

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2017

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 31 AUGUST 2017

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THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members	A E G de Capell Brooke R Lane G G Weston G H Weston	
Trustees/Directors	A E G de Capell Brooke Dr A Campbell P Harris-Bridge R Lane R Morrison C Priestley H Stevenson G G Weston G H Weston Sir P A Simpson S Taylor	(Chief Executive Officer and Accounting Officer) (Chairman) (appointed 16 May 2017) (appointed 30 October 2017)
Members of the Finance and Audit Committee	P Harris-Bridge M Ward R Morrison	(Chairman)
Company Secretary	Mrs D Tysoe	
Executive Management Team		
Chief Executive Officer	Dr A Campbell	
Finance Director	Mrs D Tysoe	
Director of Education	Miss P Stringer	
Executive Principal	J Henrys	
Senior Operations Manager	T Laws	
Senior Finance/HR Manager	Mrs C Stewart	
Executive Officer	Miss A Trott	
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	

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Solicitors

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

TRUSTEES' REPORT **FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their report together with the financial statements and auditors' report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a Trustee's report, and a directors' report under company law.

The academy trust operates five primary and five secondary academies in Northamptonshire and Cambridgeshire. Its academies have a combined pupil capacity of 7,807 and had a roll of 7,075 in the school census on 5 October 2017.

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 the 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 pages 1 and 2.

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 in September 2008. It ceased operating as an independent charitable company and joined The Brooke Weston Trust on 1 April 2012. Kettering Science Academy joined The Brooke Weston Trust alongside Corby Business Academy on 1 April 2012. It had previously been an independent charitable company operating since September 2009. Thomas Clarkson Academy joined the trust on the 1 June 2012 having previously been part of Cambridgeshire County Council. On 1 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 1 April 2013. Oakley Vale Primary School transferred to the trust from Northamptonshire County Council on 1 September 2013. Up until 31 August 2016 Kettering Science Academy was an all-through school incorporating both the secondary and the primary schools. From 1 September 2016, Kettering Science Academy was split into two distinct schools with the secondary school continuing to be operated as Kettering Science Academy and the primary school becoming Compass Primary Academy.

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

Trustees' indemnities

As required in the Articles of Association, the Academy Trust has registered with the RPA to cover the liability of Trustees/Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Academy. The cover under the policy is £10,000,000 and in the period under review no sums have been paid out.

Method of recruitment and appointment or election of directors/Trustees

As laid down in Sections 45-67a of the Articles of Association the number of Directors shall not be less than three directors. The Principal Sponsors (A de Capell Brooke and the Garfield Weston Foundation) may appoint up to two directors each including themselves. The Chief Executive Officer shall remain a director for as long as he remains in office. There shall be a minimum of two parent directors unless there are Local Governing Bodies which include at least two parent members. The Secretary of State for Education may appoint as many directors as he thinks fit in accordance with the terms of the funding agreement. In addition to this, the directors themselves may appoint up to seven co-opted directors for a term of up to four years.

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

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

The training and induction provided for new directors will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as directors. Induction tends to be done informally and is tailored specifically to the individual. Additional training is available and directors are regularly notified of in-house courses/training sessions offered by Brooke Weston Trust.

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The overall responsibility of the Members is to ensure the Trust's objects, as per the Articles of Association (establishing, maintaining, operating, managing and developing schools including, but in no way limited to a school offering a broad curriculum with emphasis on particular specialisms; collaborating with other schools and the wider community to share expertise and resources) is met; and to hold the Board of Directors to account.

The overall responsibility of the Board of Directors is the general control and management of the administration of Brooke Weston Trust, and in accordance with the provisions set out in the Articles of Association and Master Funding Agreement, is legally responsible and accountable for all statutory functions and the performance of the academies under its responsibility. The Board of Directors delegates the operational management of the Academy Trust to the Chief Executive Officer, as outlined in the Scheme of Delegation.

The Chief Executive Officer is the Accounting Officer. His main task is to execute the strategic objectives as determined by the Board of Directors and embed policies agreed by the Directors in relation to its education functions and to bring forward for approval, proposals for further improving the quality of educational experience of the Trust's young people.

The subcommittees of the Board and Best Practice Review Groups are in place to develop, implement and quality assure strategies in key areas of operation; Finance and Audit, Education Standards, Remunerations, Health and Safety, and Safeguarding. An Executive Management team consisting of; Director of Education, Executive Principal, Finance Director, Senior Operations Manager, Senior Finance/HR Manager and Executive Officer support the Chief Executive Officer in managing the Trust across all business functions.

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of the Executive Management team ('key management personnel') is set by the Trust Remunerations Committee. The Senior Leadership Teams of each academy are paid with reference to the School Teachers' Conditions of Service. The Remunerations Committee benchmarks Executive Management pay levels with relevant market information to ensure it is in line with similar establishments. The Chair of the Board of Directors undertakes the Performance Management of the Chief Executive Officer and Finance Director and makes recommendation to the Board of Directors along with evidence of targets and key performance indicators met. The Trust Remunerations Committee delegates the responsibility of Performance Management of the academy Principals to the Chief Executive Officer. The Chief Executive Officer, in conjunction with the Finance Director, makes recommendations to the Remunerations Committee along with evidence of targets and key performance indicators met.

RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

Subsidiary company

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. Further details regarding the subsidiary company is given in note 12 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.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities

The main objectives of the Academy Trust during the year ended 31 August 2017 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 by being ambitious for all;
- to improve the effectiveness of the academies by keeping the curriculum and organisational structure under continual review;
- to have a culture that cares for the individual, both staff and pupils, and promotes inclusivity, equality and mutual respect.
- 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.

Public benefit

The Trustees have referred to the public benefit guidance contained in part 1, section 4 of the Charities Act 2006 and the SORP (items GL 49) to have due regard to the Charity Commission's published general and relevant guidance when they have reviewed the Academy Trust's aims and objectives. This has been used in planning future activities to ensure the primary objective of the Academy is achieved rather than providing a financial return.

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.

The Academy Trust tracks pay progression of all employees – this data demonstrates that the Academy Trust encourages equality and fairness in pay and career opportunities for all employees.

Employee Consultation

The meeting arrangements which the Academy Trust operates allows for information on matters that affect employees to be cascaded through the Principals and Senior Leadership Teams to all employees. Members of the Academy Trust Executive Management Team also meet with employees across all academies on a regular or as and when basis to communicate key information that affect them. These are also communicated by letter or email. At each school there is a staff consultation committee which meets termly with the school's principal to discuss any matters affecting staff. This is then escalated to members of the Executive Management Team via the Principal. An annual staff questionnaire is circulated to all employees, as mentioned above. For the question, "I work in a climate where if I have any concerns I feel comfortable to raise them using the Trust's policies", 80% of respondents agreed. A Whistleblowing Officer for the Academy Trust has been appointed and a procedure is in place should any member of staff wish to escalate any concerns through to the Board of Directors.

The Academy Trust operates a Joint Consultative Committee with national representatives of recognised trade unions to discuss employee relations and policies. Local union representatives from the academies attend this forum.

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.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

STRATEGIC REPORT
ACHIEVEMENTS AND PERFORMANCE

Summary

Our Trust is undergoing its most significant period of change since it was formed in 2012. This is driven by both external and internal factors. The main external factors are: school funding, curriculum and examination reforms, new accountability measures, the unknown impact of Brexit on school populations and teacher shortages. The main internal factors are tightening the management culture of the Trust and setting new, higher, standards of aspiration for individual schools and leadership teams; improving the calibre of school level governance; implementing a Trust-wide character development and curriculum enrichment offer. During 2016-17 we restructured our central operations team, recruited a team of academic subject specialists to support all our schools, and launched a new student progress 'flight path' setting out common performance expectations for the progress of all children with similar starting points, regardless of which of our schools they attend.

Admissions to our schools continues to be healthy. In particular we have seen an encouraging growth in sixth form numbers this September. CTS has also taken in its first 'expanded' cohort of year 7 students (150 as opposed to 75 previously) and our new nursery facility has opened at CPA. This year will see the construction of a similar provision at PPS.

The secondary performance picture has shown solid improvement but challenges remain in some places. Three of our five secondary schools delivered above average or average progress 8 scores, the fourth halved its negative score and is now almost average; the fifth moved up to floor target. In addition, three of our five secondary schools were inspected during the year and the Trust no longer has any schools in a category of concern.

Things have remained stable in terms of our primary school leadership and staffing. We have seen a continued trajectory of improvement in general standards. Four out of five primary schools are now rated 'good' by OfSTED with one of these being used by the DFE as a case study for 'most improved'. Our fifth school, CPA, is due its first inspection within a year.

Progress against Priorities

2016-17 Priority	Measurable Progress	Success criteria	Met/Partially Met/Not Met
Education Standards			
TCA out of category	Outcome of inspection or external reviews. Progress against school improvement framework – regularly reported to Education Standards Committee (ESC).	Positive outcomes of external and internal reviews. Improved student progress at each data point. Improved quality of teaching, attendance, behaviour etc.	Met.
Student progress	Improvement in outcomes at data points using methodology agreed with ESC. Improved tracking and monitoring of particular groups. Suite of interventions to deploy for identified concerns.	In-school and national gaps for particular groups are closing. Improved progress for students and most groups. Clear reporting mechanism to senior leaders/ESC.	Partially met. Progress improved in 9/10 schools. Gap is closing for disadvantaged, but more to do.
Trust-wide curriculum alignment	Networking meetings for core and non-core subjects. Deployment of specialist staff across BWT. Common toolkit for use across all schools – sharing best practice. Regular cross-testing for benchmarking, predictions and interventions.	Collaboration across BWT. Improved progress for all students and particular groups. Deployment of staff across BWT – succession planning, consistency. Standardisation – better for planning, tracking, benchmarking, sharing of resources.	Met. Good collaboration culture. Improved progress figures. Trust Directors of Subject roles in place and embedding. Trust shared testing in core subjects.
Revised scorecards & assessment calendar	Revised scorecards including information for regular Principals' performance reviews. Improved flow of information across BWT and to ESC.	Progress on school improvement framework. Improved predictions – better use of interventions. Accuracy of QA and prediction data.	Partially met. Internal and external QA accuracy improved

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

ACHIEVEMENTS AND PERFORMANCE (continued)

Launch Education Standards Committee (ESC)	Regular meetings with ESC + record of key actions and recommendations. Regular communication with Board and challenge of Executive Management team.	External perspective, benchmarking. Holding senior executives to account. Drive reviews of procedures to improve BWT development plan.	Met. Committee now established and operational.
Improved transition	Better partnership between primary and secondary schools to encourage transition within BWT.	More children from BWT primaries attending our secondaries.	Met.
Recruitment, capacity and succession at all levels			
Action plan aligned to priorities and budgets	Recruitment strategy. Improved platforms – website, social media. Quality applicants/pool of potential candidates.	Clearer route for recruitment, BWT offer. Increase in external recruitment of quality applicants. Qualified, experienced and high quality workforce (fully staffed).	Partially met. Better recruitment of external candidates to all levels. Fewer gaps.
NAHT Aspire	Programme embedded within schools across BWT – included in performance management targets for all senior leaders. Regular networking visits, audits to determine progress on agreed targets – regular reports to ESC.	Significant impact on school improvement priorities. Consistency of application and common language, allows for sharing best practice and collaboration across schools.	Met. Remodelled version of the programme agreed to meet need for 2017-18.
Secondment opportunities for senior leaders	Revisit Career Stage Expectations (CSE) document. Development talent management strategy. Increase Teaching School Alliance CPD opportunities. Track staff training. Teaching Leaders programme.	Planned movement of staff. Impact of Teaching School is sustainable. Accurate tracking of teachers/support current position and potential route for leadership. Clear succession plan in place for senior positions, route to develop staff to become senior leader.	Met. CSE updated. Performance management training for staff completed. New Leadership Academy launch.
Deploy School Standards Fund (SSF)	Reinvestment into Teaching and Learning (T&L) – report of spend on teaching staff/significant projects to ESC and Finance and Audit Committee (FAC). New appointments at Trust level.	School standards fund strategy planned over 2 years, recommitted for further 3 years in next strategic plan. Clear process to access SSF, clear criteria. Impact is sustainable and meets needs of particular school.	Met. Fund deployed and plan in place to sustain the fund beyond 2 years. Impact to be monitored closely during 2017-18.
Financial strategy			
Drive curriculum costing to thresholds	Efficient curriculum model (staff and finance).	Impact is sustainable and resilient. Teaching and learning remains key driver and is not impacted on negatively.	Met. Schools more efficient in terms of curriculum cost.
Continue to progress with the Trust five year plan	Good financial management Funds released to School Standards Fund. Compliance with ESFA/DfE. Surplus in budgets for additional teaching or specific specialist or innovative projects.	Sustainable financial plan – flexible and adaptable to meet changes in government policy or organisational change. Opportunity for innovation (either teaching & learning or operations).	Met. Financial plan is more ambitious than previously in terms of providing additional school support.
Launch commercial services pilot	Income generation. Development of relationships with other MATs/schools.	Income generation to be reinvested back into teaching and learning. Increase staffing capacity. Opportunities for training, retention. Sharing of best practice with other institutions.	Met. Modest income generated from project work by central team.

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (continued)

Growth			
CTS expansion project	Progress against project plan Delivered on time and within budget.	Quality education for children of Corby. Financial sustainability – economies of scale. Increase in capacity.	Met. CTS now open and delivered on time and budget.
New projects	Building reputation of BWT also through effective marketing and communications. Economies of scale.	Stronger reputation for BWT. Impact of BWT on education of children in Northants & Cambs. Economies of scale – cluster model arrangement.	Met. Good relationships being built.

Key Financial Performance Indicators

The Trust benchmarks its financial performance using a variety of indicators, including those in this table.

Financial Benchmark Indicators				
	Budget 2016/17	Actual 2016/17	Budget 2017/18	Target
Staff Pay as % of Expenditure				
Senior Leadership Team	7.3%	6.0%	6.1%	6.5%
Teachers	37.9%	39.0%	39.4%	42.0%
Classroom Support Staff	10.8%	11.0%	11.1%	11.5%
Other Support Staff	7.8%	7.6%	7.9%	8.0%
Agency Costs	2.6%	2.7%	2.0%	2.0%
Average Teacher Cost	£35,949	£37,146	£37,714	£45,000
Pupil : Teacher ratio	0.6	0.6	0.8	0.8
Average Class Size				
Primary	28	27	26	30
Secondary	24	23	24	25
Teacher Contact Ratio	0.8	0.8	0.8	0.78
Spend per pupil				
Staff Costs	£4,160	£4,266	£4,546	£4,000
Total Expenditure	£6,078	£6,061	£5,993	£5,500

Observations on Financial Performance

- Teacher contact ratio takes account of workload pressures and is also financially sustainable.
- Average class sizes are within target range per phase.
- Staffing cost thresholds adhered to in line with strategy and mitigate risk of incremental drift.
- Trust is focussed on reducing agency costs.
- Trust is undergoing a support staff job evaluation exercise to ensure equity of pay and conditions.

Employee Satisfaction

At the end of the 2016/17 academic year a comprehensive stakeholder survey was undertaken with all Brooke Weston Trust employees to capture attitudes to the employer and gain feedback. A list of exemplar questions and responses is listed below:

- “In BWT our schools work together to support each other, develop innovative ideas and share best practice” – 70% agree, increase from 50% in 2015/16.
- “I understand the culture and aims of my own school” – 90% agree, increase from 75% in 2015/16. This has been a priority for all schools to address for 2016/17 and has had positive impact.
- “My Principal or line manager keeps me informed about relevant Trust developments” – 80% agree, previous issues with Principals not cascading information to staff have been resolved.
- “I understand the role of the governors and feel that they are doing a good job” – 70% agree, an increase from 50% in 2015/16. Majority of staff have little involvement with governing bodies which impacts on overall score. More governor visits needs to be encouraged.

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (continued)

- “I am fully informed about the opportunities for personal development within the academy/Trust” – 70% agree. Introduction of staff intranet page will facilitate this.
- “I would like my next job to still be with the Academy/Trust” – 80% agree.

During 2016-17 there was no strike action by staff and no formal grievances were lodged which required escalation to Board level.

Estates and Health and Safety Compliance

The Trust compliance dashboard captures compliance status and informs our estates/health and safety strategy including inspection certification and progress of any required/scheduled works for example in the core estates areas of asbestos, electrical, fire, mechanical, water.

VfM Standards and Performance Summary, Selected Indicators

VfM Standards tables below show:

A) Trust evaluation of standards in November 2017 against current OfSTED criteria.

B) Student attendance by school and Trust 2016-17

C) Secondary P8 by school and Trust 2016 vs 2017

D) KS2 value added by school and Trust 2016 vs 2017

Table A

	Leadership, Management	Teaching Learning	PDBW	Outcomes	Early Years /Sixth Form	Overall Effectiveness	Progress since last Board meeting
BPS	2	2	1,2	2	2	2	G
CPS+	2	2	2,2	2	2	2	G
GPS	1	1	1,1	1	1	1	G
OVPS*	2	2	2,2	3	2	2	A
PPS	1	1	1,1	2	2	2	G
BWA	1	1	1,1	1	1	1	G
CBA*	3	3	2,3	3	3	3	G
CTS	2	2	1,1	2	2	2	G
KSA*	3	3	2,3	3	3	3	A
TCA*	2	3	2,3	3	2	3	G

* = schools inspected by Ofsted within the last year. + = not yet inspected by OfSTED

Key for academy's rate of development since the last Trust Board meeting: R = disappointed with progress; A = signs of promise, but more support required to reach targets this year; G= pleased with progress towards targets;

Table B

Attendance/PA	BPS	CPA	GPS	OVPS	PPS	Trust Average	National Average (2015-16)
Primary	96.3	95.8	96.4	95.9	96.5	96.2	96.0
Primary PA	6.5	7.6	3.4	7.0	4.2	5.7	4.0
	BWA	CBA	CTS	KSA	TCA		
Secondary	96.6	94.5	96.0	95.0	93.8	95.2	94.8
Secondary PA	7.6	12.4	8.6	9.2	15.3	10.6	4.0

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (continued)

Table C

Academy	2016 P8 Final	2017 P8 Provisional	Difference '16 to '17
BWA	+ 0.22	+ 0.57	+ 0.32
CBA~	- 0.21	- 0.13	+ 0.08
CTS	N/A	+ 0.02	0.0
KSA	- 0.59	- 0.51	+ 0.08
TCA	- 0.58	- 0.27	+ 0.31
BWT Av	- 0.29	- 0.06	+ 0.23

~ = including PMLD Unit students

Table D

Academy	2016 KS2 VA	2017 KS2 VA	Difference '16 to '17
BPS ~	- 2.26	- 0.30	+ 1.96
CPA	- 2.58	- 1.40	+ 1.18
GPS	+ 0.71	+ 4.3	+ 3.59
OVPS	+ 0.83	- 3.60	- 2.77
PPS	- 0.34	+ 0.30	+ 0.64
BWT Av	- 0.72	- 0.14	+ 0.58

~ = including PMLD Unit students

Observations on VfM Standards Tables A-D

Table A

- 4 of 5 primaries graded Good by OfSTED, 5th awaiting first inspection.
- TCA out of category during 2017 now Good for LM, 6th Form.

Table B

- Trust primary attendance in 3/5 exceeding national
- Trust secondary attendance in 3/5 schools exceeding national

Table C

- All secondary schools improved their P8 score from 2016 to 2017.
- Trust average P8 improved by +0.23

Table D

- KS2 VA improved in 4/5 schools from 2016-2017
- Trust KS2 VA average improved by +0.58.

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.

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

FINANCIAL REVIEW

Financial report for the year

Most of the Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA)/Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA/DfE during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the ESFA/DfE and Northamptonshire County Council. In accordance with the Charities Statement of Recommended Practice, 'Accounting Activities by Charities' (SORP 2015), 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 31 August 2017 total revenue expenditure was £46.613 million (2016: £44.226 million) and total incoming funds from the DfE and other sources were £49.481 million (2016: £42.896 million).

At 31 August 2017 the net book value of tangible fixed assets was £133.059 million (2016: £128.409 million) and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

Key financial policies reviewed in the year include; scheme of financial delegation, investment policy, staff expenses policy and the procurement policy. These policies are supported by the Trust's Finance Policies and Procedures Handbook which establishes the framework for financial management, including the key financial responsibilities of the Finance and Audit Committee and key officers of the Academy Trust and the scheme of delegation.

In 2017 the Academy Trust received a School Conditions Allocation grant for improving the building conditions across its ten academies. The majority of this work was carried out in 2016-17, with the remaining work completed within the next financial year. The Trust Finance and Audit Committee had approved a contribution of 10% of the cost from the Trust unspent funds.

The Board of Directors agreed to contribute £1 million towards the BWT School Standards Fund from the Trust unspent funds. This is a three year strategy to provide greater support for schools with monies ring-fenced solely for purposes of driving school improvement and meeting Trust educational priorities. Some of the activities and early impact of the fund after twelve months are summarised below.

Primary Teaching	Comment
Additional primary teachers	4/5 schools now graded 'Good'; 5 th still to be inspected.
Secondary Teaching	
P8 and Ebacc intervention	Improving outcomes in all secondaries, Ebacc priority remains.
Senior leadership capacity at targeted academies	Additional capacity at senior leadership level to undertake quality assurance and designing targeted interventions to support student outcomes.
Subject networks and resources	Foster better culture of sharing and MAT-wide communications.
Trust Directors of Subjects	Improved curriculum offer; improving outcomes in subjects.
Leadership	
Teacher Leaders	Middle leaders cohort secured with BWT for 2 yrs. Staff development and CPD.
Leadership Coaching	Support & challenge for SLTs, Principals, Executive Principals, Director of Education and CEO.
Trust QA and Support	
Primary Monitoring & QA	Impact of external consultants on performance outcomes and coaching/mentoring of SLT.
School improvement programme Year 2 of 3	Improving curriculum offer; assessment practice; engagement with families and community
Teaching School Provision	
Teaching School Subscription	BWT schools subsidised access to Teaching School to access CPD more regularly.

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

FINANCIAL REVIEW (continued)

Recruitment & Marketing	
Management post funded	Developed strategy for recruitment, improved recruitment at BWT.
Marketing & recruitment videos	New materials on websites, improved recruitment offer.
Communication strategy & staff	Communications strategy now in place for 2 years.
Additional Curriculum Resources	
Primary PIXL membership GPS	Financial support due to small size of school

Financial position

The Academy Trust held fund balances at 31 August 2017 of £132.006 million (2016: £123.359 million) comprising £128.202 million (2016: £118.823 million) of restricted funds and £3.804 million (2016: £4.536 million) of unrestricted funds. The restricted pension reserve is currently in deficit of £7.071 million (2016: £11.290 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

Due to the unpredictable nature of the funding received by the ESFA the Academy Trust aims to retain a level of free reserves of the amount equivalent to 4% of recurrent income. The Trustees review the reserve levels of the Academy Trust continually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy Trust's current level of free reserves (total funds less the amount held in restricted pension funds and amounts held as fixed assets) is £5.328 million (12.5% of recurrent income). This will be depleted through staggered investment into the BWT School Standards Fund over a five year period.

The Academy Trust's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The pension scheme liability relates to a non-cash provision for the Academy Trust's share in this pension scheme and under the funding agreement the Academy Trust must show this pension liability on the balance sheet. The Local Government Pension Scheme as at 31 August 2017 held a reduced deficit of £7.071 million. However should operations cease this pension liability would be funded by the DfE. The contribution rate to reduce the liability is calculated by an independent actuary.

Investment policy

The Academy Trust does not hold any investments other than cash at bank and its £100 investment in its subsidiary undertakings, as noted earlier in this report. The Trustee's transferred £1 million of these cash reserves, a sum which was generated from Trading Company commercial activity, not taken from public funds, to an investment account in order to maximise the returns available. No further funds have been transferred to this account as the Trustee's wish to maintain the working capital of each school at a minimum level in order to meet the day-to-day expenditure incurred. The total income received from these investments amounted to £91,216 during the current year (2016: £175,711).

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. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Scheme of Delegation.

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. This is reviewed in-depth by the BWT Finance and Audit Committee.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Principal risks and uncertainties

The Trustees maintains a Trust-wide risk register which covers the below categories:

- Academic achievement – the academic achievement of pupils of the academy falls below acceptable standards
- Quality of teaching – the quality of teaching at the academy falls below acceptable standards
- Finance – there are insufficient funds to deliver the services to an appropriate level
- Infrastructure – the academy services are unavailable for a significant period of time and/or are unfit for purpose
- Leadership and Governance – the leadership in, and management of, the academy falls below acceptable standards
- Health & Safety – the behaviour, health and safety of pupils, staff or visitors falls below acceptable standards
- Physical – the academy premises are unavailable for occupation for a significant period of time
- Reputational – the academy suffers from significant public reputational damage
- Staffing and resources – there are insufficient staff or resources to deliver services to the appropriate level
- Students – student welfare, behaviour, and attendance falls below the acceptable standard
- Legal – the academy is not compliant with statutory regulations

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

- Finance – uncertainty over future funding i.e. implementation of the National Funding Formula and its impact on the Academy Trust
- Staffing and resources – challenges around recruitment of teachers in high-demand subjects
- Academic achievement – some academies are performing under the national average in some KPIs

PLANS FOR FUTURE PERIODS

Based on the performance outcomes of the 2016/2017 period, the Board have set the following objectives and priorities for the next three years:

Organisational Culture

- Effective promotion of our BWT's core purpose, values and culture to internal and external audiences.

Governance

- Embedding and improving governance and operational structures based on review and evaluation.

Education Standards

- Improving education standards for every school compared to similar schools nationally; having a greater emphasis on progress for disadvantaged and on high ability students in line with OfSTED regional priorities.

People

- Growing our people to be their best through high calibre training, leadership programmes and opportunities to broaden experiences and skills; attracting and retaining the best people we can.

Finance

- Developing a financial strategy to address the challenges of budget cuts and the need for sustaining high levels of education support in some schools; plans to include income generation strategy.

Growth

- Being ready to pursue growth opportunities that are in line with our core purpose, regional operational model and need for capacity.

The one-year priorities for 2017/2018 academic year are:

1. **Governance:** further review of governance and role of local governing bodies; plan move towards separate Trust Audit and Finance committees.
2. **Improve education standards and progress of disadvantaged students in particular:** Implement new Trust flight path. Operate first year of Trust Director of Subject roles. Begin common management information system roll out. Manage transition to new Director of Education and Executive Principals.
3. **Developing our people:** closer alignment of our Teaching School provision to the development needs of our own staff; establish BWT 'Leadership Academy' to grow our own next generation; introduce a leadership career stage expectations framework; embed robust performance management for all support as well as teaching staff.
4. **Finance:** develop a more agile and resourceful approach to income generation.
5. **Growth:** new primary school bids or converters as and when appropriate opportunities in our region arise.

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy holds no funds on behalf of any other operating body.

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.

The auditors, Smith, Hodge & Baxter, have indicated their willingness to continue in office for a period of three years, subject to an annual review of performance, following a full OJEU procurement exercise. This re-appointment was approved by the Board of Directors at the Annual General Meeting of 30 October 2017.

Trustees' report, incorporating a strategic report, approved by order of the board of Trustees, as the company directors, on 21 December 2017 and signed on the board's behalf by:

R Morrison
Chair of Trustees

Dr A Campbell
Trustee and Accounting Officer

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that 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
A E G de Capell Brooke	2	3
Dr A Campbell (Accounting Officer)	3	3
P Harris-Bridge	3	3
R Lane	1	3
R Morrison (Chairman)	3	3
C Priestley	2	3
H Stevenson	1	3
G G Weston	1	3
G H Weston	1	3
P A Simpson	1	1

Composition of the Board of Trustees:

In May 2017 Sir Peter Simpson was appointed as a co-opted Director of the Board for one term (four years).

Coverage of the Board's work:

The Board of Directors has overall responsibility for the effective operation of the Trust: setting the vision, ethos, strategic direction and priorities of the Academy Trust; holding senior executives to account for educational performance of the Trust and performance management of its staff; overseeing the Trust's financial performance. Discussions are centred around: strategic priorities and vision; educational performance/school improvement; people and leadership (including pay and performance management); governance; finance and operations; risk management; and growth and development. As outlined in the scheme of delegation, the Board delegates particular responsibilities to its subcommittees (Finance and Audit Committee, Education Standards Committee, Remunerations Committee, Chairs Forum, Local Governing Bodies) and Best Practice Review Groups (Safeguarding Review Group, Health & Safety Committee).

The Board of Directors are satisfied with the quality of data and information that is supplied to them as it allows for in-depth interrogation and challenge to the Executive Management Team of the Academy Trust's performance (educational or non-educational). This is reflected at all subcommittees of the Board of Directors, as outlined in recent governance reviews (see below).

In addition to the scheduled Board of Directors meetings (held three times per year), the Directors hold regular conference call meetings to discharge their duties effectively in providing ongoing strategic support and direction to the Executive Management Team.

Governance reviews:

Internal evaluation and review has been undertaken during the year on the impact and effectiveness of the board of Trustees. 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 of their effectiveness 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. As an outcome of the Board of Directors effectiveness review, the Academy Trust intends to commission an external review of its governance during the next academic year, alongside the annual self-evaluation towards the end of the academic year.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

The Finance and Audit Committee is a sub-committee of the main board of trustees. Its purpose is to co-ordinate and Board's financial responsibilities by recommending policy to the Board, interpreting it for staff, and monitoring its implementation. The Committee also provides the Board with an overview of the Academy Trust's financial audit and ensures the proper checks and balances are in place. Particular issues dealt with during 2016-17 include:

- To establish and maintain an up to date five year plan
- To model impact of proposed National Funding Formula
- To assess pay progression of teaching and non-teaching staff over a three-year period to identify risk of incremental drift
- To ensure compliance with financial and HR procedures, as checked through the quarterly internal audit
- To review and update financial policies to ensure compliance with ESFA handbook
- To review and approve/reject requests for capital projects, in line with the approved BWT strategy and Scheme of Delegation
- To review the procurement procedures across the Trust to ensure value for money is being achieved

Attendance at meetings in the year was as follows:

Trustee/Governor	Meetings attended	Out of a possible
P Harris-Bridge (Chairman)	4	4
M Ward	4	4
R Morrison	4	4

Review of Value for Money

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

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

- Meetings of the Executive Management team, the Operations Group, comprising the CEO, Finance Director, Director of Education, Executive Principal, Senior Operations Manager and Senior Finance/HR Manager. This group meets weekly to review actual performance against the five year financial plan and to ensure that goods and services are procured under trust-wide agreements wherever possible in order to maximise savings.
- Continuing the work undertaken last year in relation to staffing levels and implementing the findings of the comprehensive review. This enables us to maintain the strong short and medium term control over expenditure on staff within all of the academies. Appointment forms must be completed and approved by the CEO for all new appointments to justify recruitment.
- Embedding the procurement policy and procedures across all academies within the Trust.
- Scrutiny of services and contracts to ensure quality and cost effectiveness is achieved.
- Continuing to exploring new avenues for maximising income generation for example, providing professional services to other academies, extended provision for our children and renewable energy options.
- Regular review of management accounts and reports which are used to make informed decisions about the best use of the Academy Trust's funds.
- Spending proposals are determined and presented to the Executive Management team (via the Operations Group) and Finance and Audit Committee (where of significant value) and challenged appropriately.
- More rigorous internal controls are in place to ensure that all expenditure is authorised, in line with the Trust's financial procedures.

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 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

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 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

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

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

- testing of payroll systems
- testing of income systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing Teachers' and Local Government Pensions
- testing HR procedures, staff contracts etc
- testing budget monitoring/management accounts
- testing the academy's inventory (asset) list
- testing governance procedures
- testing VAT
- testing of contracts and procurement

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

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

Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the work of the Finance and Audit Committee
- 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 BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Review of effectiveness (continued)

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit 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 21 December 2017 signed on its behalf by:

R Morrison
Chair of Trustees

Dr A Campbell
Accounting Officer

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2017**

As accounting officer of The Brooke Weston Trust I have considered my responsibility to notify the Academy Trust board of Trustees and Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust board of Trustees are able to identify any material irregularity 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 2016.

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

Dr A Campbell
Accounting Officer

Date: 21 December 2017

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who act as governors of The Brooke Weston 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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 2015 and the Academies Accounts Directions 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy will continue in operation.

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 the ESFA/DfE have been applied for the purposes intended

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the 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 21 December 2017 and signed on its behalf by:

R Morrison
Chair of Trustees

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF THE BROOKE WESTON TRUST
FOR THE YEAR ENDED 31 AUGUST 2017**

Opinion

We have audited the financial statements of The Brooke Weston Trust (the 'academy trust') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills 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 the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2017, 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, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF THE BROOKE WESTON TRUST
FOR THE YEAR ENDED 31 AUGUST 2017**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS
OF THE BROOKE WESTON TRUST
FOR THE YEAR ENDED 31 AUGUST 2017**

Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

21 December 2017

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO THE BROOKE WESTON TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2017**

In accordance with the terms of our engagement letter dated 7 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, 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 1 September 2016 to 31 August 2017 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 the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Brooke Weston Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Brooke Weston Trust and the ESFA, 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 30 March 2012 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw 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 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

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

21 December 2017

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2017

(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	2017	2016
		£000s	Reserve	Funds	Funds	Funds	£000s	£000s
INCOME AND ENDOWMENTS FROM:								
Donations and capital grants	2	14	-	1	6,995	-	7,010	1,485
Charitable activities:								
Funding for the Academy Trust's educational operations	3	1,677	-	40,125	-	-	41,802	40,680
Teaching school		103	-	57	-	-	160	168
Other trading activities	4	509	-	-	-	-	509	563
Total		2,303	-	40,183	6,995	-	49,481	42,896
EXPENDITURE ON:								
Raising funds	5	346	-	-	13	-	359	340
Charitable activities:								
Academy Trust's educational operations	6	2,660	1,468	39,398	2,550	-	46,076	43,735
Teaching school		121	-	57	-	-	178	151
Total	5	3,127	1,468	39,455	2,563	-	46,613	44,226
Net incoming/(outgoing) resources before transfers		(824)	(1,468)	728	4,432	-	2,868	(1,330)
Transfers between funds	17	-	-	71	(71)	-	-	-
Net gains on investments	12	92	-	-	-	-	92	176
NET INCOME/(EXPENDITURE)		(732)	(1,468)	799	4,361	-	2,960	(1,154)
Other recognised (losses)/gains								
Actuarial (losses)/gains on defined benefit pension schemes	27	-	5,687	-	-	-	5,687	(4,775)
Net movement in funds		(732)	4,219	799	4,361	-	8,647	(5,929)
RECONCILIATION OF FUNDS								
Total funds brought forward		4,536	(11,290)	725	129,340	48	123,359	129,288
Total funds carried forward	17	3,804	(7,071)	1,524	133,701	48	132,006	123,359

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 31 AUGUST 2017

	Notes	2017 £000s	2016 £000s
FIXED ASSETS			
Tangible assets	11	133,059	128,409
Investments	12	1,409	1,317
		<hr/>	<hr/>
		134,468	129,726
CURRENT ASSETS			
Stocks	13	10	10
Debtors	14	2,887	2,383
Cash at bank and in hand		6,454	6,405
		<hr/>	<hr/>
		9,351	8,798
LIABILITIES			
Creditors: Amounts falling due within one year	15	(4,047)	(3,875)
		<hr/>	<hr/>
NET CURRENT ASSETS		5,304	4,923
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		139,772	134,649
Creditors: Amounts falling due after more than one year	16	(695)	-
		<hr/>	<hr/>
NET ASSETS EXCLUDING PENSION LIABILITY		139,077	134,649
DEFINED BENEFIT PENSION SCHEME LIABILITY	27	(7,071)	(11,290)
		<hr/>	<hr/>
TOTAL NET ASSETS		132,006	123,359
		<hr/> <hr/>	<hr/> <hr/>
FUNDS OF THE ACADEMY TRUST			
Restricted funds:	17		
Fixed asset fund		133,701	129,340
Restricted income fund		1,524	725
Pension reserve		(7,071)	(11,290)
Endowment fund		48	48
		<hr/>	<hr/>
Total restricted funds		128,202	118,823
Unrestricted income funds		3,804	4,536
		<hr/>	<hr/>
TOTAL FUNDS		132,006	123,359
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 25 to 46 were approved by the Trustees and authorised for issue on 21 December 2017 and are signed on their behalf by:

R Morrison
Chair of Trustees

The notes form part of these financial statements

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £000s	2016 £000s
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	21	(1,006)	(600)
Cash flows from investing activities	22	444	(126)
Cash flows from financing activities	23	611	-
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		49	(726)
		<hr/>	<hr/>
Cash and cash equivalents at 1 September 2016		6,405	7,131
		<hr/>	<hr/>
Cash and cash equivalents at 31 August 2017	24	6,454	6,405
		<hr/>	<hr/>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. STATEMENT OF ACCOUNTING POLICIES

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in Sterling (£'000).

The Brooke Weston Trust meets the definition of a public benefit entity under FRS 102. The academy trust is a charitable company, limited by guarantee, incorporated and domiciled in England. The address of the registered office is Coomb Road, Great Oakley, Corby, Northamptonshire, NN18 8LA.

Going Concern

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

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.

Income

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

- **Grants**

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 year is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Sponsorship Income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

- **Donations**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Income (continued)

- **Other income**
Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy Trust has provided the goods or services.
- **Donated goods, facilities and services**
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.
- **Donated fixed assets**
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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 charge 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.

Expenditure

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

- **Expenditure on raising funds**
This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- **Charitable activities**
These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Tangible Fixed Assets (continued)

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

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

Long leasehold land and buildings and other tangible fixed assets totalling £36,391,965 have been provided and are maintained by a third party under a PFI agreement with Cambridgeshire County Council. The Academy Trust has entered into a 25 year agreement with Cambridgeshire County Council to reimburse that local authority for the major part of its commitment under its PFI agreement. During the year ended 31 August 2017 maintenance of premises and equipment includes £769,305 (2016: £928,522) 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 31 August 2013. Due to the nature of the maintenance element of the PFI agreement no depreciation is considered necessary in respect of these assets over the term of the agreement. Once the agreement expires, these assets will be depreciated in accordance with the Academy Trust's existing accounting policy for tangible fixed assets.

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

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

Liabilities

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

Provisions

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

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

Investments

The Academy Trust's shareholding in the wholly owned subsidiary Corby CTC Trading Limited is 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.

The Academy Trust also held 100% of Corby Business Academy Trading Company Limited until it was dissolved via voluntary strike-off on 15 August 2017.

Investments also include listed investments that are stated in the financial statements at the market value ruling at the balance sheet date. Both realised profits and losses and unrealised profits and losses on the revaluation of listed investments at each period end, are recognised in the Statement of Financial Activities and included in the accumulated Trust fund.

Leased Assets

Rentals under operating leases are charged 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.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or any financial instrument.

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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 27, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately in other recognised 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 funders where the asset acquired or created is held for a specific purpose.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2017 £000s	Total 2016 £000s
Capital grants	-	6,995	6,995	1,451
Gift aid	-	-	-	27
Other donations	14	1	15	7
	<u>14</u>	<u>6,996</u>	<u>7,010</u>	<u>1,485</u>

The income from donations and capital grants was £7,010,000 (2016: £1,485,000) of which £14,000 was unrestricted (2016: £33,000), £1,000 was restricted general funds (2016: £1,000) and £6,995,000 was restricted fixed asset funds (2016: £1,451,000).

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2017 £000s	Total 2016 £000s
DfE/ESFA grants				
General Annual Grant (GAG)	-	34,693	34,693	34,361
Start Up grants	-	88	88	118
Other DfE/ESFA grants	-	2,370	2,370	2,556
	<u>-</u>	<u>37,151</u>	<u>37,151</u>	<u>37,035</u>
Other Government grants				
Local authority grants	-	2,391	2,391	1,783
	<u>-</u>	<u>2,391</u>	<u>2,391</u>	<u>1,783</u>
Other income from the academy trust's educational operations	1,677	583	2,260	2,030
	<u>1,677</u>	<u>40,125</u>	<u>41,802</u>	<u>40,848</u>

The income from funding for the academy trust's educational operations was £41,802,000 (2016: £40,848,000) of which £1,677,000 was unrestricted (2016: £1,422,000) and £40,125,000 was restricted (2016: £39,426,000).

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2017 £000s	Total 2016 £000s
Hire of facilities	298	-	298	337
BW Fitness memberships and other income	130	-	130	141
Bungalow rent	7	-	7	7
Other income	74	-	74	78
	<u>509</u>	<u>-</u>	<u>509</u>	<u>563</u>

The income from other trading activities was £509,000 (2016: £563,000) of which £509,000 was unrestricted (2016: £563,000) and £Nil was restricted (2016: £Nil).

5. EXPENDITURE

	Staff Costs £000s	Non pay Premises £000s	Expenditure Other £000s	Total 2017 £000s	Total 2016 £000s
Expenditure on raising funds	326	15	18	359	340
Academy's educational operations:					
Direct costs	25,324	1,115	4,577	31,016	29,464
Allocated support costs	7,239	3,554	4,267	15,060	14,271
Teaching school	114	-	64	178	151
	<u>33,003</u>	<u>4,684</u>	<u>8,926</u>	<u>46,613</u>	<u>44,226</u>

Expenditure was £46,613,000 (2016: £44,226,000) of which £33,003,000 was staff costs (2016: £30,957,000), £4,684,000 was premises (2016: £5,116,000) and £8,926,000 was other costs (2016: £8,153,000).

Net income/(expenditure) for the year includes:

	2017 £000s	2016 £000s
Operating lease rentals	163	36
Fees payable to auditor - audit	20	20
- internal audit	14	13
- other assurance services	4	4
- other services	4	2
Depreciation - owned assets	<u>1,792</u>	<u>1,992</u>

6. CHARITABLE ACTIVITIES

	Total 2017 £000s	Total 2016 £000s
Direct Costs - educational operations	31,016	29,615
Support costs - educational operations	<u>15,060</u>	<u>14,271</u>
	<u>46,076</u>	<u>43,886</u>

Expenditure on charitable activities was £46,076,000 (2016: £43,886,000) of which £2,660,000 was unrestricted (2016: £2,232,000), £1,468,000 was restricted pension reserve (2016: £718,000), £39,398,000 was restricted general funds (2016: £38,944,000) and £2,550,000 was restricted fixed asset funds (2016: £1,992,000).

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

6. CHARITABLE ACTIVITIES (continued)

Analysis of support costs	Total 2017 £000s	Total 2016 £000s
Support staff costs	7,239	6,774
Depreciation	-	3
Cleaning	142	132
Recruitment and support	55	26
Light and heat	557	539
Rates and rents	312	348
Insurance	178	221
Maintenance of premises and equipment	2,414	2,737
Security and transport	74	173
Other catering costs	1,345	1,191
IT costs	1,679	1,211
Bank interest and charges	37	32
Other support costs	890	724
Governance costs	138	160
Total support costs	15,060	14,271

All of the academy trust's expenditure on charitable activities for both the current and previous periods was for its educational operations.

7. STAFF

a. Staff Costs	2017 £000s	2016 £000s
Staff costs during the year were:		
Wages and salaries	24,485	23,629
Social security	2,231	1,856
Operating costs of defined benefit pension schemes	5,027	4,339
Apprenticeship levy	51	-
	<hr/>	<hr/>
	31,794	29,824
Supply staff costs	1,164	1,121
Staff restructuring costs	45	12
	<hr/>	<hr/>
	33,003	30,957
	<hr/>	<hr/>
Staff restructuring costs comprise:		
Redundancy payments	3	-
Severance payments	42	12
	<hr/>	<hr/>
	45	12
	<hr/>	<hr/>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £41,812 (2016: £12,000). Individually, the payments were: £1,000, £2,000, £3,080, £8,632 and £27,100.

c. Staff numbers

The average number of persons employed by the Academy Trust during the period was as follows:

	2017 No.	2016 No.
Teachers	414	409
Teaching Support and Administration	681	627
Management (including management within schools)	31	25
	<hr/>	<hr/>
	1,126	1,061
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

7. STAFF (continued)

d. Higher paid staff

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

	2017	2016
	No.	No.
£60,001 - £70,000	15	16
£70,001 - £80,000	5	3
£80,001 - £90,000	4	1
£90,001 - £100,000	1	2
£100,001 - £110,000	2	1
£110,001 - £120,000	1	-
£120,001 - £130,000	-	2
£130,001 - £140,000	1	-
£140,001 - £150,000	1	-
£160,001 - £170,000	1	1
	<hr/>	<hr/>
	31	26
	<hr/> <hr/>	<hr/> <hr/>

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by the senior management team for their services to the academy trust was £784,498 (2016: £725,163). No trustees receive benefits/payments with the exception of The Chief Executive Officer whose remuneration is disclosed in note 9. See page 4 for details of the operations of the remuneration committee.

8. CENTRAL SERVICES

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

- Financial services
- Property Management
- IT services
- Educational support
- Operations, procurement and compliance services
- Educational Welfare Support
- HR and Personnel
- Legal Support
- Governor Support and Training
- Other services as arising

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

The actual amounts charged during the year were as follows:

	Total	Total
	2017	2016
	£000s	£000s
Beanfield Primary School	120	110
Brooke Weston Academy	270	270
Compass Primary Academy	81	-
Corby Business Academy	265	260
Corby Technical School	90	76
Gretton Primary School	25	23
Kettering Science Academy	240	305
Oakley Vale Primary School	65	60
Peckover Primary School	65	60
Thomas Clarkson Academy	315	302
	<hr/>	<hr/>
	1,536	1,466
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

9. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

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

Dr A Campbell (CEO/Executive Principal and Trustee):

Remuneration £160,000 - £165,000 (2016: £160,000 - £165,000)

Employer's pension contributions £20,000 - £25,000 (2016: £20,000 - £25,000)

During the period ended 31 August 2017, travel and subsistence expenses totalling £118 were reimbursed or paid directly to 1 trustee (2016: £Nil).

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

10. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

11. TANGIBLE FIXED ASSETS

	Freehold land and buildings £000s	Leasehold land and buildings £000s	Furniture & equipment £000s	Computer equipment £000s	Motor vehicles £000s	Totals £000s
COST						
At 1 September 2016	5,825	128,416	6,708	8,517	182	149,648
Additions	-	6,175	149	118	-	6,442
Disposals	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2017	5,825	134,591	6,857	8,635	182	156,090
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION						
At 1 September 2016	886	9,842	3,400	6,932	179	21,239
Charge for year	99	1,029	332	331	1	1,792
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2017	985	10,871	3,732	7,263	180	23,031
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE						
At 31 August 2017	4,840	123,720	3,125	1,372	2	133,059
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2016	4,939	118,574	3,308	1,585	3	128,409
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

12. FIXED ASSET INVESTMENTS

Total fixed asset investments comprise:

	2017 £000s	2016 £000s
Shares in group undertakings	-	-
Listed investments (HSBC Portfolio)	1,409	1,317
	<hr/>	<hr/>
	1,409	1,317
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

12. FIXED ASSET INVESTMENTS (continued)

Listed investments (HSBC Portfolio)

**Listed
Investments
£000s**

COST/VALUATION

At 1 September 2016	1,317
Net gains/losses in the year	92
	<hr/>
At 31 August 2017	1,409
	<hr/> <hr/>

The Trustee's transferred £1 million of cash reserves, a sum which was generated from Trading Company commercial activity, not taken from public funds, to an investment account in order to maximise the returns available. The total income received from these investments amounted to £91,216 during the current year (2016: £175,711). The Academy Trust's listed investments (HSBC Portfolio) were valued by reference to market prices.

**Investments in
subsidiaries**

COST	£
At 1 September 2016	200
Disposals	(100)
	<hr/>
At 31 August 2017	100
	<hr/> <hr/>

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	31 August 2016 £000s
Aggregate capital and reserves		16
Profit for the year		6
		<hr/> <hr/>

A summary of the last audited results for the year ended 31 August 2016 and the balance sheet position as at 31 August 2016 is shown below:

	2016 £ 000s
Turnover	65
Expenditure	(59)
	<hr/>
Profit on ordinary activities before Gift Aid payment	6
Gift Aid payment to The Brooke Weston Trust	-
	<hr/>
Net profit before taxation	6
Taxation	-
	<hr/>
Sustained profit for year	6
Retained profits brought forward at 1 September 2015	10
	<hr/>
Retained profit carried forward at 31 August 2016	16
	<hr/> <hr/>

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

12. FIXED ASSET INVESTMENTS (continued)

Fixed Assets	26
Current assets	282
Current liabilities	(288)
Provisions for liabilities and charges	(4)
	<hr/>
	16
	<hr/>
Called up share capital	-
Profit and loss account	16
	<hr/>
Shareholder's funds	16
	<hr/>

The company ceased to trade on 31 March 2017 with all trading activities being transferred to the Academy Trust on that date.

Corby Business Academy Trading Company Limited

Country of incorporation: England

Nature of business: hire of sports and business facilities

Class of Share	% holding
Ordinary	100

The company ceased to trade on 28 February 2017 and was dissolved on 15 August 2017.

13. STOCKS

	2017	2016
	£000s	£000s
Stationery and other supplies	10	10

14. DEBTORS

	2017	2016
	£000s	£000s
Trade debtors	102	65
VAT recoverable	1,080	614
Amounts owed by group undertakings	-	230
Prepayments and accrued income	1,580	1,454
Other debtors	125	20
	<hr/>	<hr/>
	2,887	2,383
	<hr/>	<hr/>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£000s	£000s
Trade creditors	961	1,076
Amounts owed to group undertakings	49	-
Taxation and social security	567	544
Accruals and deferred income	1,940	1,791
Other creditors	530	464
	<hr/>	<hr/>
	4,047	3,875
	<hr/>	<hr/>

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	2017	2016
	£000s	£000s
Deferred income		
Deferred income at 1 September 2016	277	195
Released from previous years	(277)	(195)
Resources deferred in the year	294	277
	<hr/>	<hr/>
Deferred income at 31 August 2017	294	277
	<hr/> <hr/>	<hr/> <hr/>

At the balance sheet date the academy trust was holding funds received in advance for educational trips, student transport, Universal Infant Free School Meals and other grants related to the 2017/18 academic year.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£000s	£000s
Other creditors	695	-
	<hr/> <hr/>	<hr/> <hr/>

Included within other creditors are Salix loans totalling £569,344 (2016: £Nil), £31,630 (2016: £Nil) is due within one year and £537,714 (2016: £Nil) is due after more than one year. The Salix loans are interest free and repayable in eighteen half-yearly instalments over the remaining nine years of the loans as at 31 August 2017.

Also included within other creditors are loans from DfE/ESFA totalling £166,403 (2016: £Nil), of which £8,987 (2016: £Nil) is due within one year and £157,416 (2016: £Nil) is due after more than one year. These loans are part of a pilot scheme introduced by the DfE/ESFA during the year aimed at providing finance to Multi Academy Trusts, primarily to fund capital improvements with the aim of reducing energy consumption. These loans are provided at an interest rate of 1.83% p.a. over nine years and are repayable in 81 equal instalments.

17. FUNDS

	Balance at			Gains,	Balance at
	1 September	Incoming	Resources	losses and	31 August
	2016	resources	expended	Transfers	2017
	£000s	£000s	£000s	£000s	£000s
Restricted general funds					
General Annual Grant (GAG)	725	34,693	(33,965)	71	1,524
Start Up Grant	-	88	(88)	-	-
Other DfE/ESFA grants	-	2,370	(2,370)	-	-
Other restricted general funds	-	3,032	(3,032)	-	-
Pension Reserve	(11,290)	-	(1,468)	5,687	(7,071)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(10,565)	40,183	(40,923)	5,758	(5,547)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted fixed asset funds					
DfE/ESFA capital grants	35,652	763	(1,435)	-	34,980
Capital expenditure from GAG	2,548	-	(48)	(71)	2,429
Other government grants	86,899	6,232	(979)	-	92,152
Private sector capital sponsorship	4,241	-	(101)	-	4,140
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	129,340	6,995	(2,563)	(71)	133,701
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted endowment funds					
Expendable endowment funds	48	-	-	-	48
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	118,823	47,178	(43,486)	5,687	128,202
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total unrestricted funds	4,536	2,303	(3,127)	92	3,804
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	123,359	49,481	(46,613)	5,779	132,006
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

17. FUNDS (continued)

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

Restricted General Funds include unspent General Annual Grant (GAG), which must be used for the normal recurring costs of the Academy Trust together with other restricted general funds. Under the funding agreement with the Secretary of State the Academy Trust was not subject to a limit on the amount of GAG that it should carry forward at 31 August 2017. During the year a transfer of £71,000 was made to GAG Funds from Restricted Fixed Assets Funds in respect of funds previously transferred from GAG funds to fund capital additions which were subsequently identified as costing less than was previously expected.

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 31 August 2017 were allocated as follows:

	Total 2017 £000s	Total 2016 £000s
Beanfield Primary School	1,044	628
Brooke Weston Academy	3,637	3,670
Compass Primary Academy	25	-
Corby Business Academy	920	1,279
Corby Technical School	(383)	(323)
Gretton Primary School	208	146
Kettering Science Academy	(461)	(449)
Oakley Vale Primary School	752	584
Peckover Primary School	361	212
Thomas Clarkson Academy	(858)	(1,090)
Central services	131	652
	<hr/>	<hr/>
Total before fixed assets and pension reserve	5,376	5,309
Restricted fixed asset fund	133,701	129,340
Pension reserve	(7,071)	(11,290)
	<hr/>	<hr/>
Total	132,006	123,359
	<hr/> <hr/>	<hr/> <hr/>

Corby Technical School is carrying a cumulative deficit of £383,000. 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. Through further investment this highly respected school has recently doubled in size. The demand for places remains strong and future figures indicate a surplus by the end of the five year financial plan.

Kettering Science Academy is carrying a cumulative deficit of £461,000. This deficit arose as a result of targeted investment aimed at improving educational standards within the school. Current projections indicate that this deficit will reduce in 2018. However, the Trust will continue to invest in the school in its drive to improve standards.

Thomas Clarkson Academy is carrying a cumulative deficit of £858,000. This deficit also arose as a result of investment in improving educational standards. There was an in-year surplus for 2017 and this position is likely to continue in 2018.

In all cases, schools with cumulative deficits are on track to eradicate their deficits by the end of the Trust five year plan and are supported to do so with Trust general funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

17. FUNDS (continued)

Analysis of academies by cost

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

	Teaching & Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other costs (excluding Depreciation)	Total 2017	Total 2016
	£000s	£000s	£000s	£000s	£000s	£000s
Beanfield Primary School	1,919	514	53	844	3,330	3,029
Brooke Weston Academy	4,086	1,619	103	2,328	8,136	7,866
Compass Primary Academy	1,285	129	2	592	2,008	-
Corby Business Academy	4,473	1,416	146	1,561	7,596	7,504
Corby Technical School	1,415	415	71	542	2,443	1,810
Gretton Primary School	443	90	10	85	628	591
Kettering Science Academy	3,860	1,302	217	1,005	6,384	8,686
Oakley Vale Primary School	1,010	245	43	291	1,589	1,543
Peckover Primary School	1,080	235	27	342	1,684	1,646
Thomas Clarkson Academy	4,833	1,003	432	2,107	8,375	8,347
Central Services	952	679	14	1,003	2,648	1,212
Academy Trust	<u>25,356</u>	<u>7,647</u>	<u>1,118</u>	<u>10,700</u>	<u>44,821</u>	<u>42,234</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds	Restricted Pension Reserve	Restricted General Funds	Restricted Fixed Asset Funds	Restricted Endowment Funds	Total Funds
	£000s	£000s	£000s	£000s	£000s	£000s
Tangible fixed assets	-	-	-	133,059	-	133,059
Fixed asset investments	1,409	-	-	-	-	1,409
Current assets	2,395	-	6,266	642	48	9,351
Current liabilities	-	-	(4,047)	-	-	(4,047)
Non-current liabilities	-	-	(695)	-	-	(695)
Pension scheme liability	-	(7,071)	-	-	-	(7,071)
Total Net Assets	<u>3,804</u>	<u>(7,071)</u>	<u>1,524</u>	<u>133,701</u>	<u>48</u>	<u>132,006</u>

19. CAPITAL COMMITMENTS

	2017	2016
	£000s	£000s
Contracted for, but not provided in the financial statements	<u>1,336</u>	<u>6,800</u>

20. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017	2016
	£000s	£000s
Amounts due within one year	174	69
Amounts due between one and five years	207	82
	<u>381</u>	<u>151</u>

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

20. COMMITMENTS UNDER OPERATING LEASES (continued)

Academies with Private Finance Initiative (PFI)

Thomas Clarkson Academy joined the trust on 1 June 2012. Its main school buildings were financed under PFI arrangement which also provides services to the school including maintenance of premises and IT equipment, cleaning and the provision of certain utilities. The school pays an annual amount based on a combination of fixed contribution schedules and pupil numbers which will run until 2037. In the year ended 31 August 2017, £769,305 (2016: £928,522) of costs relating to this has been recognised in expenditure.

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

	2017	2016
	£000s	£000s
Net income/(expenditure) for the reporting period	2,960	(1,154)
Adjusted for:		
Depreciation	1,792	1,992
Net gains/losses on investments	(92)	(176)
Rents receivable	(7)	(7)
Capital grants from DfE and other capital income	(6,995)	(1,451)
Defined benefit pension scheme cost less contributions payable	1,219	489
Defined benefit pension scheme finance cost	249	229
(Increase)/decrease in debtors	(263)	(653)
Increase/(decrease) in creditors	131	131
Net cash (used in)/provided by Operating Activities	(1,006)	(600)

22. CASH FLOWS FROM INVESTING ACTIVITIES

	2017	2016
	£000s	£000s
Dividends, interest and rents receivable from investments	7	7
Purchase of tangible fixed assets	(6,442)	(976)
Capital grants from DfE/ESFA	1,101	826
Capital grants from local authorities	5,778	17
Net cash (used in)/provided by investing activities	444	(126)

23. CASH FLOWS FROM FINANCING ACTIVITIES

	2017	2016
	£000s	£000s
Cash inflows from borrowing	611	-
Net cash provided by financing activities	611	-

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31	At 31
	August	August
	2017	2016
	£000s	£000s
Cash in hand and at bank	6,454	6,405
Total cash and cash equivalents	6,454	6,405

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

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 for Education.

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

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

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 multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £478,424 (2016: £454,981) were payable to the schemes at 31 August 2017 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9th June 2014. The key elements of the valuation and subsequent consultation are:

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Teachers' Pension Scheme

Valuation of the Teachers' Pension Scheme (continued)

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

The employer's pension costs paid to TPS in the period amounted to £2,500,000 (2016: £2,387,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £1,653,000 (2016: £1,619,000) of which employer's contributions totalled £1,251,000 (2016: £1,226,000) and employees' contributions totalled £402,000 (2016: £393,000). The agreed contribution rates for future years are 14.3% to 23.1% for employers and 5.5% to 12.5% for employees.

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

Principal Actuarial Assumptions

	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	2.7%	4.1%
Rate of increase for pensions in payment/inflation	2.4%	2.1%
Discount rate for scheme liabilities	2.5%	2.1%
Inflation assumption (CPI)	2.4%	2.1%
Commutation of pensions to lump sums - Cambridgeshire scheme:		
Pre April 2008 service	25%	25%
Post April 2008 service	63%	63%
- Northamptonshire scheme:		
Pre April 2008 service	50%	50%
Post April 2008 service	75%	75%

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

	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>		
Males	22.1	22.3
Females	24.2	24.3
<i>Retiring in 20 years</i>		
Males	23.9	24.1
Females	26.1	26.6

THE BROOKE WESTON TRUST (REGISTERED NUMBER: 02400784)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Sensitivity Analysis

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

	At 31 August 2017 £000s	At 31 August 2016 £000s
Discount rate + 0.1%	731	757
Discount rate - 0.1%	(731)	(757)
Mortality assumption - 1 year increase	1,099	857
Mortality assumption - 1 year decrease	(1,099)	(857)
CPI rate + 0.1%	607	481
CPI rate - 0.1%	(607)	(481)

The Academy Trust's share of the assets in the scheme were:

	Fair value at 31 August 2017 £000s	Fair value at 31 August 2016 £000s
Equity instruments	15,199	12,376
Debt instruments	3,189	3,189
Property	1,430	1,360
Cash	612	368
Total market value of assets	20,430	17,293

The actual return on scheme assets was £1,687,000 (2016: £2,683,000).

Amounts recognised in the statement of financial activities	2017 £000s	2016 £000s
Current service cost	(2,470)	(1,715)
Interest income	372	520
Interest cost	(621)	(749)
Benefit changes, gains/(loss) on curtailment and gain/(loss) on settlement	-	-
Total amount recognised in the SOFA	(2,719)	(1,944)

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

	2017 £000s	2016 £000s
At 1 September	28,583	18,875
Current service cost	2,470	1,715
Interest cost	621	749
Employee contributions	402	393
Actuarial loss/(gain)	(4,372)	7,027
Benefits paid	(203)	(176)
Curtailments and settlements	-	-
At 31 August	27,501	28,583

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme (continued)

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

	2017	2016
	£000s	£000s
At 1 September	17,293	13,078
Interest income	372	520
Return on plan assets (excluding net interest on the net defined pension liability)	1,315	2,163
Employer contributions	1,251	1,226
Employee contributions	402	482
Benefits paid	(203)	(176)
	<hr/>	<hr/>
At 31 August	20,430	17,293
	<hr/>	<hr/>

28. RELATED PARTY TRANSACTIONS

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

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

- a) During the year Corby CTC Trading Limited was charged a management fee of £Nil (2016: £Nil) and net recharges of £Nil were made in respect of other costs incurred by the Academy Trust on behalf of the subsidiary (2016: £Nil).
- b) At 31 August 2017 creditors included £48,774 (2016: £230,111 debtor) due to the subsidiary.

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

- a) Incoming resources include gift aid of £Nil (2016: £27,000) from Corby Business Academy Trading Company Limited.
- b) At 31 August 2017 there were no amounts due to/from Corby Business Academy Trading Company Limited (2016: None)

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

- a) During the year the Brooke Weston Trust was charged £14,106 (2016: £13,446) in respect of leadership development courses.
- b) At 31 August 2017 debtors included £720 (2016: £Nil) due from Inspiring Leaders Limited.
- c) The trust made the purchases at arms' length in accordance with its financial regulations and normal procurement procedures, which Miss P Stringer neither participated in nor influenced. In entering into the transaction the trust has complied with the requirements of ESFA's Academies Financial Handbook.

29. ULTIMATE CONTROLLING PARTY

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