

LOWBROOK ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

LOWBROOK ACADEMY TRUST
(A company limited by guarantee)

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LOWROOK ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2022

Members

Dominique Du Pre
Stuart Muir
Paul Harrison

Trustees / Governors

Dominique Du Pre	Chair and Member
Paul Harrison	Member
Dave Rooney	Principal and Accounting Officer
James Spiteri	Trustee – resigned 31 August 2022
Guy van der Knaap	Trustee
Christine Sherwood-Phelps	Trustee
Stuart Muir	Member
Veronica Quinby	Trustee – appointed 10 October 2022

Company Secretary

Louise Berry

Senior Management Team

Dave Rooney	Principal
Kay Redjeb	HLTA Representative
Ronni Quinby	Inclusion Lead
Francis Garland	SEN
Pauline Reid	Business Manager

Louise Berry	Clerk
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Company Name

Lowbrook Academy Trust

Principal and registered office

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

Company registered number

07533254 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson, Building 4, Foundation Park, Roxborough Way, Maidenhead, SL6 3UD

Bankers

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

Solicitors

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

LOWBROOK ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a trustees' report and a directors' report and strategic report under company law.

The trust operates an academy for pupils aged 4 to 11 serving a catchment area in Maidenhead. It has a pupil capacity of 300 and had a roll of 330 in the school census on 21st November 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

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

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

Members Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £856.

Method of Recruitment and Appointment or Election of Trustees

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

Policies and Procedures Adopted for the Induction and Training of Trustees

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

Organisational Structure

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

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

LOWBROOK ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2022

Organisational Structure (continued)

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

Arrangements for setting pay and remuneration of key management personnel

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

Trade Union Facility Time

There are no Trade Union representatives

Related Parties and other Connected Charities and Organisations

The Academy Trust owns 100% of the share capital of Lowbrook Trading Company Limited.

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

Objectives, Strategies and Activities

- We will raise attainment & progress in KS2 boys' achievement in reading.
- We will raise attainment & progress to improve boys' achievement in Writing at the 'Greater Depth' standard.
- Continue to raise attainment and improve pupil achievement and ensure a wide curricular and extracurricular experience at Lowbrook for disadvantaged children.
- Curriculum Review: The Citizenship and Ethics curriculum has been identified by SLT as a priority area to focus on this academic year. Standards in this Domain are excellent, however, the SLT wish to continue to review the subject with a view to consolidating the new Relationships in Education as well as ever-changing research, resources and guidance.
- We will enhance the curriculum through the consolidation of 'Philosophy for Children' across the school (Introduced in January 2019).
- To ensure that pupils, especially those who are vulnerable receive targeted support through: Catch up funding and targeted planning to ensure quality education minimising the impact of Covid 19.
- We strive for outstanding teaching to ensure consistency, driving up attainment, progress and outcomes for learners.
- We strive for outstanding remote education which is embedded in the curriculum and can be accessed immediately in the event of pupils isolating.
- The Behaviour & Attitudes of pupils is paramount to its success. We aim to be recognised as having exemplary behaviour and procedures in place during our impending inspection.
- Personal Development & Welfare of pupils is paramount to our success. We aim to be recognised as having well-embedded and exemplary procedures in place during our impending inspection.
- We will continue to develop outstanding Leadership throughout the Academy.
- We will enrich our pupil's curriculum through a diverse and complementary sports participation.
- We will further enhance our IT infrastructure to enable the pupils to have access to the best technology and software available for primary schools.
- We will continue to develop the grounds, buildings and resources so we can effectively meet the needs of a growing school and technological society.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2022

Public Benefit

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

STRATEGIC REPORT

Achievements and Performance

Lowbrook Academy had a positive year in 2021/22: Some of the main highlights were:

- Key figures show 100% of children at the end of KS2 attained the expected standard across reading, writing and maths combined and 65% achieved greater depth (GDS) in reading, writing and maths combined.
- 100% of Year 6 SEND children achieved at least the expected standard in reading, writing and maths combined.
- Key stage 1 children continue to achieve well, with 97% of children achieving at least the expected standard in reading, writing and maths. 40% of children in key stage 1 achieved greater depth in all three subjects.
- 97% of children passed the Year 2 Phonics Screening Test.
- 92% of children in Early Years Foundation Stage have achieved a good level of development (GLD).

Key Financial Performance Indicators

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

The staffing costs as a percentage of the GAG for the financial year 2021-22 were 71% (2021: 81%) Moving forwards we anticipate that staffing costs will remain stable as a percentage of the GAG for the next financial year.

Going Concern

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

FINANCIAL REVIEW

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

Uncertainties continue for the continuance of the nursery which has given Lowbrook Academy £58k per year. The lease is in the process of being renewed and there is confidence that this income will continue and increase into the future. The GAG funding is a significant part of the income of Lowbrook and therefore changes to this figure that the academy receives will impact significantly on the budget. Covid related activities increased costs in the academy in 2020/21 and have remained significant in 2021/22.

Reserves Policy

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2022

Reserves Policy (continued)

At 31 August 2022 the total funds comprised:

Unrestricted		555,908
Restricted:	Fixed asset funds	3,756,991
	Pension reserve	(218,000)
	Other	122,784
		<hr/>
		£4,217,683

Investment Policy

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

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

Principal Risks and Uncertainties

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

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

FUNDRAISING

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees

PLANS FOR FUTURE PERIODS

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

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

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

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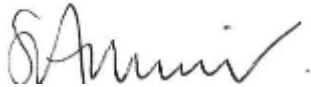
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2022

AUDITOR

In so far as the trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 9 December 2022 and signed on the board's behalf by:



.....
Stuart Muir
Vice Chair of Trustees

LOWBROOK ACADEMY TRUST
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

SCOPE OF RESPONSIBILITY

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

As trustees, we have reviewed and taken account of the guidance in the Department of Education's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lowbrook Academy Trust and the Secretary of State for Education. He is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that are described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. The Board maintain effective oversight of funds without additional meetings by the chair of finance reporting on the monthly management accounts and circulating his report to all trustees. The finance governor also attends the Pay and Personnel committees, where he is able to share any concerns in person with other Trustees. The other committee meetings attended during the year include: Teaching, Learning and Curriculum, Personnel, and Pay Committees.

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

Trustee		Meetings attended	Out of a possible
Dominique Du Pre	Chair	4	4
Paul Harrison	Vice Chair	2	4
Dave Rooney	(Principal/Accounting Officer)	4	4
Stuart Muir	Governor	2	4
Christine Sherwood-Phelps	Community trustee	4	4
James Spiteri	Parent trustee	4	4
Guy van der Knaap	Parent trustee	3	4

Conflicts of interest

Annual declarations of interest are made by each Trustee for the Trust's register of interests. If any Trustee has an interest in any matter discussed at Board meetings, they are required to disclose such conflicts and do not participate in related discussions or decisions.

Governance reviews

- The board is entrusted with the task of adopting policies that set clear expectations and standards for pupil's achievements and promote student wellbeing. This includes, allocating resources, planning and goal setting, establishing a vision for the school and recruiting and reviewing the performance of the chief executive.
- At Lowbrook Academy, there is a multitude of information that the board can use to assist it in helping guide the school in the right direction. This includes academic results, surveys of pupils, parents and staff. Funding decisions for pupil premium and sports premium
- The quality of data is important to Lowbrook Academy and this has led to a change in the accounting software used within the academy. The Sage 200 system, which has a DfE designed Chart of accounts will allow for better and more rapid reporting.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

GOVERNANCE (continued)

- Governance reviews have shown that there is a potential loss of knowledge within the board and this challenge is being reviewed to keep the team at the highest possible level.

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

- In consultation with the Principal, to draft the first formal budget plan of the financial year
- To establish and maintain an up to date 3-year financial plan
- To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the Governing Body
- To ensure that the school operates within the Financial Regulations of the new Academies Handbook
- To monitor expenditure of all voluntary funds kept on behalf of the Governing Body
- To annually review charges and remissions policies and expenses policies
- To make decisions in respect of service agreements
- To make decisions on expenditure following recommendations from other committees
- To prepare financial statements for inclusion in the governing body report to parents
- To ensure, as far as is practical, that Health and Safety issues are appropriately prioritised
- To determine whether sufficient funds are available for pay increments as recommended by the Principal
- In the light of the Principal's Performance Management Group's recommendations, to determine whether sufficient funds are available for increments
- To monitor the progress and development of the school development plan and report back to the governing body
- To monitor the school self-evaluation cycle and to report findings back to the governing body
- To monitor the progress of development and review of policies
- Collect evidence from monitoring visits by governors
- To monitor the progress, development and review of policies
- To ensure that Auditors are in place
- To monitor and review Single Central Record
- Monitor the use of Pupil Premium and Sports Premium

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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

GOVERNANCE (continued)

Attendance during the year at Finance, Sites and Buildings committee meetings was as follows:

Trustee		Meetings attended	Out of a possible
Paul Harrison	Vice Chair	2	3
Dave Rooney	(Principal/Accounting Officer)	3	3
Christine Sherwood-Phelps	Community trustee	2	3
James Spiteri	Parent trustee	0	3
Guy van der Knaap	Parent trustee	3	3

REVIEW OF VALUE FOR MONEY

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

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

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

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

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

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

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

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

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

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

REVIEW OF VALUE FOR MONEY (continued)

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

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

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lowbrook Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

THE RISK AND CONTROL FRAMEWORK (continued)

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

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

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

REVIEW OF EFFECTIVENESS

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

- the work of the Finance Governor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 9 December 2022 and signed on its behalf by:



.....
Stuart Muir
Vice Chair of Trustees



.....
D Rooney
Accounting Officer

LOWBROOK ACADEMY TRUST
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2022**

As accounting officer of Lowbrook Academy Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA 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 2021.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2021.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

- Non-financial issues
The Trust has not published on its website in a separately readily accessible form, the number of employees whose benefits exceeded £100k for the previous year ended 31 August.



.....
Dave Rooney
Accounting officer

9 December 2022

LOWBROOK ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

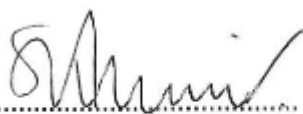
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

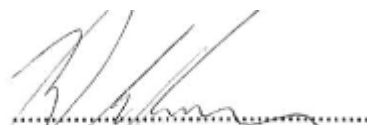
The Trustees are responsible for ensuring that in their conduct and operation the Group and the charitable company apply financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE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

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

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



.....
Stuart Muir
Vice Chair of Trustees
Date: 9 December 2022



.....
D Rooney
Accounting Officer

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

Opinion

We have audited the financial statements of Lowbrook Academy Trust (the 'parent Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Trust Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Academy Trust's affairs as at 31 August 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

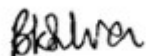
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

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

Use of our report

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



BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson (Statutory Auditor)

Maidenhead, United Kingdom

Date: 19 December 2022

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 31 August 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lowbrook Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Lowbrook Academy Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:


- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams;
- consideration of governance issues;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- making appropriate enquires of the Accounting Officer.

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Publication of executive pay

The Trust has not published on its website in a separately readily accessible form, the number of employees whose benefits exceeded £100k for the previous year ended 31 August.



Reporting Accountant

MHA MacIntyre Hudson (Statutory Auditor)
Maidenhead, United Kingdom

Date: 19 December 2022

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and capital grants	3	972	-	16,608	17,580	148,846
Other trading activities	5	104,696	-	13,994	118,690	93,005
Investments	6	21	-	-	21	33
Charitable activities		-	1,539,608	-	1,539,608	1,474,276
Total income and endowments		105,689	1,539,608	30,602	1,675,899	1,716,160
Expenditure on:						
Raising funds		18,739	-	-	18,739	13,604
Charitable activities		6,845	1,630,232	84,723	1,721,800	1,542,581
Total expenditure	7	25,584	1,630,232	84,723	1,740,539	1,556,185
Net income/ (expenditure)		80,105	(90,624)	(54,121)	(64,640)	159,975
Transfers between funds	18	(69,554)	-	69,554	-	-
Other recognised gains/(losses):						
Other gains/(losses)		-	875,000	-	875,000	(160,000)
Net movement in funds		10,551	784,376	15,433	810,360	(25)
Reconciliation of funds:						
Total funds brought forward		545,357	(879,592)	3,741,558	3,407,323	3,407,348
Net movement in funds		10,551	784,376	15,433	810,360	(25)
Total funds carried forward		555,908	(95,216)	3,756,991	4,217,683	3,407,323

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

The notes on pages 26 to 56 form part of these financial statements.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022

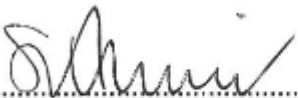
	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	13		3,769,263		3,611,486
Current assets					
Debtors	15	83,415		189,872	
Cash at bank and in hand		810,851		672,548	
		<u>894,266</u>		<u>862,420</u>	
Creditors: amounts falling due within one year	16	(215,574)		(88,583)	
Net current assets			678,692		773,837
Total assets less current liabilities			<u>4,447,955</u>		<u>4,385,323</u>
Creditors: amounts falling due after more than one year	17	(12,272)			-
Defined benefit pension scheme liability	25	(218,000)		(978,000)	
Total net assets			<u>4,217,683</u>		<u>3,407,323</u>
Funds of the Academy Trust					
Restricted fixed asset fund	18		3,756,991		3,741,558
Restricted funds:					
Restricted income funds	18	122,784		98,408	
Pension reserve	18	(218,000)		(978,000)	
Total restricted funds	18		(95,216)		(879,592)
Unrestricted income funds	18		555,908		545,357
Total funds			<u>4,217,683</u>		<u>3,407,323</u>

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

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 20 to 56 were approved by the Trustees, and authorised for issue on 09 December 2022 and are signed on their behalf, by:



.....
Stuart Muir
Vice Chair of Trustees



.....
D Rooney
Accounting Officer

The notes on pages 26 to 56 form part of these financial statements.

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

ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2022

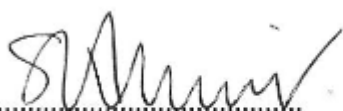
	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	3,769,263	3,611,486
Investments	14	100	100
		<u>3,769,363</u>	<u>3,611,586</u>
Current assets			
Debtors	15	158,896	248,996
Cash at bank and in hand		733,270	611,324
		<u>892,166</u>	<u>860,320</u>
Creditors: amounts falling due within one year	16	(213,574)	(86,583)
		<u>678,592</u>	<u>773,737</u>
Net current assets		<u>678,592</u>	<u>773,737</u>
Total assets less current liabilities		<u>4,447,955</u>	<u>4,385,323</u>
Creditors: amounts falling due after more than one year	17	(12,272)	-
Net assets excluding pension liability		<u>4,435,683</u>	<u>4,385,323</u>
Defined benefit pension scheme liability	25	(218,000)	(978,000)
Total net assets		<u><u>4,217,683</u></u>	<u><u>3,407,323</u></u>
Funds of the Academy Trust			
Fixed asset funds	18	3,756,991	3,741,558
Restricted funds:			
Restricted income funds	18	122,784	98,408
Pension liability	18	(218,000)	(978,000)
Total restricted funds	18	<u>(95,216)</u>	<u>(879,592)</u>
Unrestricted income funds	18	555,908	545,357
Total funds		<u><u>4,217,683</u></u>	<u><u>3,407,323</u></u>


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

ACADEMY TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 20 to 56 were approved by the Trustees, and authorised for issue on 09 December 2022 and are signed on their behalf, by:


.....
Stuart Muir
Vice Chair of Trustees


.....
Dave Rooney
Accounting Officer

The notes on pages 26 to 56 form part of these financial statements.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	20	337,908	167,934
Cash flows from investing activities	22	(211,877)	(14,388)
Cash flows from financing activities	21	12,272	-
Change in cash and cash equivalents in the year		138,303	153,546
Cash and cash equivalents at the beginning of the year		672,548	519,002
Cash and cash equivalents at the end of the year	23, 24	810,851	672,548

The notes on pages 26 to 56 form part of these financial statements

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

Lowbrook Academy is a company limited by guarantee incorporated in England and Wales. The address of the registered office, principal place of operations and registered number are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

The Financial Statements are prepared in British Pound Sterling (£), the functional and presentational currency, rounded to the nearest £1.

1.2 Basis for consolidation

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

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

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

1.3 Fund accounting

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.4 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated fixed assets (excluding transfers on conversion or into the Group)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Group's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.5 Expenditure

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

• **Expenditure on raising funds**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Going concern

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

1.7 Tangible fixed assets

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

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

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

1.8 Investments

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

1.9 Operating leases

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

1.10 Taxation

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

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

1.11 Debtors

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

1.12 Cash at bank and in hand

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.13 Liabilities and provisions

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

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

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

1.14 Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16 and 17. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.15 Pensions

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method as stated in note 25. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	972	-	972
Capital grants	-	16,608	16,608
	972	16,608	17,580

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	11,061	-	11,061
Capital grants	-	137,785	137,785
	11,061	137,785	148,846

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NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the Academy Trust's educational operations

	Restricted funds 2022 £	Total funds 2022 £
DfE/ESFA grants		
General Annual Grant (GAG)	1,350,310	1,350,310
Other DfE/ESFA grants		
Pupil premium	24,555	24,555
UIFSM	59,870	59,870
Teachers pension	-	-
Others	57,389	57,389
	<hr/> 1,492,124	<hr/> 1,492,124
Other Government grants		
SEN funding	5,973	5,973
	<hr/> 37,260	<hr/> 37,260
Other income from the Academy Trust's educational operations		
COVID-19 additional funding (DfE/ESFA)		
Other DfE/ESFA COVID-19 funding	4,251	4,251
	<hr/> 1,539,608	<hr/> 1,539,608
	<hr/> <hr/> 1,539,608	<hr/> <hr/> 1,539,608

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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

	Restricted funds 2021 £	Total funds 2021 £
DfE/ESFA grants		
General Annual Grant (GAG)	1,233,750	1,233,750
Other DfE/ESFA grants		
Pupil premium	30,350	30,350
UIFSM	44,905	44,905
Teachers pension	44,923	44,923
Others	41,826	41,826
	<u>1,395,754</u>	<u>1,395,754</u>
Other Government grants		
SEN funding	4,392	4,392
	<u>20,442</u>	<u>20,442</u>
Other income from the Academy Trust's educational operations		
COVID-19 additional funding (DfE/ESFA)		
Catch-up Premium	26,160	26,160
Other DfE/ESFA COVID-19 funding	27,528	27,528
	<u>53,688</u>	<u>53,688</u>
	<u><u>1,474,276</u></u>	<u><u>1,474,276</u></u>

The academy received £26,160 of funding for catch-up premium and costs incurred in respect of this funding totalled £26,160..

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Income from other trading activities

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Trading subsidiary operations	54,500	-	54,500
School clubs	29,752	-	29,752
Other income	20,444	13,994	34,438
	<u>104,696</u>	<u>13,994</u>	<u>118,690</u>

	Unrestricted funds 2021 £	Total funds 2021 £
Trading subsidiary operations	54,425	54,425
School clubs	13,876	13,876
Other income	24,704	24,704
	<u>93,005</u>	<u>93,005</u>

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Bank interest received	21	21
	<u>21</u>	<u>21</u>

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest received	33	33
	<u>33</u>	<u>33</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Expenditure on raising voluntary income	15,140	-	3,599	18,739
Academy's educational operations:				
Direct costs	1,074,638	44,354	186,504	1,305,496
Allocated support costs	124,499	126,387	165,418	416,304
	<u>1,214,277</u>	<u>170,741</u>	<u>355,521</u>	<u>1,740,539</u>
	<u>1,214,277</u>	<u>170,741</u>	<u>355,521</u>	<u>1,740,539</u>
	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure on raising voluntary income	9,475	-	4,129	13,604
Academy's educational operations:				
Direct costs	964,438	45,003	151,816	1,161,257
Support costs	109,397	125,330	146,597	381,324
	<u>1,083,310</u>	<u>170,333</u>	<u>302,542</u>	<u>1,556,185</u>
	<u>1,083,310</u>	<u>170,333</u>	<u>302,542</u>	<u>1,556,185</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Academy trust's educational operations	<u>1,305,496</u>	<u>416,304</u>	<u>1,721,800</u>
	<u>1,305,496</u>	<u>416,304</u>	<u>1,721,800</u>

LOWBROOK ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Academy trust's educational operations	1,161,257	381,324	1,542,581

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Teaching and educational support staff costs	1,074,638	964,438
Depreciation	84,723	85,052
School trip expenditure	38,696	26,441
Educational supplies	93,443	67,285
Educational consultancy	1,143	-
Other staff costs	10,486	4,164
Other direct costs	2,367	13,877
	1,305,496	1,161,257

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Pension finance cost	17,000	12,000
Staff costs	124,499	109,397
Maintenance of premises and equipment	45,893	35,505
Cleaning	22,816	35,274
Energy	31,037	35,602
Rates	10,046	11,488
Catering supplies	50,203	28,283
Legal and professional	8,628	11,675
Non staff related insurance	16,595	7,461
Technology costs	21,622	33,513
Other support costs	49,515	46,947
Bank charges	2,330	1,529
Governance costs	16,120	12,650
	416,304	381,324

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	2,548	3,649
Depreciation of tangible fixed assets - owned by the charitable group	84,723	85,052
Fees paid to auditors for:		
- audit	6,650	6,450
- other services	7,800	6,200

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2022 £	Group 2021 £	Academy Trust 2022 £	Academy Trust 2021 £
Wages and salaries	846,845	780,558	846,845	780,558
Social security costs	79,173	63,348	79,173	63,348
Pension costs	288,076	234,953	288,076	234,953
	1,214,094	1,078,859	1,214,094	1,078,859
Agency staff costs	183	4,451	183	4,451
	1,214,277	1,083,310	1,214,277	1,083,310

b. Staff numbers

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

	Group 2022 No.	Group 2021 No.
Teachers	13	14
Administration and support	16	16
Management	1	1
	30	31

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff (continued)

c. Higher paid staff

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

	Group 2022 No.	Group 2021 No.
In the band £90,001 - £100,000	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £573,085 (2021 - £456,496).

11. Related Party Transactions - Trustees' remuneration and expenses

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

		2022 £	2021 £
Dave Rooney, Principal	Remuneration	90,000 - 95,000	90,000 - 95,000
	Pension contributions paid	20,000 - 25,000	15,000 - 20,000
Mary Gallop, Staff Trustee	Remuneration		0 - 5,000
	Pension contributions paid		0 - 5,000
Bianca Iasi, Staff Governor	Remuneration		5,000 - 10,000
	Pension contributions paid		0 - 5,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

12. Trustees' and officers' insurance

In accordance with normal commercial practice, the Group has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was included in the total insurance premium.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. Tangible fixed assets

Group and Academy Trust

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2021	3,917,058	353,862	231,726	4,502,646
Additions	176,070	14,822	51,608	242,500
At 31 August 2022	<u>4,093,128</u>	<u>368,684</u>	<u>283,334</u>	<u>4,745,146</u>
Depreciation				
At 1 September 2021	371,217	304,767	215,176	891,160
Charge for the year	44,354	20,919	19,450	84,723
At 31 August 2022	<u>415,571</u>	<u>325,686</u>	<u>234,626</u>	<u>975,883</u>
Net book value				
At 31 August 2022	<u><u>3,677,557</u></u>	<u><u>42,998</u></u>	<u><u>48,708</u></u>	<u><u>3,769,263</u></u>
At 31 August 2021	<u><u>3,545,841</u></u>	<u><u>49,095</u></u>	<u><u>16,550</u></u>	<u><u>3,611,486</u></u>

Included within long leasehold property is land at value of £1,711,984 (2021: £1,711,984) which is not depreciated.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. Fixed asset investments

Academy Trust

	Shares in group undertaking £
Academy Trust	
Cost or valuation	
At 1 September 2021	100
At 31 August 2022	100
Net book value	
At 31 August 2022	100
At 31 August 2021	100

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

15. Debtors

	Group 2022 £	Group 2021 £	Academy Trust 2022 £	Academy Trust 2021 £
Due within one year				
Trade debtors	204	13,625	204	-
Amounts owed by group undertakings	-	-	84,993	82,261
Other debtors	9,512	9,512	-	-
Prepayments and accrued income	51,463	152,571	51,463	152,571
VAT recoverable	22,236	14,164	22,236	14,164
	83,415	189,872	158,896	248,996

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NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Academy Trust 2022 £	Academy Trust 2021 £
Trade creditors	63,140	28,352	63,140	28,352
Other creditors	19,046	15,906	19,046	15,906
Accruals and deferred income	133,388	44,325	131,388	42,325
	215,574	88,583	213,574	86,583
	Group 2022 £	Group 2021 £	Academy Trust 2022 £	Academy Trust 2021 £
Deferred income at 1 September 2021	26,195	19,841	26,195	19,841
Resources deferred during the year	29,172	26,195	29,172	26,195
Amounts released from previous periods	(19,841)	(19,841)	(19,841)	(19,841)
	35,526	26,195	35,526	26,195

At the Balance Sheet date, the Academy Trust was holding funds received in advance for universal infant free school meals provision for September 2022 onwards.

17. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Academy Trust 2022 £	Academy Trust 2021 £
Other loans	12,272	-	12,272	-

Other loans relates to a Salix loan which is repayable over a number of years to ESFA with no interest due.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Statement of funds - Group

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	545,357	51,189	(22,680)	(17,958)	-	555,908
Lowbrook trading company	-	54,500	(2,904)	(51,596)	-	-
	<u>545,357</u>	<u>105,689</u>	<u>(25,584)</u>	<u>(69,554)</u>	<u>-</u>	<u>555,908</u>
Restricted fixed asset funds						
Fixed asset fund	3,611,486	-	(84,723)	242,500	-	3,769,263
Devolved formula capital	-	7,679	-	(7,679)	-	-
CIF grant	130,072	8,929	-	(139,001)	-	-
Insurance	-	13,994	-	(13,994)	-	-
Salix loan	-	-	-	(12,272)	-	(12,272)
	<u>3,741,558</u>	<u>30,602</u>	<u>(84,723)</u>	<u>69,554</u>	<u>-</u>	<u>3,756,991</u>
Restricted general funds						
General annual grant	98,408	1,350,310	(1,325,934)	-	-	122,784
Other DfE/ESFA	-	141,814	(141,814)	-	-	-
Other DfE/ESFA COVID-19	-	4,251	(4,251)	-	-	-
LA income	-	5,973	(5,973)	-	-	-
Other restricted income	-	37,260	(37,260)	-	-	-
Pension reserve	(978,000)	-	(115,000)	-	875,000	(218,000)
	<u>(879,592)</u>	<u>1,539,608</u>	<u>(1,630,232)</u>	<u>-</u>	<u>875,000</u>	<u>(95,216)</u>
Total funds	<u><u>3,407,323</u></u>	<u><u>1,675,899</u></u>	<u><u>(1,740,539)</u></u>	<u><u>-</u></u>	<u><u>875,000</u></u>	<u><u>4,217,683</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Statement of funds (continued)

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

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

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

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

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

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

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

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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18. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	471,944	49,674	(13,573)	37,312	-	545,357
Lowbrook trading company	-	54,425	(2,692)	(51,733)	-	-
	<u>471,944</u>	<u>104,099</u>	<u>(16,265)</u>	<u>(14,421)</u>	<u>-</u>	<u>545,357</u>
Restricted fixed asset funds						
Fixed asset fund	3,674,404	-	(85,052)	22,134	-	3,611,486
Devolved formula capital	-	7,713	-	(7,713)	-	-
CIF grant	-	130,072	-	-	-	130,072
	<u>3,674,404</u>	<u>137,785</u>	<u>(85,052)</u>	<u>14,421</u>	<u>-</u>	<u>3,741,558</u>
Restricted general funds						
General annual grant	-	1,233,750	(1,135,342)	-	-	98,408
Other DfE/ESFA	-	162,004	(162,004)	-	-	-
Catch-up premium	-	26,160	(26,160)	-	-	-
Other DfE/ESFA COVID-19	-	27,528	(27,528)	-	-	-
LA income	-	4,392	(4,392)	-	-	-
Other restricted income	-	20,442	(20,442)	-	-	-
Pension reserve	(739,000)	-	(79,000)	-	(160,000)	(978,000)
	<u>(739,000)</u>	<u>1,474,276</u>	<u>(1,454,868)</u>	<u>-</u>	<u>(160,000)</u>	<u>(879,592)</u>
Total funds	<u><u>3,407,348</u></u>	<u><u>1,716,160</u></u>	<u><u>(1,556,185)</u></u>	<u><u>-</u></u>	<u><u>(160,000)</u></u>	<u><u>3,407,323</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year - Group

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restrictd fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	3,769,263	3,769,263
Current assets	555,908	338,358	-	894,266
Creditors due within one year	-	(215,574)	-	(215,574)
Creditors due in more than one year	-	-	(12,272)	(12,272)
Provisions for liabilities and charges	-	(218,000)	-	(218,000)
Total	555,908	(95,216)	3,756,991	4,217,683

Analysis of net assets between funds - prior year - Group

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	3,611,486	3,611,486
Current assets	545,357	186,991	130,072	862,420
Creditors due within one year	-	(88,583)	-	(88,583)
Provisions for liabilities and charges	-	(978,000)	-	(978,000)
Total	545,357	(879,592)	3,741,558	3,407,323

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022	2021
	£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(64,640)	159,975
Adjustments for:		
Depreciation	84,723	85,052
Capital grants from DfE and other capital income	(30,602)	(137,785)
Interest receivable	(21)	(33)
Decrease in debtors	106,457	1,758
Increase/(decrease) in creditors	126,991	(20,033)
Pension adjustment	115,000	79,000
Net cash provided by operating activities	337,908	167,934

21. Cash flows from financing activities

	Group	Group
	2022	2021
	£	£
Cash inflows from new borrowing	12,272	-
Net cash provided by financing activities	12,272	-

22. Cash flows from investing activities

	Group	Group
	2022	2021
	£	£
Dividends, interest and rents from investments	21	33
Purchase of tangible fixed assets	(242,500)	(22,134)
Capital grants from DfE Group	16,608	7,713
Other capital income	13,994	-
Net cash used in investing activities	(211,877)	(14,388)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. Analysis of cash and cash equivalents

	Group 2022	Group 2021
	£	£
Cash in hand and at bank	810,851	672,548

24. Analysis of changes in net debt

	At 1 September 2021	Cash flows	At 31 August 2022
	£	£	£
Cash at bank and in hand	672,548	138,303	810,851
Debt due after 1 year	-	(12,272)	(12,272)
	672,548	126,031	798,579

25. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both the member and employer 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.

NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £138,560 (2021 - £120,870).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £60,000 (2021 - £52,000), of which employer's contributions totalled £48,000 (2021 - £40,000) and employees' contributions totalled £ 12,000 (2021 - £12,000). The agreed contribution rates for future years are 21.6% for employers and 12.5% for employees.

As described in note 1.15 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

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25. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.90%	3.85%
Rate of increase for pensions in payment/inflation	2.90%	2.85%
Discount rate for scheme liabilities	4.20%	1.70%
Inflation assumption (CPI)	2.90%	2.85%
RPI increases	3.90%	3.15%

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

	2022	2021
	Years	Years
Retiring today		
Males	21.0	23.8
Females	23.8	24.0
Retiring in 20 years		
Males	22.3	22.6
Females	25.3	25.4

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(22)	(45)
Discount rate -0.1%	22	47
Mortality assumption - 1 year increase	(20)	(53)
Mortality assumption - 1 year decrease	21	55
CPI rate +0.1%	22	45
CPI rate -0.1%	(22)	(43)

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25. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022	At 31 August 2021
	£	£
Equities	296,000	267,000
Bonds	73,000	78,000
Property	64,000	51,000
Cash and other liquid assets	8,000	9,000
Alternative assets	34,000	31,000
Total market value of assets	475,000	436,000

The actual return on scheme assets was £29,000 (2021 - £44,000).

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

	2022	2021
	£	£
Current service cost	(146,000)	(107,000)
Interest cost	(17,000)	(12,000)
Total	(163,000)	(119,000)

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

	2022	2021
	£	£
Opening defined benefit obligation	1,414,000	1,087,000
Actuarial (gains)/losses	(853,000)	198,000
Current service cost	146,000	107,000
Interest cost	24,000	18,000
Employee contributions	12,000	12,000
Benefits paid	(50,000)	(8,000)
Closing defined benefit obligation	693,000	1,414,000

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NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

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

	2022	2021
	£	£
Opening fair value of scheme assets	436,000	348,000
Actuarial gains	22,000	38,000
Interest on plan assets	7,000	6,000
Employee contributions	12,000	12,000
Benefits paid	(50,000)	(8,000)
Employer contributions	48,000	40,000
Closing fair value of scheme assets	475,000	436,000

	2022	2021
	£	£
The amount shown in the Consolidated Statement of Financial Activities is:		
Changes in financial assumptions	853,000	(198,000)
Return on plan assets	22,000	38,000
Actuarial gains/(losses) on defined benefit pension scheme	875,000	(160,000)

	2022	2021
	£	£
The amount shown in the Balance Sheet is:		
Present value of defined benefit obligation	(693,000)	(1,414,000)
Fair value of scheme assets	475,000	436,000
Defined benefit pension scheme liability	(218,000)	(978,000)

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26. Operating lease commitments

At 31 August 2022 the Group and the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Academy Trust 2022 £	Academy Trust 2021 £
Not later than 1 year	2,548	2,548	2,548	2,548
Later than 1 year and not later than 5 years	637	3,185	637	3,185
	3,185	5,733	3,185	5,733

27. Related party transactions

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

28. Principal subsidiaries

The following was a subsidiary undertaking of the Academy Trust:

Name	Company number	Principal activity	Holding	Included in consolidation
Lowbrook Trading Company Limited	07773819	Premises letting and fundraising	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets after Gift Aid £
Lowbrook Trading Company Limited	54,500	(2,904)	51,596	100

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

29. 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.