

**Company Registration No. 02400784 (England and Wales)**

**THE BROOKE WESTON TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

# THE BROOKE WESTON TRUST

## CONTENTS

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	<b>Page</b>
Reference and administrative details	1 - 2
Trustees' report	3 - 14
Governance statement	15 - 19
Statement on regularity, propriety and compliance	20
Statement of trustees' responsibilities	21
Independent auditor's report on the accounts	22 - 24
Independent reporting accountant's report on regularity	25 - 26
Statement of financial activities including income and expenditure account	27
Balance sheet	28 - 29
Statement of cash flows	30
Notes to the accounts including accounting policies	31 - 57

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# THE BROOKE WESTON TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

A E G de Capell Brooke  
R Lane  
G G Weston  
G H Weston

### Trustees

Dr A Campbell (CEO and Accounting Officer)  
R Morrison (Chair of Trustees)  
A E G de Capell Brooke  
P Harris-Bridge (Chair of Finance and Resources Committee)  
R Lane  
H Stevenson  
G G Weston  
G H Weston  
Sir P A Simpson (Resigned 20 March 2020)  
S Taylor  
Mrs W Brooks (Chair of Audit and Risk Committee) (Appointed 30 September 2019)

### Executive Management Team

- Chief Executive Officer  
- Finance Director

Dr A Campbell  
Mrs D Tysoe

### Company secretary

Mrs D Tysoe

### Company registration number

02400784 (England and Wales)

### Principal and registered office

Coomb Road  
Great Oakley  
Corby  
Northamptonshire  
NN18 8LA

### Independent auditor

Azets Audit Services  
Thorpe House  
93 Headlands  
Kettering  
Northamptonshire  
NN15 6BL

### Bankers

HSBC Bank plc  
22-24 Corporation Street  
Corby  
Northamptonshire  
NN17 1NJ

### Solicitors

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

# THE BROOKE WESTON TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trust Senior Leadership Team

- Ms A Hill	Executive Principal (Secondary)
- L Smith	Executive Principal (Primary)
- T Laws	Senior Operations Manager
- Mrs A Chambers	Executive Officer
- Mrs S Eathorne	Associate Principal (Beanfield Primary School)
- P Kirkbride	Principal (Brooke Weston Academy) until 30th April 2020
- S Strydom	Associate Principal (Brooke Weston Academy) from 1st May 2020
- Mrs J Fallowell	Principal (Compass Primary Academy)
- S Underwood	Associate Principal (Corby Business Academy)
- Mrs A Reynolds	Principal (Corby Technical School)
- Mrs J MacDonald	Principal (Gretton Primary School)
- T Segalini	Associate Principal (Kettering Science Academy)
- Mrs E Goodwin	Principal (Oakley Vale Primary School)
- Mrs C Norman	Principal (Peckover Primary School)
- R Scott	Principal (Thomas Clarkson Academy)

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2020

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Trust operates five primary and five secondary academies in Northamptonshire and Cambridgeshire. Its academies have a combined pupil capacity of 8,634 and had a roll of 7,664 in the school census on 1 October 2020.

#### **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. The charitable company operates as the Brooke Weston Trust.

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

##### Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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 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 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. 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. Relevant due diligence in the form of a comprehensive skills and effectiveness audit and uptake of character and employment references are undertaken prior to consideration of appointing a director to the Board. The Board seeks advice on its effectiveness from a range of internal and external stakeholders.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Policies and procedures adopted for the induction and training of trustees

All Trustees are provided with induction training upon their appointment. This includes training pertaining to the management of a multi-Academy Trust, with statutory training, such as safeguarding and GDPR, included. The induction provides 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, including the Academies' Financial Handbook and other DfE and ESFA guidance that they will need to fulfil their role. Additional training is available including in-house courses/training sessions offered by Brooke Weston Trust. Any other training needs identified through the annual Board effectiveness review are promptly actioned. All directors receive access to external advice and support through the National Governors' Association and have access to a Company Secretary for further assistance and guidance.

#### Organisational structure

The overall responsibility of the Members is to ensure the Trust's object, 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 (also the Accounting Officer), as outlined in the Scheme of Delegation. Their 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 day-to-day management of each school is delegated to the Principals and their senior leadership teams, overseen by the Executive Principals as detailed in the Scheme of Delegation (which is reviewed annually). Each school is governed by a Local Governing Body who are responsible for providing critical support and challenge to the leadership team around: setting the academy's vision, ethos and strategic direction; holding the Principal to account for the educational performance of the Academy and its pupils; and ensuring the Academy and staff have the correct resources and support to fulfil their function. Each Local Governing Body includes parent representatives.

Subcommittees of the Board and best practice review groups are in place to ensure that the right interests are represented in decision making, to allow for balanced judgement around conflicting priorities and to develop, implement and quality assure strategies in the key areas of Operations, Finance and Resources, Audit and Risk, Education Standards, Remunerations, Health & Safety, and Safeguarding. The Audit and Risk Committee, established in September 2018, have delegated responsibility from the Board of Directors for oversight in relation to the Trust's financial reporting, internal control systems, risk management systems, regulatory compliance procedures and internal and external audit functions.

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

The Board of Directors seek to ensure that the public obtain value for money from the personnel appointed within the Trust and are attentive to the guidance provided by the ESFA regarding executive pay. The pay and remuneration of the Executive Management team ('key management personnel') is set by the Trust Remunerations Committee. All teaching staff and leaders are paid with reference to the School Teachers' Conditions of Service. The Remunerations Committee bench-marks Executive Management pay levels with relevant market information. 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. The Trust Remunerations Committee delegates the responsibility of Performance Management of the Executive Principals and 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. For support staff, Brooke Weston Trust uses recognised pay evaluation schemes to ensure fairness and equity of pay in similar sized jobs across the organisation and to benchmark salaries at all levels of the organisation. This is in line with the Pay Standardisation Agreement, as agreed with recognised unions.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Trade union facility time data - 1 April 2019 to 31 March 2020

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	5
Full-time equivalent employee number	3.80

##### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	-
1%-50%	5
51%-99%	-
100%	-

##### *Percentage of pay bill spent on facility time*

Total cost of facility time	728
Total pay bill	33,200,000
Percentage of the total pay bill spent on facility time	0.01%

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.01%
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#### Related parties and other connected charities and organisations

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 are given in note 13 to the financial statements.

#### **Employee Consultation and Engagement**

Brooke Weston Trust considers its employees to be its most valuable resource. The Trust maintains dialogue with all employees through formal and informal channels by a variety of means including: operating a range of relevant policies; regularly consulting with employees on matters of concern to them (such as CoVid-19 response plans and risk assessment processes); running staff forums in every school; using staff questionnaires and surveys to gauge opinion and seek views; convening relevant staff specialist groups to inform Trust decision-making (the Trust IT strategy groups, for example).

The Trust shares its overall priorities and performance objectives with staff and provides updates on progress through briefings to its staff by the CEO and others. During 2019-2020, our Chief Executive held a series of staff meetings and school visits and operated an 'Ask the CEO' communications channel open to all employees. The Trust HR Manager is in continual communication with staff groups and school leaders. Following the outcome of the latest staff questionnaire, the Trust has subscribed to the Health Assured service to support the mental well-being of its staff.

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. The Academy Trust consults with employees regarding staffing and pay structures, employment procedures and policies, staff training and development, health and safety matters and matters relating to the Equality Act 2010 amongst other areas. Contact details of the Whistleblowing Officer for the Academy Trust were communicated to all staff and a procedure is in place should any member of staff wish to escalate any concerns through to the Board of Directors.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **Disabled employees**

Brooke Weston Trust is committed to equality and diversity, as referenced in its Single Equality policy and Accessibility policy which is reviewed and updated annually. Capital investment and SCA funding is utilised to adapt the physical environment of all Trust buildings to ensure accessibility, including: ramps to access classrooms and all teaching blocks, disabled toilets are installed, and door widths are adequate to enable wheelchair access. The policy of the Academy Trust is to support recruitment and retention of students and employees with disabilities. The Academy Trust does this by providing support throughout all recruitment processes, by making support resources available and through ongoing training and career development. 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. All senior leaders are provided with equalities and accessibility training to ensure that the Single Equality and Accessibility policies are fully adhered to.

### **Engagement with stakeholders**

The Trust proactively engages with its different stakeholders through a variety of means including parental events and surveys; staff questionnaires and consultations; governors' forums and training events. We also undertake wider consultation on major strategic decisions (for example admissions policies and other organisational changes); frequent meetings with local authority officers, elected members and community groups on a range of matters pertinent to the communities we serve; meetings with other MATs and our regional schools commissioners; regular meetings with recognised trade unions.

We are aware the Trust is a significant employer in the area and where possible we seek to recruit locally to job vacancies that arise. In addition, we work hard to ensure local businesses are aware of appropriate tender opportunities so we can support the local economy.

### **Objectives and activities**

#### Objects 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 learning by doing and developing transferable life skills.

#### Objectives, strategies and activities

The overall mission of the Brooke Weston Trust is to transform educational performance in communities where we work through our long-term commitment to improve student achievement and remove barriers to learning while providing opportunities for personal development.

The main objectives of the Academy Trust during the year ended 31 August 2020 are summarised below:

- to ensure 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 and with regard to the ESFA Academies Financial Handbook;
- to adhere to the NOLAN principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.



# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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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 through the provision of broad, balanced and contextually appropriate curriculum at each school;
- training opportunities for all 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.

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.

#### **STRATEGIC REPORT**

Brooke Weston Trust is ambitious for all its schools and endeavours to maximise the resources and support it can make available. In 2019-2020 the Trust's in-house school improvement fund was derived from income and a contribution from reserves. Most of our schools are in social mobility cold spots and areas of multiple disadvantage, so it is important we maintain the ability to support them through Trust-wide collaborations, adoption of cost-effective and common solutions for our infrastructure needs and school-specific packages of staff development and capital investment.

The 'Ambition for All' approach demands we have high expectations and seek a positive impact from all our decisions affecting the quality of education and life opportunities we provide for our students and staff. This covers everything from inclusive, exciting and relevant curriculum offers delivered through excellent teaching, to high quality leadership training and staff development, to the very best food and informal social environments in every school, 'Ambition for All' is a culture that pervades everything we do.

#### **Impact of CoVid-19**

During 2019-2020 Brooke Weston Trust operations were seriously disrupted by CoVid-19, nevertheless the Trust can be extremely proud of its staff and their exemplary professional approach to the challenges they faced. Principals and other senior staff have evinced impressive resilience and strong leadership qualities; staff in all roles have responded magnificently to what has been asked of them.

All Brooke Weston Trust schools stayed open throughout the period from late March 2020 until the summer break, including through Easter holidays and half terms. One school opened for a month in the summer holidays also to provide much needed respite care for parents of highly vulnerable SEND children.

In other areas of our work, we adapted our practice to ensure safeguarding remained effective, including introducing new protocols for frequent communication and home visits. We provided a free school meals service from the first week of lockdown, including outreach and delivery where needed. We rapidly created and deployed remote learning resources so that all children were supported right from the beginning of school closure, increasingly moving to the use of online platforms in the summer term. We worked closely with unions, staff and parents to complete detailed risk assessments and agree CoVid-19-safe routines for each school site in readiness for full re-opening. Secondary schools applied Ofqual's grade awarding process for the summer examinations and our primary academies completed their own teacher assessments. Throughout all of this, we managed staff absence carefully to ensure all schools remained operational and safe whilst also protecting those employees who were in need of our support.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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Despite all these unforeseen challenges, we were determined to continue with our longer-term strategic objectives. 2019-2020 was the first year of the Trust's two-year strategic plan called 'Project 2021' which set out the key priorities and objectives for the Trust over this timeframe. The section below summarises progress against the main areas of the strategic plan during 2019-2020:

#### **Delivering 'Project 2021' – progress in 2019-2020**

##### **Most significant accomplishments**

Aside from successfully managing the challenges of the pandemic across our schools, easily the most significant accomplishment for Brooke Weston Trust during 2019-2020 was the inspection outcome at Thomas Clarkson Academy which became a good school for the first time in history. This was a truly landmark achievement for the whole town of Wisbech. Thomas Clarkson Academy is the only secondary school. The improved grading and the several preceding years of much improved academic performance are reversing generations of poor education provision and are strong vindication of Brooke Weston Trust's long term commitment to this community and the expertise within the Trust to deliver such a challenging turnaround.

In addition to Thomas Clarkson Academy, we were also pleased to maintain good inspection grades at our primary schools inspected during the year.

Away from inspection results and despite the serious interruptions caused by CoVid-19, during 2019-2020 we successfully delivered all our major capital build programmes on time and on budget. The biggest of these was the new sixth form block at Kettering Science Academy.

The demand for secondary school places at Brooke Weston Trust schools is the highest it has been since the Trust was formed, resulting in permanent expansions to the Pupil Admitted Number (PAN) in Kettering and Wisbech, along with temporary expansions at Brooke Weston Academy and Corby Technical School in Corby.

The Trust worked hard on its training offer for staff in 2019-2020 and now offers a wider range of professional qualifications, specific training to meet the needs of individuals, teams or whole schools and a suite of high-quality apprenticeships.

The development of a Trust curriculum model, structured and resourced to meet the needs of every school, was a strategic priority within project 2021. Good progress was made on this initiative during the year. Rapidly moving resources online as part of our CoVid-19 response was expedited because much work had already been done in preparing for remote learning, particularly at secondary level.

#### **Target 1 Improving student outcomes and education standards**

Progress: Inspection outcomes before March 2020 - Thomas Clarkson Academy, Gretton Primary School and Peckover Primary School were graded Good. Kettering Science Academy was graded requires improvement. As with Thomas Clarkson Academy previously, Kettering Science Academy has been making progress in its outcomes and is subject to a robust improvement plan involving additional Trust resources. Whilst CoVid-19 has inevitably slowed down our original school improvement action plans, the intent is still very much for Kettering Science Academy and our other two requires improvement schools to be operating at Good by the end of this academic year, or as soon as possible thereafter. We were pleased to see our other schools continue to perform in line with expectations.

Trust secondary schools worked together well to apply Ofqual's grade awarding process for the summer examinations. our teacher assessments were professionally undertaken and closely quality assured at Trust as well as school level. The outcome was that the vast majority of students received grades in line with their expectations and we had very few appeals at either GCSE or A level.

Prior to the March lockdown, student attendance was on track to be above average for primary, secondary and the MAT as a whole.

#### **Target 2 Strengthening staff training and retention**

Progress: Launched the Brooke Weston Trust 'Ambition Hub' and Primary Training Hub as focal points of Trust training initiatives. Continued success of the Brooke Weston Trust Leadership Academy in retaining high quality staff. Wide range of apprenticeships and other training, including leadership, in place for support staff roles.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### **Target 3 Implementing infrastructure improvements**

**Progress:** IT managed service provider appointed to replace internal structure as we scaled up the Trust's service to its schools. A whole Trust broadband upgrade plan was agreed and funded. We augmented capacity to deliver remote learning and virtual meetings through roll out of Microsoft Teams to staff and students;

We appointed a marketing agency to work on BWT brand development, targeted recruitment drives and an overall communications strategy. The new capacity brought immediate value, for example in enabling us to develop high quality online and hard copy guidance resources for staff, parents and children about returning to school the latter part of the summer term and again in September.

We completed our scheduled capital works as set out in our School Capital Allocation (SCA) strategy as well as other major building projects funded in partnership with local authorities, the most significant of which was the new Kettering Science Academy sixth form block.

#### **Target 4 Increasing student numbers**

**Progress:** prepared for and successfully delivered significant growth in secondary student numbers in 2019-2020. September 2020 was our best ever Year 7 pupil admitted numbers and continued steady sixth form growth.

#### **Target 5 Achieving financial strategy objectives**

**Progress:** Pre Covid-19 we were on target to deliver the Trust's approved financial strategy. A new CFO was recruited ready for a 2020-21 start. Our Green Energy strategy efficiency targets were exceeded. We were meeting agreed additional investment targets for school improvement, including accelerating our new curriculum plans and augmenting staff retention for several key posts.

Since CoVid-19 additional costs have been incurred (see significant expenditure section below). Individual school budgets were balanced with CoVid-19 costs met centrally from unspent funds. Further investment was also made into school expansion and infrastructure improvements, notably at Corby Technical School and Kettering Science Academy, along with investment in Trust-wide IT systems and equipment prior to the onboarding of our new IT management service.

#### **Target 6 Providing effective governance**

**Progress:** Continued focus on maintaining strong oversight and compliance culture to support the operation of the Trust, including robust challenge and support for CoVid-19 measures. Appointed new internal auditors. Ongoing training and support for local governing bodies to be effective.

#### Commentary on key performance indicators

The Trust uses a range of key indicators to monitor its performance at Trust, whole school and individual student level using real time, historic and trend data. These indicators are also benchmarked against national performance information for students, individual schools and whole MAT performance. The most recent public performance data can be found here [www.compare-school-performance.service.gov.uk](http://www.compare-school-performance.service.gov.uk)

Some of the key performance indicators and management information we work to are listed below with brief commentary. In some cases where there is usually national comparative data available through the above website, it may be missing, incomplete or not directly comparable to previous years due to the impact of CoVid-19.

#### **OfSTED gradings**

Our target is for all Brooke Weston Trust schools to be judged Good or better by OfSTED. At present 70% of schools in the Trust meet this target.

#### **Student attendance**

We aim for all Brooke Weston Trust schools to have attendance that is above national average and for the MAT attendance overall to be above average. Schools' attendance was on track to meet this target before the March lockdown.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **Student outcomes**

We aim for all our students to make better than average progress when compared to similar students nationally. Sadly, we had been looking forward to a record year for Brooke Weston Trust in 2019-2020 with major improvements anticipated at Corby Business Academy and Kettering Science Academy. Nevertheless, the Trust was delighted that all students in Years 11 and 13 secured good destinations for further study, training or employment. We were particularly pleased to see six students secure places at Cambridge University and our highest ever number of 'Russell Group' University successes.

### **Student recruitment**

Student recruitment is good, particularly in secondary schools, and the Trust has worked in partnership with its local authorities to help meet rising basic need. September 2020 Year 7 applications were as follows: Brooke Weston Academy (Pupil Admitted Number (PAN) 185) number applications 906; Corby Business Academy (PAN 200) number applications: 460; Corby Technical School (temporary increased PAN of 240, normal PAN 150) number applications 650; Kettering Science Academy (new PAN of 270) number applications 326; Thomas Clarkson Academy (new PAN of 270) number applications 270.

### **Financial and resource management**

We benchmark our performance across a number of areas, including for example spend on teaching staff as a percentage of total expenditure and average class size.

### **Staff retention**

During 2019-2020, staff turnover at Brooke Weston Trust was 16%. However, much of this is accounted for by staff moving between our schools or taking promoted posts with new job roles within the Trust. The percentage of teaching staff who moved was below 15% overall. At primary it was 9% and at secondary 16%. The percentage of support staff who moved was 16%. At primary this was 11% and at secondary 20%.

### **Staff training**

The Trust works with a wide variety of training partners to ensure it can offer high quality professional development opportunities to all its staff. We also operate our own Teaching School. In 2019-2020 we launched a new Ambition Hub training centre and primary training hub, along with a new prospectus of support staff training and apprenticeships. Some of our training partners include: Ambition Institute; Teach First; Universities of Leicester, Northampton, Sheffield Hallam and Derby; Train Together; YMCA; and several safeguarding training providers, amongst others.

### **Staff feedback**

The main 2019-2020 Trust staff questionnaire outcomes were: over 90% of staff who responded said they were proud to work for their school and the Trust; over 94 % felt children were supported and challenged to make good progress; over 97% said children felt safe in our schools; over 89% said their own school was well led and managed. The main areas for development (between 60% and 75%) were: being kept fully informed about new opportunities within the Trust; knowing more about other schools and feeling part of one community.

Our shared expectations and values for all staff are set out in the booklet 'The BWT Way' (see [www.brookewestontrust.org](http://www.brookewestontrust.org)).

### **Parental feedback**

All Trust schools seek feedback from annual parental questionnaires and in-year parental forums and drop-in events. The outcomes of which are shared at school governing body meetings and discussed at the Trust's Local Governing Body Chairs' forum. During lockdown, we have continued to liaise with parents and, in particular, seek their views of the information we provided and the plans we put in place prior to re-opening.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Financial review

##### Going Concern

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

##### Financial Review

The principal source of income for the Academy Trust is obtained from the Education & 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 2020 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. In accordance with the Charities Statement of Recommended Practice, 'Accounting Activities by Charities' (SORP 2019), 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 2020 total revenue expenditure was £47.813 million (2019: £45.914 million) and total incoming funds from the DfE and other sources were £45.422 million (2019: £43.759 million). This is in line with the Trust Reserves Policy (page 12) where the Trust Reserves continue to be reduced through investment in the BWT School Standards Fund – this was a strategic decision taken by the Board to fund the strategies employed to improve outcomes for its students.

At 31 August 2020 the net book value of tangible fixed assets was £138.227 million (2019: £133.028 million) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

##### Significant expenditure

Three significant areas of expenditure for Brooke Weston Trust outside our usual routine costs were our CoVid-19 response, our investment in our estates and our upgrade to our IT infrastructure.

##### CoVid-19 response

As a consequence of CoVid-19, we experienced a loss of income in 2019/20 of £1,128k. This included income from catering and premises lettings. We also saw increased hygiene and cleaning costs of £78k, resulting in a total additional cost of £1,206k to the Trust. This was offset by operational savings during the period when schools were not fully open of £954k, resulting in a net cost of £252k. We are forecasting significant further costs for 2020-2021 and have reported our projections to our Finance and Resources Committee and Board.

##### Estates

The Academy Trust continues to receive a School Conditions Allocation (SCA) grant (£973k) towards improving the building conditions across ten academies. Projects included roofing repairs, heating plant repairs and updates and refurbishments to science labs, all with the purpose of ensuring our sites remain open, safe and compliant.

##### IT infrastructure

The IT Governance Group was established in September 2018 with responsibility for overseeing strategic investment of capital funding in IT infrastructure across Brooke Weston Trust schools. The Group invested in the following: laptops for both staff and students to enable remote learning (including equipment purchased via a grant of £75,000 from the Garfield Weston Foundation), server replacements and general updates to software and hardware to enable remote learning and maintain system integrity, performance and security. During the year an IT managed service provider was appointed to commence 1 September 2020 and a whole Trust broadband upgrade plan was agreed.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **Charity Fundraising**

Continuing from the success of 2017-18 & 2018-19, Brooke Weston Trust extended the 'Ambition for All' campaign for 2019-2020. A core focus of the campaign is centred on improving academic outcomes and opportunities for character development. Another important aspect of the campaign is about each individuals' wider contribution to society. As part of this campaign, each Academy celebrated ambition through a range of fundraising events. Funds were raised for several charities including Children in Need, World Mental Health Day, Macmillan and more local charities including Lakelands Care Hospice and Corby RISE homeless charity. Brooke Weston Trust is proud that our schools are nurturing our students in such a way that they can contribute positively to the school and wider society.

### Reserves policy

Due to the unpredictable nature of the funding received by the ESFA the Academy Trust targets to retain a level of free reserves of the amount equivalent to 4% of grant 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 and restricted fixed asset funds) is £2.970 million (7.0% of recurrent grant income), this is reduced from £3.147 million at 31 August 2019 (7.8% of recurrent grant income). This continues to be reduced in 2020-21 and reserves are forecast to reduce to £1.545m (3.2%) at the end of the year. This was a strategic decision taken by the Board to fund the investment in the BWT School Standards Fund to improve outcomes for its students. The Academy Trust's support 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 2020 held a deficit of £15.893 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 BWT Investment Policy can be found on the Trust Website:

<https://www.brookewestontrust.org/site/data/files/195210E505B6F96932E43635700169B6.pdf>

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 and 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. Unfortunately, the investment made a loss of £44,091 due to the impact of CoVid-19 on investment markets during the current year (2019: income was £74,724).

### Principal risks and uncertainties

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 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 a sound and effective system of internal financial controls. Both of these systems, along with input of local intelligence from educational, financial and operational leaders, inform the overall Trust risk register which outlines key risks for Brooke Weston Trust and necessary mitigating actions that are being undertaken.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### Financial and Risk Management Objectives and Policies

The Trustees regularly review the risks faced by the Academy Trust and have put in place management controls to minimise/mitigate risks. The Audit and Risk Committee has delegated responsibility from the Board of Directors for oversight in relation to the Trust's financial reporting, internal control systems, risk management systems, regulatory compliance procedures and internal and external audit functions.

#### Finance

On-going costs of CoVid-19 including:

- Loss of catering income
- Cleaning and hygiene costs
- Teaching supply and cover costs
- Remote learning and additional curriculum resource costs

Other: all savings identified in the budget may not be achieved

#### Business continuity risks the Trust could face

- Impact of CoVid-19 causes operational issues for the Trust resulting in critical incidents being declared.
- Ability to deliver efficient curriculum models compromised by CoVid-19 impact;
- Cost of High Needs Units could exceed income where LAs are unable to provide adequate funding;
- Managing change: risk that the potential benefits of planned changes are not fully realised;
- Impact of BREXIT causes operational and or financial issues for the Trust.

#### Financial and risk management objectives and policies

The Trustees regularly review the risks faced by the Academy Trust and have put in place management controls to minimise/mitigate risks.

#### Streamlined energy and carbon reporting

##### Energy consumption

Aggregate of energy consumption in the year	<b>kWh</b>
	<b>8,668,241</b>

##### Emissions of CO<sub>2</sub> equivalent

	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	949.91	
- Fuel consumed for owned transport	5.96	
	<hr/>	955.87
Scope 2 - indirect emissions		
- Electricity purchased		793.67
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust		17.94
		<hr/>
Total gross emissions		<b>1,767.48</b>
		<hr/> <hr/>

##### Intensity ratio

Tonnes CO <sub>2</sub> e per pupil	<b>0.25</b>
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#### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub> equivalent per pupil, the recommended ratio for the sector.

# THE BROOKE WESTON TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### *Measures taken to improve energy efficiency*

Three key measures taken to improve energy efficiency:

- We plan to undertake an energy audit in each academy and understand the actions we need to take to reduce our carbon footprint;
- We have invested in and will continue to invest in LED lighting across the Trust estate with the aim of reducing energy consumption by over 25%;
- We are working with Salix to secure funding from the Public Sector Decarbonisation Scheme to look at ways to reduce our Carbon Footprint.

#### **Plans for future periods**

We have taken stock of the financial and organisational health of our Trust and despite the extremely challenging operational context of the last year, we have confidence in our ability to continue improving as an organisation. We have strong demand for places at our schools, we have the capacity to continue improving through good management of our resources, we have an established culture of sharing and collaboration and high expectations of each other. Our plans for the future period 2020-2021 are to deliver the second phase of 'Project 2021' the objectives of which were set out in the strategic report above.

#### **Funds held as custodian trustee on behalf of others**

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

#### **Auditor**

In so far as the trustees are aware:

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

The auditors, Azets Audit Services, 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. This was extended by a period of 1 year in the light of CoVid-19 by the Board of Directors at its meeting 8 June 2020.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 22/12/2020... and signed on its behalf by:



Dr A Campbell  
CEO and Accounting Officer



R Morrison  
Chair of Trustees



# THE BROOKE WESTON TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that 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.

As trustees, we have reviewed and taken account of the guidance in DfE's governance handbook and competency framework for governance.

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 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Dr A Campbell (CEO and Accounting Officer)	3	3
R Morrison (Chair of Trustees)	3	3
A E G de Capell Brooke	3	3
P Harris-Bridge (Chair of Finance and Resources Committee)	2	3
R Lane	3	3
H Stevenson	3	3
G G Weston	3	3
G H Weston	2	3
Sir P A Simpson (Resigned 20 March 2020)	2	2
S Taylor	3	3
Mrs W Brooks (Chair of Audit and Risk Committee) (Appointed 30 September 2019)	2	3

### Coverage of the Board's work:

The Board of Directors has overall responsibility for the effective operation of the Trust and for ensuring that the charitable objectives are met, in accordance with Section 172 (2) of the Companies Act 2006. This includes acting in good faith to: set the vision, ethos, strategic direction and priorities of the Academy Trust; hold senior executives to account for educational performance of the Trust and performance management of its staff; oversee 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. Specific areas of focus include:

- student numbers and growth over time
- staff recruitment and retention
- student destinations and tickets for life

# THE BROOKE WESTON TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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The Board of Directors have continued to pursue their preferred strategy of establishing and maintaining subcommittees each with a core responsibility delegated to them. The subcommittees comprise members recruited for their expertise and ability to ensure the right interests are represented in decision making and for balanced judgement around conflicting priorities. To aid committees in discharging their duties effectively and providing robust challenge and scrutiny to the executive team, the Board of Directors continues to appoint members who are external to the Trust and are specialists within their field. Responsibilities of each subcommittee is outlined in the Trust scheme of delegation and the respective terms of reference, all of which can be located on the Brooke Weston Trust website.

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.

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. As recommended by the ESFA, monthly management reports are provided to the Directors to ensure continuous oversight of financial and educational performance of the Trust.

#### **Governance reviews:**

Due to the CoVid-19 pandemic, the Trust deferred its annual review of governance which normally takes place in the summer term. The Board has plans in place to reinstate the review for 2020-2021. During 2019-2020 all other calendared governance activity continued and in many cases was supplemented by a range of more frequent extraordinary meetings, specifically in response to emerging CoVid-19 challenges. For example, the Finance and Resources Committee, the Audit and Risk Committee and the Safeguarding Group all held additional meetings in the Spring and Summer terms.

#### **Finance and Resources Committee**

The finance and resources 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. Particular issues dealt with during 2019-20 include:

- The impact of CoVid-19 on the Trust current budget and the five year plan
- To review the Trust financial strategy over a five year period
- To review and agree the Teachers' and Support Staff Pay Award
- Review and amendment to the Academy Trust investment strategy
- 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:

<b>Members</b>	<b>Meetings attended</b>	<b>Out of possible</b>
P Harris-Bridge (Chair of Finance and Resources Committee)	6	6
B Emmins	5	6
Ms N Briggs	5	6

#### **Audit and Risk Committee**

The audit and risk committee is a sub-committee of the main board of trustees. Its purpose is to assist the Board of Directors fulfil its corporate governance and oversight responsibilities in relation to the Trust's financial reporting, internal control systems, risk management systems, regulatory compliance procedures and internal and external audit functions. During 2019-20, as well as the annual workplan discussing key operational areas for the Trust, including health and safety, safeguarding, recruitment and retention, GDPR, the Committee was instrumental in reviewing the individual Health and Safety plans enabling the schools to remain open and operational during the CoVid-19 pandemic.

# THE BROOKE WESTON TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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Attendance at meetings in the year was as follows:

Members	Meetings attended	Out of possible
R Morrison (Chair of Trustees)	6	6
Sir P A Simpson (Resigned 20 March 2020)	2	2
Mrs W Brooks (Chair of Audit and Risk Committee) (Appointed 30 September 2019)	4	4
J Wintle (Appointed February 2020)	4	4

#### Review of value for money

The accounting officer has responsibility for ensuring that the 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 holding frequent meetings of the Executive Management team and the Operations Group, comprising the CEO, Finance Director, Executive Principals, Senior Operations Manager, Executive Officer and HR Manager. This group meets with agendas closely aligned to our business needs and opportunities, risk register priorities and feedback from schools. Benchmarking across a range of KPIs has been a feature of our work as we seek to ensure operational models in our schools are efficient and fit for purpose through our long-established curriculum-led financial planning approach. In addition, we work hard to ensure goods and services procured under Trust-wide agreements maximise savings wherever possible.

The Accounting Officer and Finance Director undertake regular reviews of the Trust's management accounts and reports, which are used to make informed decisions about the best use of funds.

During the year the Trust has been able to deliver better value for money within the Trust, some examples of this include, but are not limited to:

- distributing laptops to a wider number of disadvantaged families than those included in the government scheme;
- operating a summer scheme at Beanfield Primary School providing parents with respite care;
- major investment in buildings at Kettering Science Academy and Corby Technical School delivered within budget despite the disruptive impact of lockdown;
- bulk purchasing of catering supplies, cleaning materials, PPE etc for all Trust schools.

#### 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 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

# THE BROOKE WESTON TRUST

## GOVERNANCE STATEMENT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **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 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees. Risk is a standing item on Board and subcommittee agendas and their capacity to handle risk was assessed by the Audit & Risk Committee. The Trust has appointed separate external and internal auditors.

### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and resources 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;
- identification and management of risks.
- internal auditor work

The Trust has employed the services of an external firm of auditors, RSM Risk Assurance Services, to deliver the internal scrutiny its behalf. By appointing RSM Risk Assurance Services to perform the internal audit function the Trust meets the FRC Ethical Standard for auditors as they do not also perform the external audit function.

The internal auditors report to the Board of Trustees through the Audit and Risk committee three times per year on the operation of the systems of control and the discharge of the Board of Trustees' financial responsibilities. When appointed in September 2019 a three-year programme of review was agreed with the Committee based on the level of risk. This is reviewed annually to ensure that it remains appropriate. Update reports are provided at each of the meetings and an annual summary report is provided to the committee outlining the areas reviewed. Key findings and recommendations are provided to help the committee consider actions and assess year on year progress. The first year of the three-year audit plan below was completed as planned.

A major focus of the Audit and Risk committee was providing assurance that robust and comprehensive robust risk assessment process had been implemented at all Trust schools prior to re-opening.

# THE BROOKE WESTON TRUST

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### Three Year Risk Based Audit Plan (2019/20-2021/22)

#### Year 1

Risk Management  
Health & Safety  
Finance Planning & Budgetary Control  
Key Financial Controls – Debtors & Creditors

#### Year 2

Business Continuity  
HR Processes  
Cyber Security  
Staff Retention & Engagement  
Key Financial Controls – General Ledger & Asset Management

#### Year 3

Governance  
GDPR/Data Protection  
Succession Planning  
Key Financial Controls

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 Audit and Risk 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 accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 22/12/2020 and signed on its behalf by:



Dr A Campbell  
CEO and Accounting Officer



R Morrison  
Chair of Trustees

# THE BROOKE WESTON TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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

Dr A Campbell  
Accounting Officer



# THE BROOKE WESTON TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The trustees (who are also the directors of The Brooke Weston Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 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 accounts for each financial year. Under company law, the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the trustees are required to:

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

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 22/12/2020 and signed on its behalf by:



Dr A Campbell  
CEO and Accounting Officer



R Morrison  
Chair of Trustees

# THE BROOKE WESTON TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BROOKE WESTON TRUST

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **Opinion**

We have audited the accounts of The Brooke Weston Trust for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

### **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 accounts' 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 accounts 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 accounts is not appropriate; or
- the trustees have not disclosed in the accounts 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 accounts are authorised for issue.

### **Other information**

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.



# THE BROOKE WESTON TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BROOKE WESTON TRUST (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **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 including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

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

In the light of the 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 trustees' report, including the incorporated strategic report.

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# THE BROOKE WESTON TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BROOKE WESTON TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### Use of our report

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



**Mr Paul Tyler (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services**

**Statutory Auditor**

22/12/2020

Thorpe House  
93 Headlands  
Kettering  
Northamptonshire  
NN15 6BL

# THE BROOKE WESTON TRUST

## 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 2020*

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

This report is made solely to The Brooke Weston Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Brooke Weston Trust and 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 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 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- 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

# THE BROOKE WESTON TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BROOKE WESTON TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Azets*

### **Reporting Accountant**

Azets Audit Services  
Thorpe House  
93 Headlands  
Kettering  
Northamptonshire  
NN15 6BL

Dated: *22/12/2020*

# THE BROOKE WESTON TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000s	Restricted funds: General £'000s	Endowment Fixed asset £'000s	funds £'000s	Total 2020 £'000s	Total 2019 £'000s
<b>Income and endowments from:</b>							
Donations and capital grants	3	4	-	7,709	-	7,713	2,825
Charitable activities:							
- Funding for educational operations	4	1,552	42,813	-	-	44,365	42,730
- Funding for teaching school	29	255	40	-	-	295	249
Other trading activities	5	758	-	-	-	758	772
<b>Total</b>		<b>2,569</b>	<b>42,853</b>	<b>7,709</b>	<b>-</b>	<b>53,131</b>	<b>46,576</b>
<b>Expenditure on:</b>							
Raising funds	6	363	-	12	-	375	314
Charitable activities:							
- Educational operations	8	2,989	44,170	2,492	-	49,651	47,925
- Teaching school	29	251	40	-	-	291	249
<b>Total</b>	<b>6</b>	<b>3,603</b>	<b>44,210</b>	<b>2,504</b>	<b>-</b>	<b>50,317</b>	<b>48,488</b>
Gains on investments		(44)	-	-	-	(44)	75
<b>Net income/(expenditure)</b>		<b>(1,078)</b>	<b>(1,357)</b>	<b>5,205</b>	<b>-</b>	<b>2,770</b>	<b>(1,837)</b>
Transfers between funds	19	-	(360)	360	-	-	-
<b>Other recognised gains/(losses)</b>							
Actuarial losses on defined benefit pension schemes	21	-	(337)	-	-	(337)	(5,841)
<b>Net movement in funds</b>		<b>(1,078)</b>	<b>(2,054)</b>	<b>5,565</b>	<b>-</b>	<b>2,433</b>	<b>(7,678)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		1,921	(11,760)	133,611	48	123,820	131,498
Total funds carried forward		843	(13,814)	139,176	48	126,253	123,820

# THE BROOKE WESTON TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£'000s	£'000s	£'000s	£'000s
<b>Fixed assets</b>					
Tangible assets	12		138,227		133,028
Investments	13		1,515		1,559
			<u>139,742</u>		<u>134,587</u>
<b>Current assets</b>					
Stocks	14	41		41	
Debtors	15	2,714		1,782	
Cash at bank and in hand		4,308		4,800	
		<u>7,063</u>		<u>6,623</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(4,216)		(3,868)	
<b>Net current assets</b>			<u>2,847</u>		<u>2,755</u>
<b>Total assets less current liabilities</b>			<u>142,589</u>		<u>137,342</u>
Creditors: amounts falling due after more than one year	17		(443)		(536)
<b>Net assets before defined benefit pension scheme liability</b>			<u>142,146</u>		<u>136,806</u>
Defined benefit pension scheme liability	21		(15,893)		(12,986)
<b>Total net assets</b>			<u>126,253</u>		<u>123,820</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	19				
- Fixed asset funds			139,176		133,611
- Restricted income funds			2,079		1,226
- Pension reserve			(15,893)		(12,986)
- Endowment funds			48		48
<b>Total restricted funds</b>			<u>125,410</u>		<u>121,899</u>
<b>Unrestricted income funds</b>	19		843		1,921
<b>Total funds</b>			<u>126,253</u>		<u>123,820</u>

# THE BROOKE WESTON TRUST

## BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2020

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The accounts on pages 27 to 57 were approved by the trustees and authorised for issue on 22/12/2020 and are signed on their behalf by:



Dr A Campbell  
CEO and Accounting Officer



R Morrison  
Chair of Trustees

Company Number 02400784

# THE BROOKE WESTON TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

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	Notes	2020 £'000s	2019 £'000s	2019 £'000s
<b>Cash flows from operating activities</b>				
Net cash used in operating activities	22		(1,039)	(1,505)
<b>Cash flows from investing activities</b>				
Capital grants from DfE Group		1,126	1,326	
Capital funding received from sponsors and others		6,583	1,491	
Purchase of tangible fixed assets		(7,068)	(2,626)	
<b>Net cash provided by investing activities</b>			641	191
<b>Cash flows from financing activities</b>				
Repayment of long term loan		(92)	(88)	
Finance costs		(2)	(7)	
<b>Net cash used in financing activities</b>			(94)	(95)
<b>Net decrease in cash and cash equivalents in the reporting period</b>			(492)	(1,409)
Cash and cash equivalents at beginning of the year			4,800	6,209
<b>Cash and cash equivalents at end of the year</b>			4,308	4,800

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# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 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 and incorporated in England and Wales. The address of the registered office is detailed in the legal and administrative information on page 1.

##### 1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable 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 accounts 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 accounts.

##### 1.3 Basis of consolidation

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.

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

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

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

---

#### 1 Accounting policies

(Continued)

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet 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.

#### 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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

#### Donated fixed assets

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

#### 1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 1 Accounting policies

(Continued)

##### 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.

#### 1.6 Tangible fixed assets and depreciation

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 that require 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.

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

Land and buildings	2% of written down value or over the period of the lease
Computer equipment	33% of written down value
Fixtures, fittings & equipment	10% of written down value
Motor vehicles	33% of written down value

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 2020, maintenance of premises and equipment includes £874,926 (2019: £802,339) 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.

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

#### 1.7 Liabilities

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

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies (Continued)

#### 1.8 Leased assets

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

#### 1.9 Investments

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

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

#### 1.10 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. 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. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.11 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

#### 1.12 Taxation

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

#### 1.13 Pensions benefits

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

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

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 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

#### 1.14 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 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 educational activities of the academy trust.

### 2 Critical accounting estimates and areas of judgement

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

#### 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 BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 2 Critical accounting estimates and areas of judgement

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### 3 Donations and capital grants

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2020 £'000s	Total 2019 £'000s
Capital grants	-	7,709	7,709	2,817
Other donations	4	-	4	8
	<u>4</u>	<u>7,709</u>	<u>7,713</u>	<u>2,825</u>

The income from donations and capital grants was £7,713,000 (2019: £2,825,000) of which £4,000 was unrestricted (2019: £8,000) and £7,709,000 was restricted fixed assets (2019: £2,817,000).

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2020 £'000s	Total 2019 £'000s
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	35,640	35,640	35,524
Start up grants	-	-	-	25
DfE teaching school grants	-	40	40	40
Other DfE group grants	-	4,064	4,064	2,606
	<u>-</u>	<u>39,744</u>	<u>39,744</u>	<u>38,195</u>
<b>Other government grants</b>				
Local authority grants	-	2,887	2,887	2,337
	<u>-</u>	<u>2,887</u>	<u>2,887</u>	<u>2,337</u>
<b>Exceptional government funding</b>				
Coronavirus exceptional support	-	222	222	-
	<u>-</u>	<u>222</u>	<u>222</u>	<u>-</u>
<b>Other funding</b>				
Teaching school income	255	-	255	209
Other incoming resources	1,552	-	1,552	2,238
	<u>1,807</u>	<u>-</u>	<u>1,807</u>	<u>2,447</u>
<b>Total funding</b>	<u>1,807</u>	<u>42,631</u>	<u>44,438</u>	<u>42,979</u>

The income from funding for educational operations was £44,660,000 (2019: £42,979,000) of which £1,807,000 was unrestricted (2019: £2,447,000) and £42,853,000 was restricted (2019: £40,532,000).

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'exceptional government funding'.

The funding received for coronavirus exceptional support covers £222,075 of personal protective equipment (PPE) and other related equipment costs. These costs are included in notes 6 and 8 below as appropriate.

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 5 Other trading activities

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2020 £'000s	Total 2019 £'000s
Hire of facilities	208	-	208	272
BW Fitness memberships and other income	67	-	67	142
Other income	483	-	483	358
	<u>758</u>	<u>-</u>	<u>758</u>	<u>772</u>

The income from other trading activities was £758,000 (2019: £772,000) of which £758,000 was unrestricted (2019: £772,000).

### 6 Expenditure

	Staff costs £'000s	Non-pay expenditure Premises £'000s	Other £'000s	Total 2020 £'000s	Total 2019 £'000s
Expenditure on raising funds					
- Allocated support costs	324	16	35	375	314
Academy's educational operations					
- Direct costs	29,148	1,141	3,850	34,139	32,755
- Allocated support costs	8,989	3,185	3,339	15,513	15,169
Teaching school					
- Allocated support costs	151	-	140	291	249
	<u>38,612</u>	<u>4,342</u>	<u>7,364</u>	<u>50,318</u>	<u>48,487</u>

#### Net income/(expenditure) for the year includes:

	2020 £'000s	2019 £'000s
Fees payable to auditor for:		
- Audit	25	20
- Other services	3	5
- Internal audit	-	14
- Other assurance services	4	4
Operating lease rentals	121	172
Depreciation of tangible fixed assets	1,870	1,913
Loan interest	2	7
Net interest on defined benefit pension liability	263	172



# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 7 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 services;
- operations, procurement and compliance services;
- educational welfare support;
- HR and personnel;
- legal support;
- governor support and training;
- other services as arising.

The academy trust charges for these services on the following basis:

- flat percentage of income (4% of budgeted income);
- other bases as arising.

The amounts charged during the year were as follows:

	<b>2020</b>	<b>2019</b>
	<b>£'000s</b>	<b>£'000s</b>
Beanfield Primary School	241	198
Brooke Weston Academy	439	370
Corby Business Academy	438	387
Corby Technical School	214	179
Compass Primary Academy	135	116
Gretton Primary School	49	36
Kettering Science Academy	419	281
Oakley Vale Primary School	127	96
Peckover Primary School	129	103
Thomas Clarkson Academy	512	446
	<hr/>	<hr/>
	2,703	2,212
	<hr/> <hr/>	<hr/> <hr/>

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 8 Charitable activities

	Unrestricted funds £'000s	Restricted funds £'000s	Total 2020 £'000s	Total 2019 £'000s
<b>Direct costs</b>				
Educational operations	538	33,601	34,139	32,755
<b>Support costs</b>				
Educational operations	2,451	13,062	15,513	15,169
Teaching school	251	40	291	249
	<u>3,240</u>	<u>46,703</u>	<u>49,943</u>	<u>48,173</u>

The expenditure on charitable activities was £49,652,000 (2019: £47,924,000) of which £2,989,000 was unrestricted (2019: £3,317,000), £44,170,000 was restricted (2019: £42,046,000) and £2,493,000 was restricted fixed assets (2019: £2,561,000).

The expenditure on teaching school was £291,000 (2019: £249,000) of which £291,000 was unrestricted (2019: £249,000).

	Teaching School £'000s	Educational operations £'000s	Total 2020 £'000s	Total 2019 £'000s
<b>Analysis of support costs</b>				
Support staff costs	151	8,989	9,140	8,035
Technology costs	-	1,029	1,029	845
Premises costs	-	3,225	3,225	3,619
Legal costs	-	20	20	91
Other support costs	140	2,187	2,327	2,803
Governance costs	-	63	63	25
	<u>291</u>	<u>15,513</u>	<u>15,804</u>	<u>15,418</u>

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2020 £'000s	2019 £'000s
Wages and salaries	27,213	26,333
Social security costs	2,680	2,569
Pension costs	7,836	5,612
Staff costs - employees	37,729	34,514
Agency staff costs	777	665
Staff restructuring costs	106	149
Total staff expenditure	38,612	35,328

Staff restructuring costs comprise:

Redundancy payments	21	140
Severance payments	85	9
	106	149

#### Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £84,935 (2019: £8,972). Individually, the payments were: £10,000; £26,655 and £48,280.

#### Staff numbers

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

	2020 Number	2019 Number
Teachers	453	445
Educational support	229	326
Infrastructure support	290	306
Administration other	11	12
Management educational	29	22
Management central team	4	4
	1,016	1,115

Infrastructure support includes - admin, site, catering, community lettings, invigilators and extended provision.

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 9 Staff

(Continued)

##### Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	9	11
£70,001 - £80,000	11	9
£80,001 - £90,000	4	4
£90,001 - £100,000	2	3
£100,001 - £110,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	-	1
£140,001 - £150,000	2	1

One member of staff included in the £70,001 - £80,000 banding in the above table was also paid a severance payment, which if included, would have put them in the £120,001 - £130,000 banding.

##### Key management personnel

The key management personnel of the academy trust comprise the trustees and the members of the operations group. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £916,821 (2019: £1,041,957).

#### 10 Trustees' remuneration and expenses

One of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive Officer only receives remuneration in respect of services he provides undertaking the role of Chief Executive Officer under his contract of employment, and not in respect of his services as trustees.

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

Dr A Campbell (Chief Executive Officer):

- Remuneration £145,000 - £150,000 (2019: £145,000-£150,000)
- Employer's pension contributions £35,000 - £40,000 (2019: £15,000-£20,000)

During the year, travel and subsistence payments totalling £398 (2019: £688) were reimbursed or paid directly to 3 trustees (2019: 2 trustees).

Other related party transactions involving the trustees are set out within the related parties note 27 on page 57.

#### 11 Insurance for trustees and officers

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 trust 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.

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Cost</b>					
At 1 September 2019	142,987	9,632	6,952	182	159,753
Additions	6,583	442	43	-	7,068
At 31 August 2020	149,570	10,074	6,995	182	166,821
<b>Depreciation</b>					
At 1 September 2019	14,194	8,008	4,342	181	26,725
Charge for the year	1,153	451	265	-	1,869
At 31 August 2020	15,347	8,459	4,607	181	28,594
<b>Net book value</b>					
At 31 August 2020	134,223	1,615	2,388	1	138,227
At 31 August 2019	128,793	1,624	2,610	1	133,028

The net book value of land and buildings comprises:

	2020 £'000s	2019 £'000s
Freeholds	4,557	4,650
Long leaseholds (over 50 years)	129,666	124,143
	134,223	128,793

### 13 Fixed asset investments

	HSBC investment portfolio £'000s
<b>Market value</b>	
At 1 September 2019	1,559
Change in value in the year	(44)
At 31 August 2020	1,515
<b>Historical cost:</b>	
At 31 August 2020	1,000
At 31 August 2019	1,000

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 13 Fixed asset investments

(Continued)

In 2012, the trustees' transferred £1million 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 loss incurred on these investments amounted to £44,091 during the current year (2019: £74,724 gain) due to the impact of CoVid-19 on investment markets during the year. The academy trust's listed investments were valued by reference to market prices.

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
<b>Subsidiary undertakings</b>			
Corby CTC Trading Limited	England	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

Principal activities	Capital and reserves	Profit/(loss) for the year	
	£'000s	£'000s	
Corby CTC Trading Limited	Dormant	-	-

Corby CTC Trading Limited ceased to trade on 31 March 2017 with all trading activities being transferred to the academy trust on that date.

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.

### 14 Stocks

	2020	2019
	£'000s	£'000s
Catering, stationery and other supplies	41	41

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 15 Debtors

	2020 £'000s	2019 £'000s
Trade debtors	111	148
VAT recoverable	879	528
Other debtors	30	4
Prepayments and accrued income	1,694	1,103
	<u>2,714</u>	<u>1,783</u>

### 16 Creditors: amounts falling due within one year

	2020 £'000s	2019 £'000s
Government loans	93	92
Trade creditors	1,007	1,216
Other taxation and social security	638	615
EFA creditors	-	68
Other creditors	679	175
Accruals and deferred income	1,799	1,702
	<u>4,216</u>	<u>3,868</u>

### 17 Creditors: amounts falling due after more than one year

	2020 £'000s	2019 £'000s
Government loans	443	536

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 17 Creditors: amounts falling due after more than one year (Continued)

	2020 £'000s	2019 £'000s
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments	83	168
Wholly repayable within five years	453	460
	<u>536</u>	<u>628</u>
Less: included in current liabilities	(93)	(92)
	<u>443</u>	<u>536</u>
<b>Loan maturity</b>		
Debt due in one year or less	93	92
Due in more than one year but not more than two years	93	92
Due in more than two years but not more than five years	267	276
Due in more than five years	83	168
	<u>536</u>	<u>628</u>

Included within government loans are Salix loans totalling £421,249 (2019: £495,514), of which £74,265 (2019: £74,265) is due within one year and £346,984 (2019: £421,249) is due after one year. These Salix loans are interest free and repayable in half-yearly instalments over the remaining 4-8 years of the loans as at 31 August 2020.

Also included within government loans are loans from DfE/ESFA totalling £114,577 (2019: £132,557), of which £18,289 (2019: £17,979) is due within one year and £96,288 (2019: £114,578) is due after more than one year. These loans are part of a pilot scheme introduced by DfE/ESFA during the year ended 31 August 2017 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 36 equal instalments.

### 18 Deferred income

	2020 £'000s	2019 £'000s
Deferred income is included within:		
Creditors due within one year	332	405
	<u>332</u>	<u>405</u>
Deferred income at 1 September 2019	405	381
Released from previous years	(405)	(381)
Resources deferred in the year	332	405
	<u>332</u>	<u>405</u>
<b>Deferred income at 31 August 2020</b>	<u>332</u>	<u>405</u>

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 2020/21 academic year.



# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Funds

	Balance at 1 September 2019 £'000s	Income £'000s	Expenditure £'000s	Gains, losses and transfers £'000s	Balance at 31 August 2020 £'000s
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,226	35,640	(34,427)	(360)	2,079
Other DfE / ESFA grants	-	4,064	(4,064)	-	-
Other government grants	-	3,109	(3,109)	-	-
Teaching school	-	40	(40)	-	-
Pension reserve	(12,986)	-	(2,570)	(337)	(15,893)
	<u>(11,760)</u>	<u>42,853</u>	<u>(44,210)</u>	<u>(697)</u>	<u>(13,814)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	33,855	1,126	(1,529)	-	33,452
Capital expenditure from GAG	2,976	-	(157)	360	3,179
Other government grants	92,829	6,583	(735)	-	98,677
Private sector capital sponsorship	3,951	-	(83)	-	3,868
	<u>133,611</u>	<u>7,709</u>	<u>(2,504)</u>	<u>360</u>	<u>139,176</u>
Restricted endowment fund	48	-	-	-	48
<b>Total restricted funds</b>	<u>121,899</u>	<u>50,562</u>	<u>(46,714)</u>	<u>(337)</u>	<u>125,410</u>
<b>Unrestricted funds</b>					
General funds	1,917	2,314	(3,352)	(44)	835
Teaching school	4	255	(251)	-	8
	<u>1,921</u>	<u>2,569</u>	<u>(3,603)</u>	<u>(44)</u>	<u>843</u>
<b>Total funds</b>	<u>123,820</u>	<u>53,131</u>	<u>(50,317)</u>	<u>(381)</u>	<u>126,253</u>

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### 19 Funds

(Continued)

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

Restricted general funds include unspent general annual grant (GAG), which must be used for the normal recurring costs of the academy trust together with other restricted funds. Under the funding agreement with the Secretary of State for Education, the academy trust was not subject to a limit on the amount of GAG that it should carry forward at 31 August 2020. During the year, a transfer of £360,135 was made from GAG funds to restricted fixed asset funds in respect of expenditure on capital projects funded from the academy trust's own funds.

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 assets and liabilities of the Local Government Pension Scheme.

Restricted endowment funds represent expendable resources to be applied to specific education activities.

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Funds

(Continued)

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

	Balance at 1 September 2018 £'000s	Income £'000s	Expenditure £'000s	Gains, losses and transfers £'000s	Balance at 31 August 2019 £'000s
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,571	35,524	(35,420)	(449)	1,226
Start up grants	-	25	(25)	-	-
Other DfE / ESFA grants	-	2,606	(2,606)	-	-
Other government grants	-	2,337	(2,337)	-	-
Teaching school	-	40	(40)	-	-
Pension reserve	(5,487)	-	(1,658)	(5,841)	(12,986)
	<u>(3,916)</u>	<u>40,532</u>	<u>(42,086)</u>	<u>(6,290)</u>	<u>(11,760)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	34,164	1,326	(1,635)	-	33,855
Capital expenditure from GAG	2,625	-	(98)	449	2,976
Other government grants	92,087	1,491	(749)	-	92,829
Private sector capital sponsorship	4,043	-	(92)	-	3,951
	<u>132,919</u>	<u>2,817</u>	<u>(2,574)</u>	<u>449</u>	<u>133,611</u>
Restricted endowment fund	<u>48</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48</u>
<b>Total restricted funds</b>	<u>129,051</u>	<u>43,349</u>	<u>(44,660)</u>	<u>(5,841)</u>	<u>121,899</u>
<b>Unrestricted funds</b>					
General funds	2,443	3,018	(3,619)	75	1,917
Teaching school	4	209	(209)	-	4
	<u>2,447</u>	<u>3,227</u>	<u>(3,828)</u>	<u>75</u>	<u>1,921</u>
<b>Total funds</b>	<u>131,498</u>	<u>46,576</u>	<u>(48,488)</u>	<u>(5,766)</u>	<u>123,820</u>

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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19 Funds	(Continued)	
<b>Total funds analysis by academy</b>		
	<b>2020</b>	<b>2019</b>
Fund balances at 31 August 2020 were allocated as follows:	<b>£'000s</b>	<b>£'000s</b>
Brooke Weston Trust		
- School operations	3,696	3,898
- Infrastructure support	(726)	(703)
Total before fixed assets fund and pension reserve	<u>2,970</u>	<u>3,195</u>
Restricted fixed asset fund	139,176	133,611
Pension reserve	(15,893)	(12,986)
Total funds	<u><u>126,253</u></u>	<u><u>123,820</u></u>

In 2018-19 the Trust pooled its GAG and reserves. The correct procedures for this approach were followed in accordance with the Academies Financial Handbook. The total funds before fixed assets fund and pension reserve reduced during the year in line with the Trust Reserves Policy (page 12) where the Trust Reserves continue to be reduced through investment in the BWT School Standards Fund. This was a strategic decision taken by the Board to fund the strategies employed to improve outcomes for its students. The individual schools managed their budgets effectively during a year of uncertainty with the additional costs of the CoVid-19 pandemic enabling the Trust to deliver a year-end position in line with the budget set the previous year.

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Funds

(Continued)

#### Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2020	Total 2019
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Beanfield Primary School	2,331	751	58	430	3,570	3,434
Brooke Weston Academy	4,435	1,744	129	1,475	7,783	7,876
Corby Business Academy	4,900	1,497	208	1,157	7,762	7,987
Corby Technical School	2,251	815	81	591	3,738	3,343
Compass Primary Academy	1,496	159	42	254	1,951	2,183
Gretton Primary School	483	123	15	116	737	702
Kettering Science Academy	4,425	1,422	191	1,131	7,169	6,305
Oakley Vale Primary School	1,121	302	38	229	1,690	1,747
Peckover Primary School	1,209	556	53	272	2,090	1,838
Thomas Clarkson Academy	5,447	1,193	451	1,744	8,835	8,401
Brooke Weston Trust - School improvement	1,050	151	84	-	1,285	1,042
- Infrastructure	-	-	-	1,087	1,087	1,014
- Central team	-	751	-	-	751	706
	<u>29,148</u>	<u>9,464</u>	<u>1,350</u>	<u>8,486</u>	<u>48,448</u>	<u>46,578</u>

### 20 Analysis of net assets between funds

	Unrestricted Funds	Restricted funds: General	Fixed asset	Endowment Funds	Total Funds
	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Fund balances at 31 August 2020 are represented by:</b>					
Tangible fixed assets	-	-	138,227	-	138,227
Fixed asset investments	1,515	-	-	-	1,515
Current assets	-	6,066	949	48	7,063
Creditors falling due within one year	(672)	(3,544)	-	-	(4,216)
Creditors falling due after one year	-	(443)	-	-	(443)
Defined benefit pension liability	-	(15,893)	-	-	(15,893)
<b>Total net assets</b>	<u>843</u>	<u>(13,814)</u>	<u>139,176</u>	<u>48</u>	<u>126,253</u>

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 20 Analysis of net assets between funds (Continued)

	Unrestricted Funds £'000s	Restricted funds: General £'000s	Fixed asset £'000s	Endowment Funds £'000s	Total Funds £'000s
<b>Fund balances at 31 August 2019 are represented by:</b>					
Tangible fixed assets	-	-	133,028	-	133,028
Fixed asset investments	1,559	-	-	-	1,559
Current assets	362	5,224	989	48	6,624
Creditors falling due within one year	-	(3,462)	(406)	-	(3,868)
Creditors falling due after one year	-	(536)	-	-	(536)
Defined benefit pension liability	-	(12,986)	-	-	(12,986)
<b>Total net assets</b>	<b>1,921</b>	<b>(11,760)</b>	<b>133,611</b>	<b>48</b>	<b>123,821</b>

### 21 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £643,076 were payable to the schemes at 31 August 2020 (2019: £Nil) 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' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

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

##### Valuation of the Teachers' Pension Scheme

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

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 21 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £4,120,895 (2019: £2,759,457).

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 an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16.3% to 23.0% 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.

<b>Total contributions made</b>	<b>2020</b>	<b>2019</b>
	<b>£'000s</b>	<b>£'000s</b>
Employer's contributions	1,411	1,484
Employees' contributions	479	458
Total contributions	<u>1,890</u>	<u>1,942</u>

<b>Principal actuarial assumptions</b>	<b>2020</b>	<b>2019</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	2.7	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.2	2.3
Commutation of pension to lump sums - Pre-April 2008	25 to 50	25 to 50
Commutation of pension to lump sums - Post-April 2008	<u>63 to 75</u>	<u>63 to 75</u>

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 21 Pension and similar obligations (Continued)

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

	2020 Years	2019 Years
Retiring today		
- Males	21.6	21.2
- Females	23.7	23.3
Retiring in 20 years		
- Males	22.4	22.3
- Females	25.2	24.7

Scheme liabilities would have been affected by changes in assumptions as follows:

	2020 £'000	2019 £'000
Discount rate + 0.1%	1,156	1,085
Discount rate - 0.1%	(1,156)	(1,085)
Mortality assumption + 1 year	1,762	1,560
Mortality assumption - 1 year	(1,762)	(1,560)
CPI rate + 0.1%	1,068	940
CPI rate - 0.1%	(1,068)	(940)

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

	2020 Fair value £'000s	2019 Fair value £'000s
Equities	19,484	18,833
Bonds	4,296	4,273
Property	3,508	2,415
Other assets	889	483
Total market value of assets	28,177	26,004

The actual return on scheme assets was £668,000 (2019: £1,176,000).

#### Amount recognised in the Statement of Financial Activities

	2020 £'000s	2019 £'000s
Current service cost	3,718	2,790
Past service cost	-	180
Interest income	(498)	(671)
Interest cost	761	843
Total operating charge	3,981	3,142



# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Pension and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2020	2019
	£'000s	£'000s
At 1 September 2019	38,990	28,632
Current service cost	3,718	2,790
Interest cost	761	843
Employee contributions	479	458
Actuarial loss	507	6,346
Benefits paid	(385)	(259)
Past service cost	-	180
At 31 August 2020	<u>44,070</u>	<u>38,990</u>
Changes in the fair value of the academy trust's share of scheme assets	2020	2019
	£'000s	£'000s
At 1 September 2019	26,004	23,145
Interest income	498	671
Actuarial gain	170	505
Employer contributions	1,411	1,484
Employee contributions	479	458
Benefits paid	(385)	(259)
At 31 August 2020	<u>28,177</u>	<u>26,004</u>
22 Reconciliation of net income/(expenditure) to net cash flow from operating activities	2020	2019
	£'000s	£'000s
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	2,814	(1,911)
Adjusted for:		
Capital grants from DfE and other capital income	(7,709)	(2,817)
Finance costs payable	2	7
Defined benefit pension costs less contributions payable	2,307	1,486
Defined benefit pension scheme finance cost	263	172
Depreciation of tangible fixed assets	1,870	1,913
(Increase) in debtors	(934)	(669)
Increase in creditors	348	314
<b>Net cash used in operating activities</b>	<u>(1,039)</u>	<u>(1,505)</u>

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 23 Analysis of changes in net funds

	1 September 2019 £'000s	Cash flows £'000s	31 August 2020 £'000s
Cash	4,800	(492)	4,308
Loans falling due within one year	(92)	(1)	(93)
Loans falling due after more than one year	(536)	93	(443)
	<u>4,172</u>	<u>(400)</u>	<u>3,772</u>

### 24 Contingent liabilities

During the year 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 is required, either to re-invest the proceeds, or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

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

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

### 25 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £'000s	2019 £'000s
Amounts due within one year	103	120
Amounts due in two and five years	99	201
Amounts due after five years	6	7
	<u>208</u>	<u>328</u>

Thomas Clarkson Academy joined the trust on 1 June 2012. Its main school buildings were financed under a 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 2020, £874,926 (2019: £802,339) of costs relating to this has been recognised in expenditure.

# THE BROOKE WESTON TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

### 26 Capital commitments

	2020 £'000s	2019 £'000s
Expenditure contracted for but not provided in the accounts	1,016	6,362

### 27 Related party transactions

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

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 10.

### 28 Members' liability

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

### 29 Teaching school trading account

	2020		2019	
	£'000s	£'000s	£'000s	£'000s
<b>Direct income</b>				
Government grants		40		40
Other income		255		209
<b>Total income</b>		295		249
<b>Other costs</b>				
Support staff costs	151		149	
Other support costs	140		100	
	291		249	
<b>Total operating costs</b>		(291)		(249)
<b>Surplus from teaching school</b>		4		-
Teaching school balances at 1 September 2019		4		4
<b>Teaching school balances at 31 August 2020</b>		8		4