

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 – 5
Governance statement	6 – 8
Statement on regularity, propriety and compliance	9
Trustees' responsibilities statement	10
Independent auditors' report	11 – 12
Independent reporting accountant's assurance report on regularity	13 – 14
Consolidated Statement of Financial Activities	15
Consolidated Balance Sheet	16
Academy Balance Sheet	17
Cash flow statement	18
Notes to the financial statements	19 - 43

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015

Members

Ian Harvey
Christine Rogers
Dominique du Pre

Trustees (Governors)

Ian Harvey	Chair and Member
Dominique du Pre	Member
Christine Rogers	Member
Dave Rooney	Principal and Accounting Officer
Ian Harvey	Chair and Member
Christine Sherwood-Phelps	
Patricia Capp	
Mary Gallop	Staff Governor
Paul Harrison	
Julie Everard	Company secretary

Senior Management Team:

Dave Rooney	Principal
Mary Gallop	Assistant Principal
Charlotte Briffa	KS1 Team Leader
Pauline Reid	Business Manager
Paula West/Kay Redjeb	HLTA Representatives
Julie Everard	Office Manager/Clerk

Company Name Lowbrook Academy Trust

Principal and registered office

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

Company registered number

07533254 (England & Wales)

Independent auditors

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

Bankers

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

Solicitors

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

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the financial statements and auditors' reports of the charitable company for the year ended /period to 31 August 2015. The annual report serves the purposes of both a trustees report, and a directors' report under company law.

The trust operates an academy for pupils aged 4 to 11 serving a catchment area in Maidenhead. It has a pupil capacity of 210 and had a roll of 268 in the school census on 21st May 2015.

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 Academy.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page one.

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 £783.25.

Principal Activities

The principal object of the charitable company is the operation of Lowbrook Academy to provide education for pupils of different abilities between the ages of 4 and 11.

The main objectives of the Academy during the year ended 31 August 2015 are summarised below:

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

Method of Recruitment and Appointment or Election of Trustees

Parent governors are elected or appointed and non-parent governors are appointed.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All new Trustees will be given a tour of the Academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are not normally many new Trustees 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 Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team includes the Principal, Head of School, Business Manager, Office Manager/Clerk, Key Stage Leader 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.

Related Parties and other Connected Organisations

Lowbrook Academy is part of the West 7 collaboration of schools. There is no legal agreement between this group; however resources and expertise are shared so as to enhance our capability to meet the academy's object.

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

Objectives, Strategies and Activities

- To improve higher level reading standards across the school;
- To embed the new ICT vision and equipment into the curriculum;
- To ensure that 75% of teaching is Outstanding;
- To further develop the innovative curriculum, resources and grounds within the Academy;
- To obtain best value in purchasing of resources and services;
- To regularly benchmark the school's financial performance against that of other local schools and other schools of similar size, location, ethnic and deprivation indexes;
- To ensure that financial resources are maximised so that educational resources are available to raise standards of pupil achievement;
- To maintain 3 year budget planning with the aims of incorporating all priorities identified within the school's development plan;
- To budget for a rolling programme of improvement to the internal and external decoration of the school without detriment to the wider aims of raising pupils' attainments

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Public Benefit

The Trustees 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

The academy maintains its outstanding rating by Ofsted and consistently performs in the top 20% of schools for attainment and progress. The school has a wide ranging extra-curricular activity programme of provision for the children and has represented the Local Authority at county level in sporting fixtures for rugby and cricket.

Key Performance Indicators

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

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.

Reserves Policy

The Trustees 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 Trustees wish to maintain unrestricted funds at year end towards future projects.

At 31 August 2015 the total funds comprised:

Unrestricted	314,928
Restricted:	
Fixed asset funds	3,314,864
GAG	33,509
Pension reserve	(160,000)
Other	26,239
	<u>3,529,540</u>

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 28. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Trustees, and represent 3 month's worth of Academy expenditure. The aim of the Trustees is to increase this reserve to meet future working capital requirements.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Investment Policy

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 principal risks facing the Academy are:

- Reputational risk – mitigated by...
- Performance risk – mitigated by...
- Financial risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The risks presented here are mitigated by...
- Risks associated with personnel – mitigated by...

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

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

PLANS FOR FUTURE PERIODS

- Continued maintenance and development of the buildings and outdoor areas
- To develop an additional classroom for music, drama and sports
- Continue high investment in ICT and innovation to enhance learning

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

Auditor

In so far as the trustees are aware:

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

MHA MacIntyre Hudson are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Trustees report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2015 and signed on the board's behalf by:

Ian Harvey
Chair of Trustees

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

SCOPE OF RESPONSIBILITY

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

The Governing Body has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform to 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 and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees Report and in the Statement of Trustees Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Ian Harvey (Chair)	3	4
Dominique du Pre	4	4
Christine Rogers	4	4
Christine Sherwood-Phelps	2	4
Pat Capp	2	4
Mary Gallop (Staff Governor)	4	4
Paul Harrison	2	4
Dave Rooney (Principal and accounting officer)	4	4

The trust intends to conduct a self evaluation of governance in the October 2015 meeting.

The Finance, Sites and Buildings Committee is a sub-committee of the main Governing Body. Its purpose is to assist the decision-making of the Governing Body by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the academy's finances, site, buildings and resources, including proper planning, monitoring and probity. The committee also makes appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

Attendance at the meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Christine Rogers (Chair)	5	5
Ian Harvey	3	5
Christine Sherwood-Phelps	5	5
Paul Harrison	4	5
Mary Gallop (Staff Governor)	5	5
Dave Rooney (Principal and Accounting officer)	5	5

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

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

REVIEW OF VALUE FOR MONEY

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

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

- Promoting fair competition through quotation and tendering
- Monitor outcomes and compare performance with similar schools
- Budget monitoring by Governors and Senior Leadership Team

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy's 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 for the year from 1st September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year from 1 September 2014 to 31 August 2015 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, Sites and Building 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.

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

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Niamh Hutton of Accounting and Office Administration Services, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities. The RO function has been fully delivered in line with the EFA's requirements.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Principal 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 Responsible Officer;
- 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 academy has a Responsible Officer who effectively undertakes her function with the school. Monthly finance meetings are held and accounts are monitored and reported upon. Audits are effectively conducted by external accountancy firms and effective financial policies are in place within the school ensuring financial risk is minimised.

The Principal oversees all financial practices within the school, evaluates these against KPIs, sets future continuous improvement plans and makes financial recommendations for the Governing Body to consider.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Sites and Buildings Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees 17 December 2015 and signed on its behalf by:

.....
Ian Harvey
Chair of Trustees

.....
Dave Rooney
Accounting Officer

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2015

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

I confirm that I and the Academy Trust's Governing Body 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.

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

Signed

.....
Dave Rooney
Accounting Officer

17 December 2015

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of its incoming resources and application of resources, including its 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;
- make judgments 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 charitable Group will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company and the Group applies 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 EFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable 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 Governing Body on 17 December 2015 and signed on its behalf by:

Ian Harvey
Chair of Trustees

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOWBROOK ACADEMY TRUST

We have audited the financial statements of Lowbrook Academy Trust for the year ended 31 August 2015 which comprise the Group Statement of Financial Activities, the Group and Academy Trust Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable Academy Trust's affairs as at 31 August 2015 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LOWBROOK ACADEMY TRUST

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the parent charitable Academy Trust has not kept adequate and sufficient accounting records; or
- the parent charitable 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.

Bianca Silva ACA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Abbey Place
24 - 28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT
18 December 2015

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 10 July 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, 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 2014 to 31 August 2015 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 EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lowbrook Academy Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lowbrook Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF LOWBROOK ACADEMY TRUST'S ACCOUNTING OFFICER AND
THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Lowbrook Academy Trust's funding agreement with the Secretary of State for Education dated 31 March 2011, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw 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;

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

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

- testing of a sample of grants received and other income streams;
- evaluating the internal control procedures and reporting lines.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

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

18 December 2015

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	3	22,015	-	-	22,015	88,818
Activities for generating funds	4	216,884	-	-	216,884	204,088
Investment income	5	506	-	-	506	918
Incoming resources from charitable activities	6	-	1,085,179	64,416	1,149,595	1,096,842
TOTAL INCOMING RESOURCES		239,405	1,085,179	64,416	1,389,000	1,390,666
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income	7	32,069	-	-	32,069	28,170
Charitable activities	9	66,594	1,066,782	87,731	1,221,107	1,150,203
Governance costs	10	-	7,700	-	7,700	7,550
TOTAL RESOURCES EXPENDED	8	98,663	1,074,482	87,731	1,260,876	1,185,923
NET INCOMING RESOURCES BEFORE TRANSFERS		140,742	10,697	(23,315)	128,124	204,743
Transfers between Funds	22	(140,546)	-	140,546	-	-
NET INCOME FOR THE YEAR		196	10,697	117,231	128,124	204,743
Actuarial gains and losses on defined benefit pension schemes		-	(5,000)	-	(5,000)	(18,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		196	5,697	117,231	123,124	186,743
<i>Total funds at 1 September 2014</i>		314,732	(105,949)	3,197,633	3,406,416	3,219,673
TOTAL FUNDS AT 31 AUGUST 2015		314,928	(100,252)	3,314,864	3,529,540	3,406,416

All activities relate to continuing operations.

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

The notes on pages 19 to 43 form part of these financial statements.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	16		3,258,472		3,197,633
CURRENT ASSETS					
Stocks	18	-		1,856	
Debtors	19	55,391		70,176	
Cash at bank		560,692		387,234	
			<u>616,083</u>	<u>459,266</u>	
CREDITORS: amounts falling due within one year	20	(185,015)		(101,509)	
NET CURRENT ASSETS			<u>431,068</u>		<u>357,757</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,689,540</u>		<u>3,555,390</u>
CREDITORS: amounts falling due after more than one year	21		-		(12,974)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>3,689,540</u>		<u>3,542,416</u>
Defined benefit pension scheme liability	28		(160,000)		(136,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>3,529,540</u>		<u>3,406,416</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	22	59,748		30,051	
Restricted fixed asset funds	22	3,314,864		3,197,633	
			<u>3,374,612</u>	<u>3,227,684</u>	
Restricted funds excluding pension liability				3,227,684	
Pension reserve		(160,000)		(136,000)	
			<u>3,214,612</u>	<u>3,091,684</u>	
Total restricted funds			<u>3,214,612</u>		<u>3,091,684</u>
Unrestricted funds	22		314,928		314,732
TOTAL FUNDS			<u>3,529,540</u>		<u>3,406,416</u>

The financial statements were approved by the Trustees, and authorised for issue, on 17 December 2015 and are signed on their behalf, by:

Ian Harvey
Chair of Trustees

Dave Rooney
Accounting officer

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

ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	16		3,258,472		3,197,633
Investments	17		100		100
			<u>3,258,572</u>		<u>3,197,733</u>
CURRENT ASSETS					
Debtors	19	118,106		120,255	
Cash at bank		487,983		336,652	
		<u>606,089</u>		<u>456,907</u>	
CREDITORS: amounts falling due within one year	20	<u>(175,121)</u>		<u>(99,250)</u>	
NET CURRENT ASSETS			<u>430,968</u>		<u>357,657</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,689,540</u>		<u>3,555,390</u>
CREDITORS: amounts falling due after more than one year	21		<u>-</u>		<u>(12,974)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>3,689,540</u>		<u>3,542,416</u>
Defined benefit pension scheme liability	28		<u>(160,000)</u>		<u>(136,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>3,529,540</u>		<u>3,406,416</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	22	59,748		30,051	
Restricted fixed asset funds	22	3,314,864		3,197,633	
Restricted funds excluding pension asset		<u>3,374,612</u>		<u>3,227,684</u>	
Pension reserve		<u>(160,000)</u>		<u>(136,000)</u>	
Total restricted funds			<u>3,214,612</u>		<u>3,091,684</u>
Unrestricted funds	22		<u>314,928</u>		<u>314,732</u>
TOTAL FUNDS			<u>3,529,540</u>		<u>3,406,416</u>

The financial statements were approved by the Trustees, and authorised for issue, on 17 December 2015 and are signed on their behalf, by:

Ian Harvey
Chair of Trustees

Dave Rooney
Accounting officer

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	24	290,041	8,631
Returns on investments and servicing of finance	25	506	918
Capital expenditure and financial investment	25	(83,089)	20,692
CASH INFLOW BEFORE FINANCING		207,458	30,241
Financing	25	(34,000)	(30,000)
INCREASE IN CASH IN THE YEAR		173,458	241

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase in cash in the year	173,458	241
Cash outflow from decrease in debt and lease financing	34,000	30,000
MOVEMENT IN NET FUNDS IN THE YEAR	207,458	30,241
Net funds at 1 September 2014	353,234	322,993
NET FUNDS AT 31 AUGUST 2015	560,692	353,234

The notes on pages 19 to 43 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 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

The Statement of Financial Activities (SOFA) and 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.

No separate SOFA has been presented for the Academy Trust alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

1.2 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

1.3 Incoming resources

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

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

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

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

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

1.4 Resources expended

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the Academy Trust's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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 one year from the date of approval of the financial statements.

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 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The income and expenditure account for the year dealt with in the accounts of the Academy Trust was £123,124 (2014 - £186,744).

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All tangible fixed assets costing more than £200 are capitalised at cost and are carried at cost net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet.

Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The cost of tangible fixed assets transferred on conversion to Academy Trust status is stated as follows:

- land and buildings at their depreciated replacement cost based on a professional valuation;
- other assets at their depreciated value as at the date of conversion.

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

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold property	-	2% per annum on cost
Furniture and equipment	-	20 - 33% per annum on cost
Computer equipment	-	33% per annum on cost

1.7 Investments

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

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.8 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended at 31 August 2015.

3. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Donations	22,015	-	22,015	88,818
	<u>22,015</u>	<u>-</u>	<u>22,015</u>	<u>88,818</u>

4. FUNDRAISING INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Catering income	1,478	-	1,478	1,422
Trading subsidiary operations	86,357	-	86,357	78,928
School clubs	68,441	-	68,441	54,361
Placement students	1,968	-	1,968	3,210
Consultancy	48,795	-	48,795	58,096
Other income	9,845	-	9,845	8,071
	<u>216,884</u>	<u>-</u>	<u>216,884</u>	<u>204,088</u>

5. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Investment income	506	-	506	918
	<u>506</u>	<u>-</u>	<u>506</u>	<u>918</u>

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

6. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General annual grant (GAG)	-	969,679	969,679	917,133
Pupil premium	-	13,892	13,892	8,366
Other DfE grants	-	21,441	21,441	9,035
Capital grants	-	57,457	57,457	19,666
	-	1,062,469	1,062,469	954,200
Other government grants				
SEN funding	-	58,299	58,299	33,043
Other local authority grants	-	-	-	800
LA Capital Income	-	-	-	67,690
	-	58,299	58,299	101,533
Other funding				
School trips	-	28,827	28,827	41,110
	-	28,827	28,827	41,110
	-	1,149,595	1,149,595	1,096,843

7. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Trading subsidiary operations	21,233	-	21,233	11,372
Costs of generating funds	4,650	-	4,650	4,307
Voluntary income staff costs	6,186	-	6,186	12,491
	32,069	-	32,069	28,170

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

8. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	<i>Total</i>
	2015	2015	2015	2015	<i>2014</i>
	£	£	£	£	£
Costs of generating voluntary income	6,186	-	25,883	32,069	28,170
Costs of generating funds	6,186	-	25,883	32,069	<i>28,170</i>
Direct costs	680,570	30,171	184,961	895,702	905,800
Support costs	127,068	84,418	113,919	325,405	244,403
Charitable activities	807,638	114,589	298,880	1,221,107	<i>1,150,203</i>
Governance	-	-	7,700	7,700	<i>7,550</i>
	813,824	114,589	332,463	1,260,876	<i>1,185,923</i>

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

9. CHARITABLE ACTIVITIES

	Total funds 2015	<i>Total funds 2014</i>
	£	£
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs	680,570	662,557
Depreciation	86,666	86,729
Staff development	14,760	9,854
Educational supplies	65,429	52,992
School trip expenditure	36,303	41,854
Educational consultancy	1,000	155
Other direct costs	10,974	9,718
Technology costs	-	41,941
	895,702	905,800
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	127,068	115,024
Pension finance cost	4,000	5,000
Maintenance of premises and equipment	38,783	26,733
Cleaning	2,353	2,881
Energy	23,743	16,325
Rates	8,429	8,414
Catering supplies	46,302	7,030
Legal and professional	13,253	7,825
Non staff related insurance	11,634	12,227
Technology costs	20,568	10,520
Other support costs	28,918	32,424
Bank charges	354	-
	325,405	244,403
	1,221,107	1,150,203

10. GOVERNANCE COSTS

	Unrestricted funds 2015	Restricted funds 2015	Total funds 2015	<i>Total funds 2014</i>
	£	£	£	£
Auditors' remuneration	-	7,700	7,700	7,550
	-	7,700	7,700	7,550

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

11. NET INCOMING RESOURCES

This is stated after charging:

	2015	<i>2014</i>
	£	£
Depreciation of tangible fixed assets:		
- owned by the charitable group	86,666	<i>86,729</i>
Auditors' remuneration - audit	5,500	<i>5,500</i>
Auditors' remuneration - accountancy support	2,200	<i>2,050</i>
Operating leases - other	6,125	<i>6,027</i>
Staff pension contributions	87,910	<i>87,037</i>
	=====	=====

12. STAFF

a. Staff costs

Staff costs were as follows:

	2015	<i>2014</i>
	£	£
Wages and salaries	696,213	<i>677,551</i>
Social security costs	29,701	<i>25,484</i>
Other pension costs (Note 28)	87,910	<i>87,037</i>
	=====	=====
	813,824	<i>790,072</i>
	=====	=====

b. Staff numbers

The average number of persons employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	2015	<i>2014</i>
	No.	No.
Teachers	10	<i>10</i>
Administration and support	11	<i>10</i>
Management	1	<i>2</i>
	=====	=====
	22	<i>22</i>
	=====	=====

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. STAFF (continued)

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015	<i>2014</i>
	No.	<i>No.</i>
In the band £70,001 - £80,000	0	<i>1</i>
In the band £80,001 - £90,000	1	<i>0</i>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this staff member amounted to £11,946 (2014: £9,999).

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 2 Trustees (*2014 - 2*) in respect of defined benefit pension schemes.

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 other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2015	<i>2014</i>
	£	<i>£</i>
David Rooney (Principal)	80,000-85,000	<i>70,000-75,000</i>
Mary Gallop (Staff Governor)	45,000-50,000	<i>40,000-45,000</i>

Employer's pension contributions for the above employees amounted to £18,960 (2014: £15,736).
During the year, no Trustees received any reimbursement of expenses (2014 - £NIL).

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was included in the total insurance cost of £11,190 (*2014 - £680, trustee insurance cost only*).

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

15. PENSION FINANCE COST

	2015 £	2014 £
Expected return on pension scheme assets	7,000	6,000
Interest on pension scheme liabilities	(11,000)	(11,000)
	(4,000)	(5,000)

16. TANGIBLE FIXED ASSETS

	Long leasehold property £	Fixtures and fittings £	Computer equipment £	Assets under construction £	Total £
Group Cost					
At 1 September 2014	3,153,792	184,669	106,459	-	3,444,920
Additions	23,705	11,981	24,153	87,666	147,505
At 31 August 2015	3,177,497	196,650	130,612	87,666	3,592,425
Depreciation					
At 1 September 2014	94,099	83,303	69,885	-	247,287
Charge for the year	29,711	27,891	29,064	-	86,666
At 31 August 2015	123,810	111,194	98,949	-	333,953
Net book value					
At 31 August 2015	3,053,687	85,456	31,663	87,666	3,258,472
<i>At 31 August 2014</i>	3,059,693	101,366	36,574	-	3,197,633

Additions to land and buildings comprise a new classroom, and assets under construction is also for an additional classroom.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

Academy trust	Long leasehold property £	Fixtures and fittings £	Computer equipment £	Assets under construction £	Total £
Cost					
At 1 September 2014	3,153,792	184,669	106,459	-	3,444,920
Additions	23,705	11,981	24,153	87,666	147,505
At 31 August 2015	<u>3,177,497</u>	<u>196,650</u>	<u>130,612</u>	<u>87,666</u>	<u>3,592,425</u>
Depreciation					
At 1 September 2014	94,099	83,303	69,885	-	247,287
Charge for the year	29,711	27,891	29,064	-	86,666
At 31 August 2015	<u>123,810</u>	<u>111,194</u>	<u>98,949</u>	<u>-</u>	<u>333,953</u>
Net book value					
At 31 August 2015	<u>3,053,687</u>	<u>85,456</u>	<u>31,663</u>	<u>87,666</u>	<u>3,258,472</u>
At 31 August 2014	<u>3,059,693</u>	<u>101,366</u>	<u>36,574</u>	<u>-</u>	<u>3,197,633</u>

17. FIXED ASSET INVESTMENTS

Academy trust	Shares in group undertakings £	
Cost		
At 1 September 2014 and 31 August 2015		<u>100</u>
Academy trust investments at cost comprise:		
	2015	2014
	£	£
Lowbrook Trading Company Limited	<u>100</u>	<u>100</u>

All the fixed asset investments are held in the UK.

18. STOCKS

	Group		Academy trust	
	2015 £	2014 £	2015 £	2014 £
Stock	-	1,856	-	-

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

19. DEBTORS

	<u>Group</u>		<u>Academy trust</u>	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	12,294	37,254	11,411	21,903
Amounts owed by group undertakings	-	-	63,599	65,815
Other debtors	-	485	-	100
Prepayments and accrued income	17,827	15,021	17,827	15,021
VAT recoverable	25,270	17,416	25,269	17,416
	<u>55,391</u>	<u>70,176</u>	<u>118,106</u>	<u>120,255</u>

20. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Academy trust</u>	
	2015 £	2014 £	2015 £	2014 £
Loan from Royal Borough of Windsor and Maidenhead	-	34,000	-	34,000
Trade creditors	39,570	33,939	31,276	31,682
Taxation and social security	12,909	12,942	12,909	12,942
Accruals and deferred income	132,536	20,628	130,936	20,626
	<u>185,015</u>	<u>101,509</u>	<u>175,121</u>	<u>99,250</u>

The loan was provided to the predecessor school by the Royal Borough of Windsor and Maidenhead, and was repaid by March 2015 in accordance with the agreement.

	<u>Group</u>	<u>Academy trust</u>
	£	£
Deferred income		
Deferred income at 1 September 2014	25,948	25,948
Resources deferred during the year	32,210	32,210
Amounts released from previous years	(25,948)	(25,948)
Deferred income at 31 August 2015	<u>32,210</u>	<u>32,210</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal infant free school meals provision for September 2015 onwards.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. CREDITORS:
Amounts falling due after more than one year

	Group		Academy trust	
	2015 £	2014 £	2015 £	2014 £
Deferred income	-	12,974	-	12,974

22. STATEMENT OF FUNDS - GROUP

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
General Funds	314,732	152,835	(77,430)	(75,209)	-	314,928
Lowbrook trading company	-	86,570	(21,233)	(65,337)	-	-
	<u>314,732</u>	<u>239,405</u>	<u>(98,663)</u>	<u>(140,546)</u>	<u>-</u>	<u>314,928</u>
Restricted funds						
General annual grant	36,079	969,679	(930,773)	(41,476)	-	33,509
Predecessor school	26,239	-	-	-	-	26,239
Other DFE/EFA						
Income	1,733	28,374	(30,107)	-	-	-
Royal Borough loan	(34,000)	-	-	34,000	-	-
School trips	-	28,827	(36,303)	7,476	-	-
LA income	-	58,299	(58,299)	-	-	-
Pension reserve	(136,000)	-	(19,000)	-	(5,000)	(160,000)
	<u>(105,949)</u>	<u>1,085,179</u>	<u>(1,074,482)</u>	<u>-</u>	<u>(5,000)</u>	<u>(100,252)</u>
Restricted fixed asset funds						
Fixed asset fund	3,197,633	-	(86,666)	147,505	-	3,258,472
Condition improvement fund	-	57,457	(1,065)	-	-	56,392
Devolved formula capital	-	6,959	-	(6,959)	-	-
	<u>3,197,633</u>	<u>64,416</u>	<u>(87,731)</u>	<u>140,546</u>	<u>-</u>	<u>3,314,864</u>
Total restricted funds	<u>3,091,684</u>	<u>1,149,595</u>	<u>(1,162,213)</u>	<u>140,546</u>	<u>(5,000)</u>	<u>3,214,612</u>
Total of funds	<u><u>3,406,416</u></u>	<u><u>1,389,000</u></u>	<u><u>(1,260,876)</u></u>	<u><u>-</u></u>	<u><u>(5,000)</u></u>	<u><u>3,529,540</u></u>

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

22. STATEMENT OF FUNDS - GROUP (continued)

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

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.

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 Funding Authority by 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 LGPS deficit 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.

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

Transfers reflect amounts capitalised during the period and the repayment of a loan from Royal Borough of Windsor and Maidenhead.

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. Note 2 discloses whether the limit was exceeded.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

STATEMENT OF FUNDS - ACADEMY

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ losses £	Carried forward £
Unrestricted funds						
General funds	314,732	218,172	(77,430)	(140,546)	-	314,928
	<u>314,732</u>	<u>218,172</u>	<u>(77,430)</u>	<u>(140,546)</u>	<u>-</u>	<u>314,928</u>
Restricted funds						
General Annual Grant (GAG)	36,079	969,679	(930,773)	(41,476)	-	33,509
Predecessor school	26,239	-	-	-	-	26,239
Other DfE/EFA grants	1,733	28,374	(30,107)	-	-	-
Pension reserve	(136,000)	-	(19,000)	-	(5,000)	(160,000)
Royal Borough loan	(34,000)	-	-	34,000	-	-
LA income	-	58,299	(58,299)	-	-	-
School trips	-	28,827	(36,303)	7,476	-	-
	<u>(105,949)</u>	<u>1,085,179</u>	<u>(1,074,482)</u>	<u>-</u>	<u>(5,000)</u>	<u>(100,252)</u>
Restricted fixed asset funds						
Fixed asset fund	3,197,633	-	(86,666)	147,505	-	3,258,472
Condition improvement fund	-	57,457	(1,065)	-	-	56,392
Devolved formula capital	-	6,959	-	(6,959)	-	-
	<u>3,197,633</u>	<u>64,416</u>	<u>(87,731)</u>	<u>140,546</u>	<u>-</u>	<u>3,314,864</u>
Total restricted funds	<u>3,091,684</u>	<u>1,149,595</u>	<u>(1,162,213)</u>	<u>140,546</u>	<u>(5,000)</u>	<u>3,214,612</u>
Total	<u><u>3,406,416</u></u>	<u><u>1,367,767</u></u>	<u><u>(1,239,643)</u></u>	<u><u>-</u></u>	<u><u>(5,000)</u></u>	<u><u>3,529,540</u></u>

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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.

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 Funding Authority by 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 LGPS deficit 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.

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

Transfers reflect amounts capitalised during the period and the repayment of a loan from Royal Borough of Windsor and Maidenhead.

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. Note 2 discloses whether the limit was exceeded.

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
General funds	314,732	239,405	(98,663)	(140,546)	-	314,928
Restricted funds	(105,949)	1,085,179	(1,074,482)	-	(5,000)	(100,252)
Restricted fixed asset funds	3,197,633	64,416	(87,731)	140,546	-	3,314,864
	<u>3,406,416</u>	<u>1,389,000</u>	<u>(1,260,876)</u>	<u>-</u>	<u>(5,000)</u>	<u>3,529,540</u>

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	3,258,472	3,258,472	3,197,633
Current assets	314,928	244,763	56,392	616,083	459,266
Creditors due within one year	-	(185,015)	-	(185,015)	(101,509)
Creditors due in more than one year	-	-	-	-	(12,974)
Pension liability	-	(160,000)	-	(160,000)	(136,000)
	<u>314,928</u>	<u>(100,252)</u>	<u>3,314,864</u>	<u>3,529,540</u>	<u>3,406,416</u>

24. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	128,124	204,743
Returns on investments and servicing of finance	(506)	(918)
Depreciation of tangible fixed assets	86,666	86,729
Capital grants from DfE and others	(64,416)	(173,068)
Decrease in stocks	1,856	1,378
Decrease/(increase) in debtors	14,685	(35,156)
Increase/(decrease) in creditors	104,632	(97,077)
FRS 17 adjustments	19,000	22,000
Net cash inflow from operations	<u>290,041</u>	<u>8,631</u>

25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>506</u>	<u>918</u>

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(147,505)	(152,376)
Capital grants received from others	-	153,402
Capital grants from DfE	64,416	19,666
	(83,089)	20,692
	(83,089)	20,692
	2015 £	2014 £
Financing		
Repayment of loans	(34,000)	(30,000)
	(34,000)	(30,000)
	(34,000)	(30,000)

26. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	387,234	173,458	-	560,692
Debt:				
Debts due within one year	(34,000)	34,000	-	-
	353,234	207,458	-	560,692
Net funds	353,234	207,458	-	560,692

27. CAPITAL COMMITMENTS

At 31 August 2015 the Group and Academy Trust had capital commitments as follows:

	Group and Academy trust	
	2015 £	2014 £
Contracted for but not provided in these financial statements	283,975	-
	283,975	-
	283,975	-

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS

The Group's employees belong to two principal pension schemes: the Teacher's Pension Scheme for 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 Borough of Windsor and Maidenhead. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

The pension costs paid to TPS in the period amounted to £58,863 (2014: £48,240).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a 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 scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £38,000, of which employer's contributions totalled £28,000 and employees' contributions totalled £10,000. The agreed contribution rates for future years are 16.6% for employers and between 5.5% and 12.5% for employees.

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

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	<i>Expected return at 31 August 2014 %</i>	<i>Fair value at 31 August 2014 £</i>
Equities	7.10	66,000	6.70	44,000
Bonds	3.40	18,000	3.60	15,000
Property	6.00	19,000	5.50	13,000
Gilts	2.60	2,000	3.00	1,000
Cash	2.30	7,000	2.90	4,000
Alternative assets	4.78	32,000	4.98	27,000
Total market value of assets		144,000		<i>104,000</i>
Present value of scheme liabilities		(304,000)		<i>(240,000)</i>
Deficit in the scheme		(160,000)		<i>(136,000)</i>

The expected rate of return is estimated to be 5.9% per the actuarial report based on the estimated fund value used at the accounting date.

The actual return on scheme assets was £2,000 (2014: £11,000).

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance Sheet are as follows:

	2015	<i>2014</i>
	£	£
Present value of funded obligations	(304,000)	<i>(240,000)</i>
Fair value of scheme assets	144,000	<i>104,000</i>
	<hr/>	<hr/>
Net liability	(160,000)	<i>(136,000)</i>
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	<i>2014</i>
	£	£
Current service cost	(43,000)	<i>(40,000)</i>
Interest on obligation	(11,000)	<i>(11,000)</i>
Expected return on scheme assets	7,000	<i>6,000</i>
Past service cost	(531)	<i>(478)</i>
	<hr/>	<hr/>
Total	(47,531)	<i>(45,478)</i>
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	<i>2014</i>
	£	£
Opening defined benefit obligation	240,000	<i>200,000</i>
Current service cost	43,000	<i>40,000</i>
Interest cost	11,000	<i>11,000</i>
Contributions by scheme participants	10,000	<i>8,000</i>
Actuarial gains	-	<i>(19,000)</i>
	<hr/>	<hr/>
Closing defined benefit obligation	304,000	<i>240,000</i>
	<hr/> <hr/>	<hr/> <hr/>

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening fair value of scheme assets	104,000	104,000
Expected return on assets	7,000	6,000
Actuarial gains and (losses)	(5,000)	(37,000)
Contributions by employer	28,000	23,000
Contributions by employees	10,000	8,000
	<u>144,000</u>	<u>104,000</u>

The cumulative amount of actuarial gains and losses recognised in the Consolidated Statement of Total Recognised Gains and Losses was £(67,000) (2014 - £(62,000)).

The Group expects to contribute £30,000 to its Defined Benefit Pension Scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
Equities	7.10 %	6.70 %
Gilts	2.60 %	3.00 %
Other bonds	3.40 %	3.60 %
Property	6.00 %	5.50 %
Cash	2.30 %	2.90 %
Target return portfolio	6.30 %	6.70 %
Commodities	7.10 %	6.70 %
Infrastructure	3.40 %	3.60 %
Longevity insurance	2.30 %	2.90 %

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Rate of increase in salaries	4.50 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.70 %	2.70 %
RPI increases	3.60 %	3.50 %

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.8	22.7
Females	26.1	26.0
Retiring in 20 years		
Males	25.1	24.9
Females	28.4	28.3

Amounts for the current and previous three periods are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(304,000)	(240,000)	(200,000)	(139,000)
Scheme assets	144,000	104,000	104,000	72,000
Deficit	<u>(160,000)</u>	<u>(136,000)</u>	<u>(96,000)</u>	<u>(67,000)</u>
Experience adjustments on scheme liabilities	-	31,000	-	-
Experience adjustments on scheme assets	<u>(5,000)</u>	<u>(37,000)</u>	<u>2,000</u>	<u>(1,000)</u>

29. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
Group	2015 £	2014 £	2015 £	2014 £
Expiry date:				
Within 1 year	-	-	4,971	-
Between 2 and 5 years	-	-	1,154	6,125
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

LOWBROOK ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

30. RELATED PARTY TRANSACTIONS

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

Other than as disclosed in note 13, there were no related party transactions (2014: £nil).

31. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding
Lowbrook Trading Company	England and Wales	100

32. 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.