School. We have also recruited Tricia Davies as our Executive Principal (Primary) and been able to appoint three new primary principals from within our ranks all of whom have a track record as effective school leaders already within the Trust.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

ACHIEVEMENTS AND PERFORMANCE (continued)

Trust Developments (continued)

The demand for places at our schools has never been higher and we anticipate this trend will continue in the next admissions round. At secondary level CTS and Brooke Weston attracted four applications for each place and numbers also rose at CBA, KSA and TCA.

Student Attendance

The Board and staff made a concerted effort to improve overall student attendance across the Trust during the year. The target for each individual school was an attendance rate of over 95% with the exception of the Thomas Clarkson Academy, where a target of 93% was put in place to take account of its significantly lower starting point. All schools within the Trust have achieved these targets, as detailed in the table below.

Primary	Beanfield	Gretton	KSA(P)	OVPS	Peckover	Nat. 2013
	96.1%	97.3%	95.7%	96.4%	95.7%	95.2%
Secondary	BWA	CBA	KSA(S)	TCA	CTS	Nat. 2013
	96.6%	95.8%	94.6%	93.1%	96.6%	94.1%

OfSTED and DfE inspections

During the year the Trust faced a raft of inspections and monitoring visits, totaling 26 days, all of which were well managed to achieve the highest outcomes possible given the stage of development of the schools concerned. Highlights of the inspection process include the Corby Technical School's outstanding OfSTED rating and the NCC's award of the same grade to the special school unit at Corby Business Academy. The fact that none of our schools are in a category of concern and that all of the inspection reports this year were complimentary about the impact of the Trust in driving up standards should not go unremarked as it is a significant achievement given their starting point last September.

Challenges Ahead in 2014-15

Looking to the future, there are many challenges ahead for the Trust. Clearly there is much work to be done to continue improving the standards in our schools, some of which face another trying year in 2014-15. Changes to the national league tables, performance measures and examinations system have significant implications for the Trust overall, as well as individual schools. The future move to 'Progress 8' may provide a fairer assessment of the performance of schools like TCA who have a highly skewed intake profile that is well below the national average as this measure will take much greater account of students' starting points. As an illustration of this I include a table that shows the key performance indicators for the secondary schools including the Indicative Progress 8 measure, which suggests that all of our secondary schools would be above the -0.50 floor target for Progress 8. This is, however, a very tentative observation and cannot be confirmed until the 2014 national data is published.

	BWA	CBA	KSA(S)	TCA
5 A* - C EM	84.9%	60.7%	42.3%	30.2%
eBacc	48.0%	14.3%	15.3%	8.1%
Progress English (3+)	88.3%	72.7%	63.5%	57.0%
Progress English (4+)	42.5%	30.9%	23.1%	17.0%
Progress Maths (3+)	82.1%	65.6%	46.2%	45.7%
Progress Maths (4+)	30.7%	32.3%	14.0%	14.7%
Capped APS	348	307	271	235
Attainment 8	54.3	47.83	39.4	35.37
Indicative Progress 8	0.32	0.14	-0.46	-0.40

During 2013-14 a number of formal networks were established across the Trust including forums for business managers, IT network managers, senior site staff, catering managers and others. Education professionals also began to meet across a number of areas both formally and informally. It is our intention to expand this networking during the next academic year with a strong focus on sharing expertise around pedagogy as we seek to develop new ways of working that will better equip our students for the new style examinations that most will face.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

ACHIEVEMENTS AND PERFORMANCE (continued)

Challenges Ahead in 2014-15 (continued)

In addition, we can anticipate several further OfSTED inspections during this academic year. Whilst I am sure the Principals and governing bodies will be prepared following the recent Trust-wide governor training events, the greater emphasis on student progress in the most recent inspection framework presents a real challenge to some of our schools given their previous history and current stage of development. Below is a table of each school's current self evaluation in the area of quality of teaching. Grades in brackets are actual OfSTED ratings from 2014 inspections under the current framework. The table comes with a health warning as self evaluation is not an exact science. Key: > 80% = outstanding; 70-80% = good; 55-70% = requires improvement; <55% = inadequate.

	% of teaching good or better July 2014	School target for 2013-14
BW	94	90+
CBA	83	90
CTS	89	90
TCA	75	75
KSA (S)	72	75
KSA (P)	78	75
Beanfield	73	80
Gretton	87	90+
Oakley Vale*	100	90+
Peckover	75	85

**This OVPS figure is subject to QA by the new Principal and Executive Principal.*

Where end of year targets were set below 90%, this was to reflect the school's weaker starting point in September 2013. The whole Trust aspiration is for all schools to have 90%+ teaching 'good' or better as soon as possible.

In addition, we are already facing stringent budget constraints and further cuts are predicted over the next few years. It is a key challenge for us to ensure we recruit high calibre teachers in all our schools and develop the capacity to improve.

Given the above context, the following priorities have been identified for 2014-15.

Trust Priorities for 2014-15

For 2014 – 15 the main priorities for the Trust are clear:

- Raising standards across all our academies;
- Embedding the new governance structure to improve accountability and communication;
- Creating operational efficiencies and building school improvement capacity;
- Operating effective school improvement with existing capacity;
- Delivering a balanced budget.

For 2015 and beyond the Trust's lines of development include:

- Seeking appropriate growth opportunities in line with the charitable objectives of the Trust;
- Developing succession planning by nurturing leadership at all levels in the Trust;
- Positioning Trust schools for the changed national performance framework.

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.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

FINANCIAL REVIEW

Financial report for the year

Most of the Academy Trust's income is obtained from the Education Funding Agency (EFA)/Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA/DfE during the year ended 31st August 2014 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

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

During the year ended 31st August 2014 total revenue expenditure was £42.06 million and total incoming funds from the DfE and other sources were £44.6 million, including net assets transferred from Northamptonshire Local Authority of £3.2 million.

At 31st August 2014 the net book value of tangible fixed assets was £130.3 million and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

Financial position

The Academy Trust held fund balances at 31st August 2014 of £129.5 million comprising £125.3 million of restricted funds and £4.2 million of unrestricted funds. The restricted pension reserve is currently in deficit of £5.2 million. This deficit relates solely to the actuarial assessment of Local Government Pension Scheme and future contribution rates have been agreed taking this deficit into account.

Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the approximate level of free reserves should be equivalent of 12 weeks expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy Trust's current level of free reserves (total funds less the amount held in restricted funds and amounts held as fixed assets) is £4.2 million which is less than is needed. The Academy Trust intends to continue building up free reserves to the level required.

Investment policy

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

PRINCIPAL RISKS AND UNCERTAINTIES

Risk management

The Trustees have a duty to identify and review the risks to which the Academy Trust is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Financial and Risk Management Objectives and Policies

The Trustees regularly review the risks faced by the Academy Trust and have completed a "Risk Map" to identify the critical areas of concern. As far as possible the Trustees have put in place management controls to minimise/mitigate risks.

Principal risks and uncertainties

The Trustees consider the following items are the principal risks facing the Academy Trust:

Financial

- Fluctuating student numbers year on year impact directly on funding received from the EFA. This, along with continuing change of instability in the formula for determining the funding at a county and national level, creates uncertainty around future income. This makes effective budgeting more challenging.
- The defined benefit pension scheme liability stands at a deficit of £5.2m at 31st August 2014. Funding this deficit may lead to increased employer contributions from the academies.

Other financial risks:

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 18 December 2014 and signed on the board's behalf by:

R Morrison
R Morrison
Trustee

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2014

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Brooke Weston Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met three times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

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

There were no changes in the composition of the Board of Trustees during the financial year. Consideration is being given as to whether the Board should be restructured with fewer members. The main challenges faced by the Board have been outlined in the main report.

Governance reviews:

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

The audit and finance committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee the finance and audit aspects of the Academy Trust. This included reviewing the financial position of the Academy Trust and the work of the external auditors.

Committee	Meetings attended	Out of a possible
R Morrison	5	5
Dr A Campbell	5	5
P Harris-Bridge	5	5
Mrs M Banham	4	5

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Brooke Weston Trust for the period from 1st September 2013 to 31st August 2014 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2014

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period from 1st September 2013 to 31st August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Smith Hodge & Baxter the external auditors to perform detailed checks at each academy which includes giving advice on financial matters and performing a range of checks on the financial systems. On a quarterly basis the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. There were no material control issues arising as a result of the auditors' review.

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

Review of effectiveness

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

- the work of the audit and finance committee;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 18 December 2014 and signed on its behalf by:

R Morrison
R Morrison
Trustee

Dr A Campbell
Dr A Campbell
Accounting Officer

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31ST AUGUST 2014**

As accounting officer of The Brooke Weston Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Educational Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Dr A Campbell
Dr A Campbell
Accounting Officer

18 December 2014

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31ST AUGUST 2014

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 18 December 2014 and signed on its behalf by:

R Morrison
R Morrison
Trustee

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF THE BROOKE WESTON TRUST
FOR THE YEAR ENDED 31ST AUGUST 2014**

We have audited the financial statements of The Brooke Weston Trust for the year ended 31st August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, as set out on page 14, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31st August 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by EFA.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Ian Chown

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

18 December 2014

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO THE BROOKE WESTON TRUST AND THE EDUCATION FUNDING AGENCY
FOR THE YEAR ENDED 31ST AUGUST 2014**

In accordance with the terms of our engagement letter dated 9th September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Brooke Weston Trust during the period 1st September 2013 to 31st August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of The Brooke Weston Trust's funding agreement with the Secretary of State for Education dated 30th March 2012 and the Academies Financial Handbook, extant from 1st September 2013 (updated October 2013), 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 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1st September 2013 to 31st August 2014 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2013 to 31st August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Smith Hodge & Baxter

Reporting Accountant

Smith Hodge & Baxter

Chartered Accountants & Statutory Auditors

Thorpe House

93 Headlands

KETTERING

Northamptonshire

NN15 6BL

18 December 2014

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)**STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31ST AUGUST 2014**

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

		Restricted						
		Unrestricted	Restricted	Restricted	Fixed	Restricted	Total	Total
	Notes	Funds	Pension	General	Asset	Endowment	2014	2013
		£000s	Reserve	Funds	Funds	Funds	£000s	£000s
INCOMING/(OUTGOING) RESOURCES								
Incoming resources from generated funds								
Voluntary income	2	-	-	-	-	-	-	-
Voluntary income - transfer of academies into the academy trust	3	-	(251)	149	3,281	-	3,179	43,808
Activities for generating funds	4	631	-	1,706	-	-	2,337	2,152
Investment income	5	38	-	-	-	-	38	82
Incoming resources from charitable activities								
Funding for the Academy Trust's educational operations	6	-	-	37,123	1,939	-	39,062	38,444
Total incoming/(outgoing) resources		669	(251)	38,978	5,220	-	44,616	84,486
RESOURCES EXPENDED								
Charitable activities								
Academy Trust's educational operations	8	-	-	39,749	2,198	-	41,947	38,528
Governance costs	9	-	-	114	-	-	114	116
Total resources expended	7	-	-	39,863	2,198	-	42,061	38,644
Net incoming/(outgoing) resources before transfers		669	(251)	(885)	3,022	-	2,555	45,842
Gross transfers between funds	19	-	(281)	(1,199)	1,480	-	-	-
NET INCOME/(EXPENDITURE) FOR THE YEAR		669	(532)	(2,084)	4,502	-	2,555	45,842
Other recognised (losses)/gains								
Actuarial (losses)/gains on defined benefit pension schemes	27	-	(2,163)	-	-	-	(2,163)	377
Net movement in funds		669	(2,695)	(2,084)	4,502	-	392	46,219
RECONCILIATION OF FUNDS								
Funds brought forward at 1st September 2013		3,541	(2,521)	2,155	125,863	48	129,086	82,867
Funds carried forward at 31st August 2014	19	4,210	(5,216)	71	130,365	48	129,478	129,086

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

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

BALANCE SHEET AT 31ST AUGUST 2014

		2014	2013
	Notes	£000s	£000s
FIXED ASSETS			
Tangible assets	14	130,270	125,814
Investments	15	-	-
		<hr/>	<hr/>
		130,270	125,814
CURRENT ASSETS			
Stocks	16	10	10
Debtors	17	608	3,729
Cash at bank and in hand		7,244	6,789
		<hr/>	<hr/>
		7,862	10,528
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	18	(3,438)	(4,735)
		<hr/>	<hr/>
NET CURRENT ASSETS		4,424	5,793
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS EXCLUDING PENSION LIABILITY		134,694	131,607
PENSION SCHEME LIABILITY	27	(5,216)	(2,521)
		<hr/>	<hr/>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		129,478	129,086
		<hr/> <hr/>	<hr/> <hr/>
FUNDS OF THE ACADEMY TRUST	19		
Restricted funds:			
Fixed asset fund		130,365	125,863
General fund		71	2,155
Pension reserve		(5,216)	(2,521)
Endowment fund		48	48
		<hr/>	<hr/>
Total restricted funds		125,268	125,545
Unrestricted funds:			
General fund		4,210	3,541
		<hr/>	<hr/>
Total unrestricted funds		4,210	3,541
		<hr/>	<hr/>
TOTAL FUNDS		129,478	129,086
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 17 to 38 were approved by the Trustees and authorised for issue on 18 December 2014 and are signed on their behalf by:

R Morrison
R Morrison – Trustee

The notes form part of these financial statements

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST AUGUST 2014

	Notes	<u>2014</u> <u>£000s</u>	<u>2013</u> <u>£000s</u>
Net cash inflow from operating activities	21	1,324	495
Returns on investment and servicing of finance	22	416	70
Capital expenditure and financial investment	23	(1,434)	(1,021)
Cash transferred from academies transferring into the academy trust	3	149	540
		<hr/>	<hr/>
Increase in cash in the period	24	455	84
		<hr/> <hr/>	<hr/> <hr/>
Reconciliation of net cash flow to movements in net funds			
Net funds at 1st September 2013		6,789	6,705
Increase in cash in the year		455	84
		<hr/>	<hr/>
Net funds at 31st August 2014	24	7,244	6,789
		<hr/> <hr/>	<hr/> <hr/>

All of the Academy Trust's cash flows derive from continuing operations and acquisitions during the above two financial periods.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2014

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013 to 2014 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cause significant doubts on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Preparation of Consolidated Financial Statements

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

Federation Academy Trust

On 1st September 2013 Oakley Vale Primary School converted from a state maintained school to an academy and joined The Brooke Weston Trust.

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Oakley Vale Primary School to the Academy Trust have been valued at their fair value being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for The Brooke Weston Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted pension reserve and restricted fixed asset funds. Further details of the transaction are set out in note 3.

Incoming Resources

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

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

- **Donations**

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

- **Other income**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

1. ACCOUNTING POLICIES (continued)

Incoming Resources (continued)

• **Donated services and gifts in kind**

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

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

Resources Expended

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

• **Charitable activities**

These are costs incurred on the Academy Trust's educational operations.

• **Governance costs**

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

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

Long leasehold land and buildings and other tangible fixed assets totalling £36,391,965 have been provided and are maintained by a third party under a PFI agreement with Cambridgeshire County Council. The Academy Trust has entered into a 25 year agreement with Cambridgeshire County Council to reimburse that local authority for the major part of its commitment under its PFI agreement. During the year ended 31st August 2014 maintenance of premises and equipment includes £968,114 (2013: £1,039,938) in respect of payments to the local authority under this agreement. The long leasehold land and buildings and other tangible fixed assets were introduced into the financial statements at insurance values, being the Trustees' estimate of their current market value at 31st August 2013. Due to the nature of the maintenance element of the PFI agreement no depreciation is considered necessary in respect of these assets over the term of the agreement. Once the agreement expires, these assets will be depreciated in accordance with the Academy Trust's existing accounting policy for tangible fixed assets.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

1. ACCOUNTING POLICIES (continued)

Tangible Fixed Assets (continued)

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

Investments

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

Leased Assets

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

Stocks

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

Taxation

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

Pension Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 27, the TPS is a multi employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

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

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

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

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

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

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

2. VOLUNTARY INCOME	Unrestricted Funds £000s	Restricted Funds £000s	Total 2014 £000s	Total 2013 £000s
Capital grants	-	-	-	-
Donations	-	-	-	-
Endowment	-	-	-	-
	-----	-----	-----	-----
	-	-	-	-
	=====	=====	=====	=====

3. TRANSFER OF ACADEMIES INTO THE ACADEMY TRUST

On 1st September 2013 Oakley Vale Primary School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Brooke Weston Trust from the Northamptonshire County Council local authority for £Nil consideration.

The transfer has been accounted for using the acquisitions method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and as analysis of their recognition in the SOFA.

	Unrestricted Funds £000s	Restricted Pension Reserve £000s	Restricted General Funds £000s	Restricted	Total 2014 £000s	Total 2013 £000s
				Fixed Asset Funds £000s		
Tangible fixed assets						
Long leasehold land and buildings	-	-	-	3,281	3,281	44,092
Budget surplus on LA funds	-	-	149	-	149	540
LGPS pension deficit	-	(251)	-	-	(251)	(824)
	-----	-----	-----	-----	-----	-----
Net assets	-	(251)	149	3,281	3,179	43,808
	=====	=====	=====	=====	=====	=====

The above net assets includes £148,807 (2013: £540,386) that were transferred as cash.

The leasehold land and buildings have been acquired on a 125 year lease period.

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £000s	Restricted Funds £000s	Total Funds 2014 £000s	Total Funds 2013 £000s
Trips	-	428	428	381
Transport	-	257	257	305
Catering income	-	934	934	797
Uniform	-	77	77	199
Other income	631	10	641	470
	-----	-----	-----	-----
	631	1,706	2,337	2,152
	=====	=====	=====	=====

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

5. INVESTMENT INCOME

	Unrestricted Funds £000s	Restricted Funds £000s	Total Funds 2014 £000s	Total Funds 2013 £000s
Gift aid - subsidiary undertakings	20	-	20	29
Bank interest	18	-	18	53
	<u>38</u>	<u>-</u>	<u>38</u>	<u>82</u>

6. FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000s	Restricted Funds £000s	Total Funds 2014 £000s	Total Funds 2013 £000s
DfE/EFA grants				
General Annual Grant (GAG)	-	33,203	33,203	29,953
Start Up grants	-	294	294	540
Capital grants	-	1,913	1,913	4,303
Other DfE/EFA grants	-	2,052	2,052	1,250
	<u>-</u>	<u>37,462</u>	<u>37,462</u>	<u>36,046</u>
Other Government grants				
Local authority grants	-	1,574	1,574	2,357
Local authority capital grants	-	26	26	41
	<u>-</u>	<u>1,600</u>	<u>1,600</u>	<u>2,398</u>
	<u>-</u>	<u>39,062</u>	<u>39,062</u>	<u>38,444</u>

7. RESOURCES EXPENDED

	Staff Costs £000s	Non pay Premises £000s	Expenditure Other Costs £000s	Total 2014 £000s	Total 2013 £000s
Academy's educational operations:					
Direct costs	22,313	1,113	4,842	28,268	26,178
Allocated support costs	7,414	3,004	3,261	13,679	12,350
	<u>29,727</u>	<u>4,117</u>	<u>8,103</u>	<u>41,947</u>	<u>38,528</u>
Governance costs including allocated support costs	30	-	84	114	116
	<u>29,757</u>	<u>4,117</u>	<u>8,187</u>	<u>42,061</u>	<u>38,644</u>

Incoming/outgoing resources for the year include:

Fees payable to auditor - audit	22	23
- other services	11	24
Depreciation - owned assets	2,198	2,187

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014**

8. CHARITABLE ACTIVITIES

	Total 2014 £000s	Total 2013 £000s
Direct Costs - educational operations		
Teaching and educational support staff costs	22,313	19,692
Depreciation	2,193	2,181
Educational supplies	1,555	1,961
Examination fees	481	516
Staff development	238	188
Educational consultancy	117	38
Teaching school costs	113	129
Other direct costs	1,258	1,473
	<hr/>	<hr/>
	28,268	26,178
Support Costs - educational operations		
Support staff costs	6,515	5,999
Depreciation	5	6
Cleaning	97	95
Recruitment and support	93	103
Light and heat	638	639
Rates and rents	333	4
Insurance	282	282
Maintenance of premises and equipment	1,811	1,714
Security and transport	302	228
Catering staff and other costs	2,168	1,874
IT costs	653	569
Bank interest and charges	19	12
Other support costs	763	825
	<hr/>	<hr/>
	13,679	12,350
	<hr/>	<hr/>
Total direct and support costs	41,947	38,528
	<hr/>	<hr/>

9. GOVERNANCE COSTS

	Total 2014 £000s	Total 2013 £000s
Support staff costs	30	30
Auditors' remuneration		
- audit of financial statements	22	23
- other services	11	24
Legal and professional fees	51	39
	<hr/>	<hr/>
	114	116
	<hr/>	<hr/>

10. STAFF

a. Staff Costs	2014 £000s	2013 £000s
Staff costs during the year were:		
Wages and salaries	23,689	21,954
Social security	1,687	1,433
Pension costs	3,279	2,716
	<hr/>	<hr/>
	28,655	26,103
Supply teacher costs	1,006	453
Staff restructuring costs	96	-
	<hr/>	<hr/>
	29,757	26,556
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

10. STAFF COSTS (continued)

b. Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	2014	2013
Charitable Activities	No.	No.
Teachers	410	381
Administration and support	531	466
Management	41	27
	<hr/>	<hr/>
	982	874
	<hr/> <hr/>	<hr/> <hr/>

c. Higher paid staff

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

	2014	2013
	No.	No.
£60,001 - £70,000	14	14
£70,001 - £80,000	5	4
£80,001 - £90,000	1	1
£90,001 - £100,000	2	3
£100,001 - £110,000	1	-
£110,001 - £120,000	1	-
£120,001 - £130,000	1	1
£130,001 - £140,000	-	2
£140,001 - £150,000	1	-
£170,001 - £180,000	-	1
	<hr/> <hr/>	<hr/> <hr/>

Twenty four (2013: Twenty three) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31st August 2014 pension contributions for these members of staff amounted to £231,356 (2013: £202,833). The other two (2013: Three) employees participated in the Local Government Pension Scheme, pension contributions amounted to £24,239 (2013: £30,817).

11. CENTRAL SERVICES

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

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

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

	£000
Beanfield Primary School	90
Brooke Weston Academy	280
Corby Business Academy	225
Corby Technical School	10
Gretton Primary School	40
Kettering Science Academy	336
Oakley Vale Primary School	70
Peckover Primary School	127
Thomas Clarkson Academy	260
	<hr/>
	1,438
	<hr/> <hr/>

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

12. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

The Executive Principal and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Principal and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees remuneration was as follows:

Sir P Simpson (Executive Principal retired 31st August 2013)	:	N/A (2013: £170,000 - £175,000)
Dr A Campbell (Executive Principal)	:	£145,000 - £150,000 (2013: £130,000 - £135,000)

During the years ended 31st August 2014 and at 31st August 2013 no expenses were reimbursed to Trustees.

Other related party transactions involving the trustees are set out in note 28.

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £1,000,000 aggregate liability in any one year and the cost for the year ended 31st August 2014 was £2,827 (2013: £14,302). The cost of this insurance is included in the total insurance cost.

14. TANGIBLE FIXED ASSETS

	Long leasehold					
	Freehold buildings £000s	land and buildings £000s	Furniture & equipment £000s	Computer equipment £000s	Motor vehicles £000s	Totals £000s
COST						
At 1st September 2013	5,161	122,774	5,168	7,473	182	140,758
Transfer from other academies	-	3,281	-	-	-	3,281
Additions	514	1,828	435	596	-	3,373
Transfer	-	-	-	-	-	-
At 31st August 2014	<u>5,675</u>	<u>127,883</u>	<u>5,603</u>	<u>8,069</u>	<u>182</u>	<u>147,412</u>
DEPRECIATION						
At 1st September 2013	580	6,709	2,347	5,137	171	14,944
Charge for year	102	1,030	326	737	3	2,198
At 31st August 2014	<u>682</u>	<u>7,739</u>	<u>2,673</u>	<u>5,874</u>	<u>174</u>	<u>17,142</u>
NET BOOK VALUE						
At 31st August 2014	<u>4,993</u>	<u>120,144</u>	<u>2,930</u>	<u>2,195</u>	<u>8</u>	<u>130,270</u>
At 31st August 2013	<u>4,581</u>	<u>116,065</u>	<u>2,821</u>	<u>2,336</u>	<u>11</u>	<u>125,814</u>

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

15. FIXED ASSET INVESTMENTS

**Shares in group
undertakings**

COST

At 1st September 2013 and at 31st August 2014

£
200

NET BOOK VALUE

At 31st August 2014

200

At 31st August 2013

200

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

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

Corby CTC Trading Limited

Country of incorporation: England

Nature of business: hire of sports and business facilities

Class of share:

% holding

Ordinary

100

31st August

2013

£000s

Aggregate capital and reserves

15

Loss for the year

1

A summary of the last audited results for the year ended 31st August 2013 and the balance sheet position as at 31st August 2013 is shown below:

2013

£ 000s

Turnover

57

Expenditure

58

Loss on ordinary activities before Gift Aid payment

(1)

Gift Aid payment to The Brooke Weston Trust

-

Net loss before taxation

(1)

Taxation

-

Sustained loss for year

(1)

Retained profits brought forward at 1st September 2012

16

Retained profit carried forward at 31st August 2013

15

Fixed Assets

36

Current assets

522

Current liabilities

(538)

Provisions for liabilities and charges

(5)

15

Called up share capital

-

Profit and loss account

15

Shareholder's funds

15

The audited results for the year ended 31st August 2014 are not yet available. However the company's activity for the year and net assets position at the end of the year are not expected to be significantly different from those as at 31st August 2013.

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

15. FIXED ASSET INVESTMENTS (continued)

Corby Business Academy Trading Company Limited

Country of incorporation: England

Nature of business: hire of sports and business facilities

Class of Share	% holding	31st August 2013 £000s
Ordinary	100	

Aggregate capital and reserves

1

Profit for the year

1

A summary of the last audited results for the year ended 31st August 2013 and the balance sheet position as at 31st August 2013 is shown below:

	2013 £000s
Turnover	27
Expenditure	(3)
Profit on ordinary activities before Gift Aid payment	24
Gift Aid payment to Corby Business Academy	24
Net profit before taxation	-
Taxation	-
Retained profit for year	-
Retained profits brought forward at 1st September 2012	1
Retained profits carried forward at 31st August 2013	1
Current assets	24
Current liabilities	(23)
	1
Called up share capital	-
Profit and loss account	1
Shareholder's funds	1

The audited results for the year ended 31st August 2014 are not yet available. However the company's activity for the year and net assets position at the end of the year are not expected to be significantly different from those as at 31st August 2013.

16. STOCKS

	2014 £000s	2013 £000s
Stationery and other supplies	10	10

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

17. DEBTORS

	2014	2013
	£000s	£000s
Trade debtors	28	38
VAT recoverable	457	813
Amounts owed by group undertakings	-	331
Prepayments and accrued income	123	2,476
Other debtors	-	71
	<u>608</u>	<u>3,729</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£000s	£000s
Trade creditors	1,628	3,209
Social security and other taxes	497	497
Accruals and deferred income	834	1,029
Other creditors	459	-
Amounts owed to group undertakings	20	-
	<u>3,438</u>	<u>4,735</u>

19. FUNDS

	Balance at	Incoming	Resources	Gains, losses	Balance at
	1st September	resources	expended	and Transfers	31st August
	2013	£000s	£000s	£000s	2014
	£000s				£000s
Restricted general funds					
General Annual Grant (GAG)	1,905	33,203	(34,237)	(949)	(78)
Other DfE/EFA grants	-	2,346	(2,346)	-	-
Other restricted general funds	250	3,280	(3,280)	(250)	-
Assets transferred from other academies	-	149	-	-	149
Pension Reserve	(2,521)	(251)	-	(2,444)	(5,216)
	<u>(366)</u>	<u>38,727</u>	<u>(39,863)</u>	<u>(3,643)</u>	<u>(5,145)</u>
Restricted fixed asset funds					
DfE/EFA capital grants	35,032	1,913	(910)	-	36,035
Capital expenditure from GAG	1,059	-	(355)	1,230	1,934
Other government grants	85,487	26	(851)	3,281	87,943
Private sector capital sponsorship	4,285	-	(82)	250	4,453
Assets transferred from other academies	-	3,281	-	(3,281)	-
	<u>125,863</u>	<u>5,220</u>	<u>(2,198)</u>	<u>1,480</u>	<u>130,365</u>
Restricted endowment funds					
Expendable endowment funds	48	-	-	-	48
Total restricted funds	<u>125,545</u>	<u>43,947</u>	<u>(42,061)</u>	<u>(2,163)</u>	<u>125,268</u>
Unrestricted funds					
Unrestricted General Funds	3,541	669	-	-	4,210
Total unrestricted funds	<u>3,541</u>	<u>669</u>	<u>-</u>	<u>-</u>	<u>4,210</u>
TOTAL FUNDS	<u>129,086</u>	<u>44,616</u>	<u>(42,061)</u>	<u>(2,163)</u>	<u>129,478</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

19. FUNDS (continued)

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

Restricted General Funds include unspent General Annual Grant (GAG), which must be used for the normal recurring costs of the Academy Trust together with other restricted general funds. Under the funding agreement with the Secretary of State the Academy Trust was not subject to a limit on the amount of GAG that it should carry forward at 31st August 2014. During the year a transfer of £949,000 was made to Restricted Fixed Asset Funds from GAG Funds in respect of capital expenditure funded from GAG income.

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

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

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

Analysis of academies by fund balance

Fund balances at 31st August 2014 were allocated as follows:

	Total £000s
Beanfield Primary School	816
Brooke Weston Academy	3,300
Corby Business Academy	1,192
Corby Technical School	(647)
Gretton Primary School	192
Kettering Science Academy	(193)
Oakley Vale Primary School	145
Peckover Primary School	69
Thomas Clarkson Academy	(661)
Central services	116
	<hr/>
Total before fixed assets and pension reserve	4,329
Restricted fixed asset fund	130,365
Pension reserve	(5,216)
	<hr/>
Total	129,478
	<hr/> <hr/>

Corby Technical School is carrying a deficit of £647,000. This deficit arose as a direct result of the establishment of the new school, including contributions towards the construction of the new buildings and the purchase of computer equipment and other fixtures and fittings. The school is expected to return to surplus over the coming years as more students are admitted to the school and the new buildings have now been completed.

Kettering Science Academy is carrying a deficit of £193,000. This deficit arose as a result of an over-spend on IT equipment and software, and recruitment costs. Stricter monitoring of the expenditure has been adopted with all purchase orders being approved by the Trust's Finance Director and no non-essential expenditure being approved.

Thomas Clarkson Academy is carrying a deficit of £661,000. This deficit arose as a result of significant increases in the cost of supply teachers as a result of the shortage of full-time teaching staff in the local area and high buildings maintenance costs under the current PFI agreement. The Trust is attempting to stabilise the school's staffing numbers through the use of retention packages in order to curtail the reliance on supply teaching. A further detailed review of expenditure is being undertaken by the Finance Director to identify any inefficiencies or potential savings.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

19. FUNDS (continued)

Analysis of academies by cost

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

	Teaching & Educational Support Staff Costs £000s	Other Support Staff Costs £000s	Educational Supplies £000s	Other costs (excluding Depreciation) £000s	Total £000s
Beanfield Primary School	1,227	386	33	282	1,928
Brooke Weston Academy	4,465	987	146	2,179	7,777
Corby Business Academy	3,967	1,478	244	1,302	6,991
Corby Technical School	394	246	60	328	1,028
Gretton Primary School	313	57	17	141	528
Kettering Science Academy	4,840	1,554	247	1,710	8,351
Oakley Vale Primary School	931	273	24	214	1,442
Peckover Primary School	967	251	43	301	1,562
Thomas Clarkson Academy	5,209	1,210	715	1,848	8,982
Central Services	-	1,002	26	246	1,274
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy Trust	22,313	7,444	1,555	8,551	39,863
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31st August 2014 are represented by:

	Unrestricted Funds £000s	Restricted Pension Reserve £000s	Restricted General Funds £000s	Restricted Fixed Asset Funds £000s	Restricted Endowment Funds £000s	Total Funds £000s
Tangible fixed assets	-	-	-	130,270	-	130,270
Fixed asset investments	-	-	-	-	-	-
Current assets	4,230	-	3,489	95	48	7,862
Current liabilities	(20)	-	(3,418)	-	-	(3,438)
Pension scheme liability	-	(5,216)	-	-	-	(5,216)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Net Assets	4,210	(5,216)	71	130,365	48	129,478
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

	2014 £000s	2013 £000s
Net income	2,555	45,842
Net assets transferred from other academies	(3,179)	(43,808)
Depreciation	2,198	2,187
Interest payable	19	12
Interest and gift aid receivable	(38)	(82)
Capital grants from DfE and other capital income	(1,939)	(4,344)
FRS 17 pension cost less contributions payable	267	199
FRS 17 pension finance costs	14	52
Decrease/(increase) in debtors	2,724	(2,034)
(Decrease)/increase in creditors	(1,297)	2,471
	<hr/>	<hr/>
	1,324	495
	<hr/>	<hr/>

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

22. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2014	2013
	£000s	£000s
Interest paid	(19)	(12)
Interest received	18	53
Gift aid- subsidiary undertakings	20	29
Repayments received on loans to subsidiary undertakings	397	-
	<hr/>	<hr/>
Net cash inflow from returns on investment and servicing of finance	416	70
	<hr/> <hr/>	<hr/> <hr/>

23. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2014	2013
	£000s	£000s
Purchase of tangible fixed assets	(3,373)	(5,365)
Capital grants from DfE/EFA	1,913	4,303
Capital grants from local authorities	26	41
	<hr/>	<hr/>
Net cash outflow from capital expenditure and financial investment	(1,434)	(1,021)
	<hr/> <hr/>	<hr/> <hr/>

24. ANALYSIS OF CHANGES IN NET FUNDS

	At 1st		At 31st
	September	Cash	August
	2013	Flows	2014
	£000s	000s	£000s
Cash in hand and at bank	6,789	455	7,244
	<hr/>	<hr/>	<hr/>
Total	6,789	455	7,244
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

25. CONTINGENT LIABILITIES

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

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

- (a) the value at that time of the Academy Trust's sites and premises and other assets held for the purpose of the Academy Trust; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

26. MEMBERS' LIABILITY

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

27. PENSION AND SIMILAR OBLIGATIONS

The Academy Trust's employees belong to two principal pension schemes; the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hymans Robertson LLP. Both are defined- benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31st March 2004 and of the LGPS 31st March 2013.

Contributions amounting to £417,480 (2013: £Nil) were payable to the schemes at 31st August 2014 and are included within creditors.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Teachers' Pension Scheme

Introduction

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

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1st April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31st March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9th June 2014. The key elements of valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1st April 2015 and will be implemented for the TPS from September 2015.

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

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th, and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1st April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1st April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1st April 2014. Communications are being rolled out and the reformatted scheme will commence on 1st April 2015.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Teachers' Pension Scheme (continued)

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy Trust has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31st August 2014 was £1,330,000 (2013: £1,030,000) of which employer's contributions totalled £1,002,000 (2013: £763,000) and employees' contributions totaled £328,000 (2013: £267,000). The agreed contribution rates for future years are 16.3% to 22.4% for employers and 5.5% to 9.9% for employees.

The LGPS obligation relates to the employees of all the academies under the control of the Academy Trust including new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees of academies which transferred to the Academy Trust during the year represents their cumulative service at both the predecessor school/academy and the Academy Trust at the balance sheet date.

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

Principal Actuarial Assumptions

	At 31st August 2014	At 31st August 2013
Rate of increase in salaries	4.5%	5.1%
Rate of increase for pensions in payment/inflation	2.7%	2.8%
Discount rate for scheme liabilities	3.7%	4.6%
Inflation assumption (CPI)	2.7%	2.9%
Commutation of pensions to lump sums - Thomas Clarkson Academy and Peckover Primary School:		
Pre April 2008 service	25%	25%
Post April 2008 service	63%	63%
- Other academies in the federation:		
Pre April 2008 service	50%	50%
Post April 2008 service	75%	75%

Sensitivity Analysis

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

	Approximate % increase to Employer	Approximate monetary Liability amount £000s
Change in assumptions at year ended 31st August 2014:		
0.5% decrease in Real Discount Rate	13%	2,141
1 year increase in member life expectancy	3%	496
0.5% increase in the Salary Increase Rate	6%	950
0.5 % increase in the Pension Increase Rate	7%	1,129

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

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

	At 31st August 2014	At 31st August 2013
<i>Current Pensioners</i>		
Males	22.3	21.3
Females	24.3	23.4
<i>Future Pensioners</i>		
Males	24.1	23.3
Females	26.6	25.5

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

	Expected return at 31st August 2014	Fair value at 31st August 2014 £000s	Expected return at 31st August 2013	Fair value at 31st August 2013 £000s
Equities	6.4%	8,101	6.7%	6,465
Bonds	2.9%	2,115	3.5%	1,580
Property	4.5%	794	4.7%	460
Cash	3.3%	340	3.6%	392
Total market value of assets		11,350		8,897
Present value of scheme liabilities				
- Funded		(16,566)		(11,418)
(Deficit)/surplus in the scheme		(5,216)		(2,521)

Northamptonshire and Cambridgeshire LGPS

The expected returns shown in this report have been calculated using 5,000 simulations of HRAM, calibrated using market data as at a recent date. The expected returns on bonds has been derived from the yields applicable at the accounting date on suitable bond indices.

The actual return on scheme assets was £1,149,000 (2013: £959,000).

Amounts recognised in the statement of financial activities	2014 £000s	2013 £000s
Current service cost (net of employee contributions)	1,269	962
Past service cost	-	-
Total operating charge	<u>1,269</u>	<u>962</u>
	2014 £000s	2013 £000s
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	560	352
Interest on pension liabilities	(574)	(404)
Pension finance income/(costs)	<u>(14)</u>	<u>(52)</u>

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

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

	2014	2013
	£000s	£000s
At 1st September	11,418	8,456
Defined benefit obligations transferred in from other academies	348	1,128
Current service cost	1,269	962
Interest cost	574	404
Employee contributions	328	267
Actuarial loss	2,806	270
Benefits paid	(177)	(69)
Past service cost	-	-
	<hr/>	<hr/>
At 31st August	16,566	11,418
	<hr/> <hr/>	<hr/> <hr/>

Movements in the fair value of Academy Trust's share of scheme assets:

	2014	2013
	£000s	£000s
At 1st September	8,897	6,633
Fair value of scheme assets transferred in from other academies	97	304
Expected return on assets	560	352
Actuarial gain	643	647
Employer contributions	1,002	763
Employee contributions	328	267
Benefits paid	(177)	(69)
	<hr/>	<hr/>
At 31st August	11,350	8,897
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The estimated value of employer contributions for the year ending 31st August 2015 is £1,105,000.

The five year history of experience adjustments is as follows:

	2014	2013	2012	2011	2010
	£000s	£000s	£000s	£000s	£000s
Present value of defined benefit obligations	(16,566)	(11,418)	(8,456)	(1,048)	(422)
Fair value of share of Scheme assets	11,350	8,897	6,633	1,213	390
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
(Deficit)/surplus in the Scheme	(5,216)	(2,521)	(1,823)	165	32
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	2014	2013	2012	2011	2010
	£000s	£000s	£000s	£000s	£000s
Experience adjustments on share of Scheme assets	643	647	166	588	8
Experience adjustments on Scheme liabilities	(172)	-	(8)	(516)	(40)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST AUGUST 2014

28. RELATED PARTY DISCLOSURES

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

The following transactions were carried out with the Academy Trust's wholly owned subsidiary, Corby CTC Trading Limited:

- a) During the year Corby CTC Trading Limited was charged a management fee of £12,000 (2013: £12,000), banked grant income due to the Academy Trust of £Nil (2013: £194,577) and net recharges of £37,235 were made in respect of other costs incurred by the Academy Trust on behalf of the subsidiary (2013: net recharges of £8,476 were made to the Academy Trust in respect of other costs incurred by the subsidiary).
- b) At 31st August 2014 creditors included £19,685 (2013: £331,081 debtor) due to the subsidiary.

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

- a) The trading company became a subsidiary on 1st April 2013 when the ownership of its share capital was transferred to The Brooke Weston Trust for £Nil consideration when Corby Business Academy became part of The Brooke Weston Trust Federation. At the same time £29,500 owed by the trading subsidiary to Corby Business Academy was also transferred to The Brooke Weston Trust and this amount was repaid to The Brooke Weston Trust during the year, ended 31st August 2013.
- b) Incoming resources include gift aid of £20,000 (2013: £29,000) from Corby Business Academy Trading Company Limited.
- c) At 31st August 2014 there were no amounts due to/due from Corby Business Academy Trading Company Limited (2013: None)

29. CAPITAL COMMITMENTS

	2014	2013
	£000s	£000s
Contracted but not provided in the financial statements	-	2,192
	<u> </u>	<u> </u>

30. ULTIMATE CONTROLLING PARTY

The Academy Trust is under the control of the Trustees and Members.