



UNIVERSITY OF LINCOLN

ACADEMY TRUST

formerly known as The Lincolnshire Educational Trust Limited

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

UNIVERSITY OF LINCOLN ACADEMY TRUST
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021**

Members

Prof M Stuart CBE (Chair) *Resigned 30 September 2021*

Prof N Juster (Chair) *Appointed 1 October 2021*

Prof T Wilkinson *Resigned 3 December 2020*

Mr S Parkes

Mr M Tinsley

Ms D Meale

Prof A Hunter *Appointed 3 December 2020*

Trustees

Prof T Wilkinson (Chair) *Resigned 3 December 2020*

Prof A Hunter (Chair) *Appointed 3 December 2020*

Ms M Allison (Vice Chair) (Safeguarding Trustee)

Prof V Braybrooks MBE (Chair Audit and Risk Committee)

Mr W Naylor

Mr A Robinson

Mr K Batty

Mr E Libbey

Prof D French

Mr A Breckon *Appointed 12 October 2020*

Company registered number

07647805 (England and Wales)

Company name

University of Lincoln Academy Trust

Principal and registered office

c/o Vice Chancellor's Office, University of Lincoln, Brayford Pool, Lincoln, Lincolnshire, LN6 7TS

Senior leadership team

Mr A Breckon (CEO)

Mr S Baragwanath (DCEO) (Executive Principal UAH and UALS)

Miss S Paige (Principal UAH)

Mrs S Boor (Executive Principal HPA and HBA)

Mrs L Stanton (Executive Principal GHA)

Mr L Davé (Principal UALS)

Mrs C Hamblett (CFO) *Resigned 31 August 2021*

Mr B Mawford (CFO) *Appointed 1 September 2021*

Independent external auditor

Duncan and Toplis Ltd, 15 Chequergate, Louth, Lincs, LN11 0LJ

Independent internal auditor

Forrester Boyd, Waynflete House, 139 Eastgate, Louth, Lincs, LN11 9QQ

Bankers

Lloyds Bank Plc, High Street, Lincoln, LN5 7AP

Solicitors

Pinsent Masons LLP, 3 Colmore Circus, Birmingham, B4 6BH

UNIVERSITY OF LINCOLN ACADEMY TRUST

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

Introduction

The academies year 2020/21 was a very demanding year with Covid-19 dominating our academies throughout the year. All schools were closed except for key worker children and vulnerable children from 5 January 2021 to 8 March 2021 for primary and special schools and 15 March 2021 for secondary academies. The level of disruption was very significant but our staff did a magnificent job showing resilience and a high level of commitment to supporting all young people in our academies with the development of first class online or remote learning in a manner that best supported children and their families.

In addition, the Members funded a major review of the Trust by a former senior DfE officer, which was reported in December 2020. This coincided with the resignation of the Chair of the Trust as he moved to a new post overseas and Professor Andrew Hunter, Deputy Vice Chancellor of University of Lincoln, became the new Chair. The Board then oversaw a series of changes which were shared with the Regional Schools Commissioner before implementation. An outcome of the review was the recommendation that the Trust changed its name from The Lincolnshire Educational Trust Limited to University of Lincoln Academy Trust (UoLAT), this occurred on 12 May 2021.

A report on the impact of Covid-19 and the strategic changes to the Trust will be provided in the strategic report.

Development of the Trust

The Trust was formed in 2014 when University Academy Holbeach agreed to become a Multi-Academy Trust (MAT) and was renamed and gained new articles of association and funding agreement.

University Academy Holbeach is an 11 to 19 academy based in Holbeach, in South East Lincolnshire. The academy was established in 2011 following the closure of the St Guthlac's School in Crowland and its subsequent merger with the George Farmer Technology and Language College. The George Farmer Technology and Language College had been managing St Guthlac's School for four years prior to the merger. In seeking to set up the new academy at the George Farmer Technology and Language College, the local authority invited the University of Lincoln to be its education sponsor. At the time of transfer, Ofsted rated it as good and remains a very good school.

In 2014, Holbeach Primary School joined the newly established MAT as a converter and was renamed Holbeach Primary Academy. This academy is a 4 to 11 academy based on an adjoining site to University Academy Holbeach. At the time of transfer, Ofsted rated it as requiring improvement, but it is now a good school.

In 2016, Gosberton House Special School joined the MAT as a converter and was renamed Gosberton House Academy. It is a 2 to 11 specialist academy in autism. This academy is based approximately 13 miles from Holbeach. At the time of transfer, Ofsted rated it as outstanding and it has maintained that judgement in the Trust. It also provides the autism outreach service for Lincolnshire County Council.

In June 2018, Holbeach Bank Primary School joined the MAT as a 4 to 11 sponsored academy at the request of Lincolnshire County Council and the Regional Schools Commissioner. It is based less than two miles from Holbeach Primary Academy. It is a very small rural school and at the time of transfer, Ofsted rated it as inadequate.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

In July 2019, the Peele Community College joined the MAT as an 11 to 16 sponsored academy at the request of Lincolnshire County Council and the Regional Schools Commissioner. It was renamed University Academy Long Sutton and is based less than six miles away from Holbeach. The academy is freehold having previously been a foundation school. It has a nursery on site that serves Long Sutton, a Leisure Centre and an all-weather pitch, owned by the multi-academy trust, but leased to external bodies with academy use during the school day. At the time of transfer, Ofsted rated it as inadequate.

Structure, governance and management

a. CONSTITUTION

University of Lincoln Academy Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association is the primary governing document of the academy trust. The Trustees of University of Lincoln Academy Trust are also the directors of the charitable company for the purpose of company law. The charitable company is known as University of Lincoln Academy Trust. Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

b. 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.

c. TRUSTEES' INDEMNITIES

The academy trust has, through its articles, indemnified its Trustees to the fullest extent permissible by law. During the period the academy trust also purchased and maintained liability insurance for its Trustees.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Trustees are appointed under the rules contained within the Memorandum and Articles of Association. The appointments are made by the members.

The membership of the Trust Board and Academy Governing Committees is in accordance with the structure contained within its Memorandum and Articles of Association. Parents and staff are seen as key members of the local governing committees. Trustees and Governors are selected to have a breadth of skills, which are beneficial to the committee as a whole. The members usually meet three times each year to review the work of the Trust Board and hold their AGM at the Spring Term meeting. In 2020/21 Trustees met on six occasions, with one of the meetings being an away day to have wide ranging discussions about the work of the Trust and its development. Each Academy Governing Committee meets at least five times a year, although ad-hoc committees are used to meet specific remits, at the agreement of the Chair and CEO. Academies at risk may have more meetings as determined by the CEO. There are regular skills audits of Trustees to ensure we have the right experience to carry out the range of functions.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Trust was incorporated on 25 May 2011 and commenced operation on 1 September 2011. On 18 July 2014 it changed to become a Multi-Academy Trust (MAT). The Trust produce a very detailed Governance Handbook for all Trustees and Governors to ensure they are fully informed on how the Trust works, its policies and scheme of delegated authority. The creation of the MAT Academy Governing Committees was to oversee the running of each academy with a key focus on monitoring children and young person's progress and well-being. The Trust is highly committed to Trustee and Governor training and there are two compulsory training sessions for Governors each year as well as external opportunities for training. This will include safeguarding training for all Trustees and Governors. Some Governors are given specific duties and all Governors are able to join any sub-committees that are arranged.

The scheme of delegated authority is debated each year by the Trust Board who then approve it for the following year. It also approves the policy schedules which sets out where the Trust set and approve policies and where Academy Governing Committees are responsible within an academy, the Governors are provided with access to all policies, procedures and the scheme of delegated authority. Where Governors have particular professional skills, the Trust will seek to support and utilise the skill within the relevant committee. Governors are also encouraged to attend "whole school" events and, where appropriate, staff training sessions. This has been curtailed over the past 18 months due to Covid-19. Every two years the Trust carry out a skills audit of the Trust Board and Academy Governing Committees to ensure there is the correct balance of skills to carry out their duties. The last skills audit was in March 2020 and this has resulted in some minor changes to Academy Governing Committees for the 2020/21 academic year.

The Trust has established a number of key principles that all academies work to. These are fully documented in the Trust Handbook, but the key items relate to finance where we do not automatically top slice each academy's budget, we charge for each service so central costs remain explicit to each academy to ensure total transparency. In addition, any surplus an academy generates remains with that academy, if the Trust needs to use part of an academy's surplus, it would only be loaned with a repayment schedule. All academies are expected to set a balanced budget each year. This approach has led to very good budget discipline by Principals in all our academies.

f. ORGANISATIONAL STRUCTURE

The organisational structure consists of four levels of Members, Trustees/Directors, Governors and senior leadership teams. The Trust Board publishes in July each year a handbook that sets out the full remit for each committee and the role of the executive, plus a detailed timetable for all committees and reports. The full scheme of delegated authority is posted on the Trust website. Trustees set the annual budget and focus on monitoring the performance of each academy both financially and educationally whilst ensuring compliance through monitoring reports. All Trustees receive monthly management accounts to ensure they are kept informed of the Trust's financial activity.

The organisational structure seeks to devolve responsibility to the lowest level applicable and encourage involvement in decision making at all levels. The Members decided that it was appropriate that the Chief Executive Officer (CEO) became a Trustee, which meets the requirement set out in the articles. The Trust Board also allows the Deputy Chief Executive Officer (DCEO), Chief Finance Officer (CFO) and Executive Principals to attend board meetings. The Audit Committee was renamed the Audit and Risk Committee and it has independent members as well as Trustees and it monitors the internal and external auditors as well as the risk assessments for the Trust and individual academies. It has also taken an overview of the Trust's Covid risk assessments. The Nominations and Remunerations Committee has operated throughout the year and assessed senior pay awards and the appointment of the new CFO, who meets all of the qualification requirements set out by the ESFA, but we are pleased because he was appointed from within. He will also work as the Compliance Officer.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

The CEO has established an Executive Board which meets every three weeks to overview all academies and general operations, its membership is shown on page 1. The key aim is to ensure there are consistent policies and procedures, corporate decision making and ensure finance, HR and procurement are consistent and provide best value for money. The Trust will continue to use a balance of in-house and contracted outsourced services. The Trust places great emphasis on financial probity and during the year the Trustees looked at the comparative data on how and what we spend. The only areas which were higher than average were teacher-pupil costs and that is in line with our strategic aim which is to maximise the resources spent on our children and young people's education. The Trust has also established a Chair of Governors Committee which seeks to coordinate the work of Governors and for them to contribute to Executive Board decisions. These meetings are held online six times a year and are an outcome of learning from activities we needed to do during the pandemic. In addition, service leads have been created across the Trust in areas such as safeguarding and child protection, SEND, IT and HR to help coordinate the work across the Trust and learn from best practice. A new Strategic Academy Improvement Committee has been established to oversee, with the DCEO, school improvement issues. All these committees and service leads report to the Executive Board.

The Executive Principals and Principals have significant powers in managing their institutions within the Trust and a "one size fits all" approach to managing the academies is not applied as they are all significantly different in both size and needs. For context, the largest academy in the Trust has 1,350 pupils on roll, growing to 1,500 in the next four years, the smallest has 62 pupils on roll and there is also an outstanding special school with a national specialism in autism to mainstream primary and secondary schools. The senior leadership teams are responsible for the day-to-day running of their academies and assisting in managing the Trust. Principals make appointments and oversee the teaching staff and teams of administration and operational support as well as having responsibility for the infrastructure and learning environment. The structure and operation of the Trust follows the guidelines set out in the Academy Trust Handbook issued by the Department for Education and the Trust's own Articles of Association. In 2020, at the request of the Regional Schools Commissioner, the Trust brought all of its funding agreements in line with the 2018 model agreement.

The Trust uses a mixture of ways to provide key service provision based on creating best value for money. Some external services are purchased, for example HR, grounds maintenance and health and safety, whereas other areas we use our own staff. Each academy also accesses a number of external agencies to enable a broader provision of educating and learning. The external agencies include alternative education and vocational provision, careers and guidance services, as well as a range of training providers from teaching schools and other providers.

The Operational Governance Framework and Scheme of Delegation

University of Lincoln Academy Trust annually reviews its governance framework and scheme of delegated authority following advice from the Regional Schools Commissioner and ESFA as well as analysis of the annual Academy Trust Handbook. The revisions are agreed by the Trust Board at its July meeting for the next financial year. The documents are then issued to all Trustees, Governors and senior staff. It contains full details on remits and responsibilities for committees, schedule of meetings with outline content, membership, as well as a full scheme of delegated authority and is published on the Trust website. The Trust reserves the right to have different schemes of delegated authority for each academy, however throughout 2020/21 the five academies had the same scheme of delegated authority to Executive Principals but with very close monitoring of the two most recent academies to join because of the deficit budgets they had been running prior to joining. The plans for 2021/22 are the same.

g. ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The pay policy for senior staff is managed through the Nominations and Remuneration Committee which has three Trustee members being the Chair, Vice-Chair and one other who will consider the pay of the most senior staff being the CEO, DCEO, CFO and Executive Principals. In 2020/21 only one pay award was made to better balance pay differentials. Pay rates in line with national agreements were made for the DCEO and Executive Principals.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

h. TRADE UNION FACILITY TIME**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full time equivalent employee number
3	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1% - 50%	3
51% - 99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£3,248
Total pay bill	£16.36m
Percentage spent on facility time	0.02%

i. RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

University of Lincoln Academy Trust operates as a sole entity and is not part of a wider network or federation. The University of Lincoln is the sole sponsor.

j. ENGAGEMENT WITH EMPLOYEES (INCLUDING DISABLED PERSONS)

University of Lincoln Academy Trust understands that employees are crucial to the success of our schools and all employees are employed on national or local authority agreed terms and conditions.

In all five of our academies we have regular team meetings and briefings including full consultative forums for any discussions that are of concern to employees. These meetings were held online when Covid-19 limited in-person meetings.

Full provision is made for disabled employees. During the pandemic all staff that were unable to attend work, due to a vulnerability in either themselves or family member, were allowed to work from home and were fully equipped to ensure this was possible.

The Covid-19 requirements resulted in normal staff meetings being cancelled, therefore online meetings, newsletters and other means of communication took place to ensure staff not attending the workplace remained in contact and with full support. There were no complaints from employees during this period.

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

Buildings will comply with all current legislation, lifts, ramps and disabled toilets will be installed and the door widths will be adequate to enable wheelchair access to all areas of each academy. The policy of the Trust is to support special education needs and designated special provisions. The Trust does this by adapting the physical environment by making support resources available through training and career development.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

k. ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS IN A BUSINESS RELATIONSHIP WITH THE TRUST

University of Lincoln Academy Trust has a wide range of suppliers ranging from builders to school meal providers. We have large companies for services such as HR, who are procured through a tendering process, through to local companies who provide grounds maintenance.

The constant search for value for money means tendering is a normal way in which we work with companies, however quality of service is vital and where able support is given to local services. The Trust have excellent relationships with a variety of local companies assisted by the apprenticeship scheme having contact across a wide range of businesses.

Objectives and Activities

a. OBJECTS AND AIMS

The strategic review of the Trust published in December 2020 praised the Trust for how well its ethos was embedded. At the heart of the ethos is the moral imperative to improve the life chances of all the young people. The Trust start by putting children and their parents/carers first in decision making. There is promotion of a rich and balanced curriculum that is enjoyable, aspirational, ambitious and innovative for the children. There is a safe, healthy and caring environment in the academies where children can grow up confidently. There is usage of working collectively and collaboratively across academies to achieve the synergies that a Multi-Academy Trust can bring. This is enhanced by the active participation of the University of Lincoln in working with the Trust. All of the academies in the Trust are expected to uphold the mission, values and curriculum intent, whilst interpreting them to meet their local community needs.

The object of the charity is 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 academies which offer a broad curriculum.

The mission of the Trust is to inspire young people to be confident so that they can make a positive contribution to the world in which they live, by establishing high aspirations, promoting educational excellence and providing a caring and safe environment.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The vision is a Trust that is:

- Constantly focused on improving the quality of education for all young people in the academies.
- Committed to a broad and relevant curriculum, with a wide range of opportunities beyond the classroom for all.
- A first-choice destination for parents/carers, pupils and staff.
- A community of academies that enhances the personal development of pupils, so they become confident citizens.
- Creating lifelong learners able to update or reskill themselves throughout their lifetime.
- Promoting an understanding of fairness, justice, equality, discrimination, mutual respect and democracy.
- Seeking to improve social mobility for all in everything done.
- Providing learning environments that are exciting, stimulating and high quality.
- Providing opportunities and delivering experiences to raise aspirations and opportunities for pupils and staff by working with the University of Lincoln.
- Committed to equality of opportunity and supports staff in progressing their careers.
- Prioritising professional development for all staff and promoting teamwork.
- Ambitious to grow the number of academies in the Trust in a carefully managed development, but also to develop partnerships and alliances.
- Providing outstanding leadership and strong governance at all levels.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

Values

- Maximising the potential of every child and young person.
- Providing a safe and secure environment for learning and teaching.
- Promoting well-being: physical, emotional and mental.
- Caring for the environment in which we learn and live.
- Supporting parents and carers to participate in their children's learning.
- Nurturing and developing excellent staff to help the Trust achieve its mission.
- Fostering a positive learning culture that is aspirational, ambitious and innovative.
- Working in partnership to achieve the Trust goals.
- Upholding exemplary behaviour that is respectful and caring.
- Making education enjoyable and celebrating every young person's achievements.

Curriculum Intent

- Create a curriculum which embeds the mission and values of the Trust, yet is crafted in a manner that meets the distinctive needs of each community and all the stakeholders in each academy.
- Provide young people with access to the knowledge, experience and skills necessary to equip them for life, building their cultural capital so that they are knowledgeable about a wide range of cultures and have access to a broad range of experiences to deploy during their life.
- Consult regularly with parents, carers and young people on their curriculum needs to ensure the Trust has the right balance of provision which is broad and balanced, recognising that young people learn in different ways and have different needs and interests.
- Ensure there are different pathways to learning, yet guaranteeing equal opportunity for all young people.
- Prioritise learning in communication, literacy and numeracy for every young person.
- Develop skills and knowledge that enable young people to be confident and healthy citizens in the digital world.
- Provide opportunities for developing interest and talent in sports, music and creative arts.
- Promote learning, on occasions outside the classroom, which develops resilience and self-worth.
- Build knowledge, skills and understanding in a way that engages and inspires young people in an intelligent, logical and sequential manner.
- Celebrating success at all levels to help build confidence and help create and develop confident and ambitious young people.

The Trust approach to continuous improvement in academies is based on five tenets:

1. Setting high aspirations for every learner in all aspects of academy life.
2. Knowing every learner and designing support and encouragement in a manner that ensures each can grow and know they can achieve in a safe environment.
3. Providing inspirational teaching by high quality staff that embeds literacy and numeracy in the curriculum, whilst providing a broad and diverse curriculum that captivates children and young people so they become lifelong learners, as well as accelerating the learning of disadvantaged students.
4. Maximising and celebrating every learner's achievements and progress through high quality teaching and support.
5. Promoting exemplary behaviour that is characterised by a respectful and caring environment, where rules are understood and accepted.

c. PUBLIC BENEFIT

The Trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

a. ACHIEVEMENTS AND PERFORMANCE

The academic year 2020/21 was one of the most challenging the Trust has faced in its 10 year existence. It is however one of the most pleasing for Trustees who have seen the academies meet the challenges of supporting young people through a highly disruptive year. The Trust has seen the staff, parents/carers, and young people step up to the challenges of school closures, working from home and supporting vulnerable children and in several cases families. In management terms it has been very difficult with poor decision making by Government, combined with Government becoming increasingly dictatorial in telling Trusts what to do, rather than allowing Trusts to manage knowing the local circumstances. This is not the place to catalogue the confusing directives, but in the 12 months over 310 Coronavirus publications came from DfE, sadly the department rarely explained or used track changes in updated documents which added to the challenges. In addition, there were a plethora of Public Health and local authority issued guidances which needed to be assimilated and actioned.

The Covid-19 pandemic had a major impact on all aspects of life in and around the academies and continued throughout the academic year. The Trust Board formally resolved that managing the pandemic was an executive function managed by the CEO and staff and this continued throughout the year. The Trust Board and Governors were regularly informed and advice was taken when required. The senior executive staff appreciated the vote of confidence and it allowed for quick decisions to be made. All Trust Board meetings were held virtually and attendance generally was good. The CEO introduced in 2020 a Chair of Governors meeting and these continued throughout the year and have now been built into the structure of how the Trust works. All Governors meetings took place virtually and attendance was very good.

Staff were totally committed and many worked well beyond the call of duty. Every precaution was taken that was possible and the Trust tried to be flexible with its staff. Through the full school year all academies were open for vulnerable children and for the children of key workers. The Trust took a flexible interpretation to key workers to assist families who were facing genuine problems. The Trust discovered that amongst parents in the primary schools a significant number were working zero hours contracts and were often unsure as to when they were working, which are challenging circumstances for parents to find themselves in.

This year has been very successful in that all academies in the Trust were making excellent progress and the Trust was particularly delighted at the progress made in both the sponsored academies. It was extremely disappointing that for a second year the academies were unable to display that progress in a statistical form as the tests and examinations were again cancelled. The Trust was highly successful in the outstanding way in which the academies supported pupils and their families throughout the second half of the academic year meeting all the challenges of the Covid-19 pandemic in a positive and constructive manner. The Trust is very proud of the staff and their commitment to supporting the pupils and the wider community.

There were two key performance indicators the Trust set for the academic year. Firstly to maintain learning by whatever means the Trust could throughout the year and secondly to support young people and their families throughout the year.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

The Trust ensured that all young people who wanted a computer had one and they were supported in using them - the DfE support on this was good. Staff delivered machines to homes and helped set up where necessary. The Trust spent a significant amount of time ensuring there was feedback from pupils and parents on the support they wanted, to ensure a one-size fits all approach was not taken to home learning. By July 2020 the Trust had trained staff and provided new equipment in some cases to ensure more interactive learning could take place and throughout the academic year the online learning was very good with some first-class feedback from parents and young people. However, it would also be fair to say that when young people were able to return to school they responded extremely well and were delighted to be back. On return it was not normal schooling because of the efforts to restrict contact and often lessons could not be held in specialist rooms, but the staff adapted extremely well. The Trust received many supportive comments from parents and carers throughout the year thanking staff for the work they were doing. It is not easy to definitively quantify the educational impact on young people, but the youngest in early years and key stage one appear to have suffered most from the lack of schooling and limited social interaction. The Trust has developed a wide range of catch-up programmes using staff and the National Tutoring programme. This will require a long term effort to address all the lost learning with young people. Both secondary academies ran summer schools for their new year 7 students in the summer holiday and these were a real success and well attended. The online tutoring and VLE continue to support pupils and any absence through self-isolating is supported by learning materials. It has been good to see how well staff have reacted to providing support materials for pupils. The lost learning in practical subjects like science and design and technology, in aspects of vocational courses have been very difficult to sustain in a meaningful manner, but teachers have innovated where they can.

University of Lincoln Academy Trust like the government are not publishing examination results, however all sixth formers got to their choice of destination in higher education and at GCSE the Trust received very few appeals, all of which were successful, which indicated that staff marking was accurate and not too generous. The work staff in secondary academies had to put in to collecting work and both assessing it and moderating the work was disproportionate to the need in view of the Trust.

The second priority of the Trust was to support the health and well-being of all young people and in a number of cases their families. The impact the pandemic had on family life was significant and this impacted on pupils and the loss of schooling during closures or when "bubbles" had to be sent home created increased challenges for family life. All academies within the Trust are in areas of high deprivation and with a low wage economy and a great deal of shift work and zero-hours contracts, family life was, and continues to be, tough. The academies, through the infrastructure created, had weekly contact with all vulnerable children and those which were felt may become vulnerable. The Trust also provided in-house and external services for young people who need help for mental health issues. The level of poverty can best be illustrated by the fact in one primary school in the Trust those qualifying for pupil premium increased by 100% and by the start of the new term in September 2021 it had risen to 73% of the school population against a national average of 20.8% and an East Midlands figure of 19.8% (DfE figures from January 2021). To help address the needs of these children, the Trust has employed additional staff. The mobility of pupils has increased, especially in primary schools, and this is challenging to handle especially as some of these pupils have been home schooled.

The risk to the Trust, including staff and pupils, are clearly significant but detailed risk assessments were maintained throughout the period and assessed by the Audit and Risk Committee. The unions and parents appreciated the work that went into these documents and the level of work that had to be done, especially by the facilities management staff. The Governments directive at times resulted in the Trust requiring to be open and having to absorb the risks with staff by doing everything possible to mitigate the risks. This was challenging for executive staff in the Trust due to the fact that local decision making was being overridden on health and safety by central government. The Trust survived with the support of parents and pupils, but there were occasions when risks were taken, trying to balance government directives and situations on the ground.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Impact of Covid on staff during the academic year was significant. There were few staff who suffered effects from "long Covid", although many who tested positive were not seriously ill. A number of staff who were at high risk because of certain conditions shielded and worked from home. There were a number of seriously challenging days and sometimes weeks when staff resources were fully stretched, but senior and middle management teams did a remarkable job in managing this. All open evenings were virtual but they were well received as were online parents evenings. The Trust has evaluated strategies which were caused by the pandemic and from that some ideas on future operations have been put in place. Sadly, the stress of working during the pandemic has impacted on some staff reappraising how they are living their lives and an outcome is some staff considering leaving the profession or asking to work differently.

The Trust, through careful management of the pandemic, has limited financial risk to the Trust and some savings have occurred in part because some planned events could not take place. The Trust is very much aware of the financial burden the the government has built up since the pandemic started early in 2020 and with serious worry about the future funding of education following the governments failure to fund the catch-up resources recommended by the Prime Minister's recovery tzar, indicates serious challenges ahead. Thus, a prudent approach to spending has been the theme throughout the year. Throughout this period, all academies had a no-visitor policy, except by approval of the Principal. Those volunteers who, on occasion, helped, were not used. The Trust has limited income from external sources and fundraising, these losses were absorbed. There was however an impact on the apprenticeship programme and losses have had to be absorbed.

The economic crisis resulting from the pandemic will clearly impact on the Local Government Pension Scheme, but that is an area beyond control of the Trust and investments are very low-risk, so the Trust believes the associated risks are manageable. There was no impact on the reserves during the year due to the pandemic, however the Trust does expect, if the current state continues, that it will impact on reserves as the government has made it clear that additional costs will have to be met from existing budgets.

The Trust has aspirations to expand and the Members commissioned an external review by a former senior government official to evaluate the Trusts structure for growth and recommend ways of moving forward. The final report was presented to Trustees in December 2020. Trustees had an away day in February 2021 to discuss in detail and agree a way forward following the report. There were a range of actions from changing the name to University of Lincoln Academy Trust, to setting in motion a much better way of working closely with the University of Lincoln and creating a new management structure which will enable the academies to work together. This was submitted to the Regional Schools Commissioner for their views on the proposal. With some minor changes this was agreed and over the summer term changes took place and will be finalised by the end of autumn term. The delay is purely caused by the pandemic and finding time to implement the changes successfully. The plan is to be more explicit in what the Trust does and to communicate processes more precisely. This is now set out in the revised Trust handbook and on the Trust website.

The academies within the Trust usually have extensive extra-curricular activities, but Covid curtailed most of these, but they are hoped to be reinstated in the 2021/22 academic year.

The Trust had a number of other achievements, not least that the external review found the ethos was fully embedded in the Trust, something that few Trusts have achieved, and that the commitment to improving social mobility was first class. This was very reassuring for Trustees as it was a prime driver. The changing of the name of the Trust was also very important and now the Trust can more easily associate with the University of Lincoln and feel part of the highly successful University.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Finally, during the year, the Trust managed to sign the lease for the site at University Academy Holbeach, almost 10 years after transfer, but is also included the land that the 10 room mobile sits on which gives the academy a larger footprint. This also adds £19.05m to the Trust asset base.

The Trust made a number of bids for Condition Improvement Funding (CIF) but were only successful with the two bids at University Academy Long Sutton to replace curtain walling and two very poor condition mobiles. The bid for Gosberton House Academy replacement of mobiles was one point from being successful and the replacement of the old mobiles at University Academy Holbeach was two points short. Both of which have been appealed.

University Academy Holbeach is one of the most successful academies in being approved for T-Level starts in 2022. The academy is currently approved for Digital, Health and Science and Business and Administration routes and has recently been approved for the Construction route in 2023. To be able to successfully run these new courses in 2022, the academy requires a new capital build and teaching resources. The Trust has bid for these resources and has gained approval in principle, but a final decision is awaited. The delay is of a significant concern as the Trust need to start advertising the new courses, however without the building the Trust will have a significant challenge.

b. MAJOR STRATEGIC CHALLENGES

University of Lincoln Academy Trust has a number of significant challenges which it is confident it can address successfully. The first is to address the loss in learning due to the pandemic and to support young people and their families who have been affected by the impact of the virus. This will include building on a range of catch-up activities as well as continuing to improve online support for young people. Saturday workshops are already in operation and more catch-up activities will be instigated as needs are refined.

The second challenge is seeking to support and address the increasing social issues which young people and their families are facing. Two of the academies within the Trust have doubled the number of pupil premium pupils with one over 43% against a national average of under 20% and the other rising to over 73% against a national average of just over 20%. Alongside these issues is increased family breakdown and very significant pupil mobility. The Trust has appointed additional staff to assist in these areas but the challenges are complex and time consuming to deal with. There is also evidence of an increase in mental health challenges.

The Trust does not meet the requirement to receive School Condition Allocations (SCA) so annually the Trust is having to bid to the Condition Improvement Fund (CIF) which is costly both financially and in staff time and means improving the very poor buildings in the Trust is increasingly challenging. The Trusts strategic challenge is to increase pupil numbers to qualify automatically for this funding.

Lincolnshire County Council has a strategy for special education, called Building Communities of Specialist Provision for Children and Young People with Special Educational Needs and Disabilities in Lincolnshire. The outcome of this strategy is that Gosberton House Academy will become an all-needs special school rather than its current specialism in autism. The Trust support this strategy and is awaiting the decision by Lincolnshire County Council to develop new facilities to enable the academy to meet the needs of all pupils.

These challenges are all presented in the Trusts newly created five year plan that was approved by Trustees in July 2021. The plan is classified as business sensitive so it is not published, but will be monitored by Trustees on a regular basis.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

c. KEY PERFORMANCE INDICATORS

The Trust has, as previously mentioned, set two key performance indicators for the academic year.

The first of these is to maintain learning by whatever means the Trust could throughout the year. This was supported through the use of online learning and provision of computers where needed alongside the facilitation of catch-up programmes.

The second was to support young people and their families throughout the year. This was supported through a number of provisions not least the appointment of additional staff and changes to work operating procedures.

The Trust had no formal complaints in 2020/21 that were escalated to the Trust Board.

d. GOING CONCERN

After making appropriate enquiries, the board of trustees has a reasonable expectation that the 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 Accounting Policies.

e. PROMOTING THE SUCCESS OF THE COMPANY

It is of high importance to the Trustees that the governance and management structures, plus the core principles that the Trust has established are articulated for all staff and governors. This is why the Trust publish a detailed handbook each year which includes dates for all meetings.

The Trust is only as successful as its academies, so it is vital that the Trust promotes the academies to ensure that pupil numbers continue to be maintained or grow. This is achieved through the use of websites, which include virtual tours of the academies, short talks from the Principal and staff as well as pupils.

Brochures are produced and circulated as well as advertising in local newspapers. Normally there is an opportunity to visit the academies or attend open evenings, but these are no longer possible during the pandemic, thus our use of virtual experiences for future reference.

Financial Review

In all of the Trust expenditure the CEO, DCEO, CFO and Executive Principals and staff, including the Finance Managers, have sought best value for money and question choices and options made. The Trust has an executive board that meets every three weeks, usually online, that coordinate all policies and services, as well as reviewing financial commitments. The Trust uses tendered outsourced services for a number of functions with all contract renewals reviewed to seek the best value. Most contracts run across the whole Trust, although as new academies join the Trust there is some phased integration. The Audit and Risk Committee has reviewed the financial regulations and policy as well as the treasury policy in light of changes to the governance structure and the Trusts increased size and made the adjustments that the Trust Board has agreed.

The majority of the academy's income derives from central Government funding via the Education and Skills Funding Agency (ESFA). The academies also received pupil premium and local authority funding to support special educational needs, designated special provision and capital funds towards fixtures, fittings and equipment. In addition, University Academy Holbeach raises funds from the ESFA through its expertise in apprenticeships and use of its facilities. Gosberton House Academy receives funding from Lincolnshire County Council for the delivery of the council's autism outreach programme. University Academy Holbeach was also in receipt of funding from Lincolnshire County Council for the new science block so it could expand its PAN to 240.

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FOR THE YEAR ENDED 31 AUGUST 2021

In the financial year the Trust had significant additional costs related to the pandemic. Some minor savings were made during the period of lockdowns, but these were offset by extra cleaning and costs which could not be reclaimed. Some refunds have been received from examination fees again for secondary academies, but not all as far as the Trust is aware.

The deficit generated during the year in restricted general funds (excluding pension) and unrestricted funds was £210,560. During the year ended 31 August 2021 the total operating expenditure of £20.21m was covered by grant funding and other incoming resources. Each academy managed within its agreed budget set at the start of the financial year. In light of the challenging outlook for funding education in the next few years, the Trust has determined that all academies must set at least a balanced budget. The charges for central contracts are charged directly to each academy based on the contracting formulae, as are staff who work across academies such as the Finance Manager. The costs of the CEO and CFO, including the assistant finance manager and compliance officer, who remain central contracted are 0.63% of total expenditure.

At 31 August 2021 the net current assets were £2.71m and the net book value of tangible fixed assets was £35.48m. The assets were used exclusively for providing education and the associated support services to the learners of the academies.

There is a declared deficit on the defined benefit pension scheme, Local Government Pension Scheme (LGPS) for associated staff. Arguably a similar liability would exist for teachers if measured by the same method. Whilst the value is significant, the Trust is following the advice as provided by the pension scheme actuary with regards to contributions and deficit payments. This would mean the liability remains spread over the medium to long term.

All Trustees receive the management accounts on a monthly basis. They will also be an item on all Trust Board agendas.

a. RESERVES POLICY

The Trust holds total funds of £28.48m. Of this sum £1.71m are restricted revenue funds. £36.06m relates to the value of fixed assets and as such, would be available only by the disposal of tangible fixed assets, and (£9.71m) relates to the value of the LGPS deficit. Unrestricted revenue funds total £0.42m.

It is the Trust's aim to keep the reserves so there is substantially more than one month's salary cost on hand in cash form at any point. A cash flow forecast is provided, cash is monitored on a daily basis and money is invested on deposit where appropriate.

As at 31 August 2021, £42,419 was held by the Trust in relation to bursary funding received for students.

b. INVESTMENT POLICY

The Trustees' policy is to retain any investment property long term in order to generate income from lettings. It is the intention to invest any surplus funds in low risk short-term bank deposits.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

c. PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees consider that the principal risks and uncertainties facing each established academy are:

1. Meeting requisite standards of education for students in core subjects.
2. Managing a pandemic in a high risk environment.
3. Failure to have adequate risk assessments and controls in place.
4. Complying with legislative requirements regarding employment law, GDPR, discrimination, Companies House and HMRC, safeguarding and child protection, gender pay gap reporting, the Charity Commission and the regulations related to the curriculum.
5. Financial risk - not operating within budget and running a deficit, changes in funding, inappropriate or insufficient financial controls and systems, fraudulent activity and or financial commitments made without adequate authorisation.
6. Operational risks resulting from inexperienced or inappropriate staff being employed and inaccurate, out of date or inappropriate information.
7. Inadequate buildings or environmental systems that can lead to school closure.
8. Failure to recruit sufficient pupils to make any academy viable.
9. Losing high quality experienced staff.
10. Having adverse publicity from an Ofsted inspection or other major incident.
11. Failure of the academy IT systems.
12. Expansion of the Trust without the skill or manpower to accommodate such growth.
13. Failure to set in place adequate succession planning.

The key controls used by the Trust include:

1. Detailed terms of reference for all committees.
2. Formal agendas for the Trust and academies board and committees.
3. Schemes of delegation and formal financial regulations.
4. Formal written policies.
5. Clear authorisation and approval levels.
6. Policies and procedures required by law and those necessary to run an effective and efficient organisation.
7. High levels of support for vulnerable young people and their families, with embedded adherence to Safeguarding and Child Protection policies and guidance.
8. Regular training of all staff.

Financial and risk management objectives and policies

Most of the Trust's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes in pursuance of the Trust's objects. The grants received from the DfE during the period ended 31 August 2021 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities.

Risk management

Risk management has always been a key feature of the Trust with risk assessments for the Trust and each academy being scrutinised by the Audit and Risk Committee on an annual basis. In addition, business continuity plans are in place for each establishment to ensure we have a support system if failures take place. Covid-19 specific risk assessments were set up for each academy to ensure they were fit for purpose. The Trustees, CEO, DCEO, CFO, Executive Principals and Governors have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy and its finances. These met the requirements of the DfE and the Health and Safety Executive.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2021

The Principals have implemented a number of systems to assess the risks that the academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying, school trips etc.) and in relation to the control of finance. Systems have been introduced, including operational procedures such as vetting of new staff, supervision of school buildings and grounds, as well as an effective system of internal financial control in order to minimise risks.

Risks to the Trust fall into the following categories:

1. Financial - Income to the Trust is always predicted prudently and expenditure plans are controlled by a strong committee structure. The Principals are accountable to the committee for restricting expenditure within budget limits.
2. Performance - A decline in results would lead to a less favourable reputation, which would, in turn, lead to fewer numbers of students with the subsequent loss of income. The Principals are accountable to the governing body for academic results.
3. Compliance with statutory and regularity requirements - A compliance officer is in place to support the Trust.
4. Health and Safety - A range of risk assessments, including actions to be taken in the event of extreme incidents, have been written. These are reviewed annually.
5. Operational - These risks are minimised by employment of high quality staff who are well trained and constantly updated, standard operating procedures linked to best practice are adopted and a review and improve strategy is part of the Trusts culture.

Fundraising

The Trust does not participate in fundraising to subsidise educational provision. A small amount of fundraising is undertaken in the form of special events, such as non-uniform days to collect for various selected charities during the year, which are paid across to the charities after collection. The Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by Trustees.

Plans for future periods

The key plan is to ensure when inspected that both Holbeach Bank Academy and University Academy Long Sutton have good inspections which will demonstrate the Trust has the capacity to significantly improve both primary and secondary schools.

Ambitious targets are set for pupil attainment and progress in each academy. There will be a continuing emphasis on strategies to improve performance of the pupils receiving pupil premium and also high attaining pupils, being implemented through careful analysis of pupil performance data. A key piece of work developed during the partial closure was the work on supporting learning at home.

The emphasis on reading will be maintained as will all academy activities. There are plans to further enhance arts, cultural, music and sporting activities, including the use of sports premium funding in primary academies.

Further resources will be directed towards CPD (Continuing Professional Development) to continue the drive to improve teaching and learning. The academies will seek to work more closely together sharing where appropriate expertise and will all work with the sponsor the University of Lincoln to enhance provision. Each academy will continue to use expert external advisers to assess their judgments and to ensure best practice is achieved.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021**

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data	Period ended 31 August 2021	Period ended 31 August 2020
Energy consumption used to calculate emissions (kWh)	3,250,545	3,068,881
Energy consumption breakdown (kWh) <ul style="list-style-type: none"> Gas Electricity Transport fuel 	2,133,885 1,096,189 20,471	1,992,537 1,006,043 70,301
Scope 1 emissions in metric tonnes CO₂e		
Gas consumption	390.84	366.37
Owned transport - mini-buses	0.99	3.70
Total scope 1	<u>391.83</u>	<u>370.07</u>
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	232.75	234.55
Scope 3 emissions in metric tonnes CO₂e		
Business travel in employee owned vehicles	4.06	13.45
Total gross emissions in metric tonnes CO₂e	628.64	618.07
Intensity ratio		
Tonnes CO ₂ e per pupil	0.25	0.26
Quantification and reporting methodology:- <ul style="list-style-type: none"> We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting. 		
Intensity measurement <p>The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.</p>		
Measures taken to improve energy efficiency <p>The Trust has continued to use video conferencing technology for meetings across the Trust where possible including Governing committees, Trust Board, Audit and Risk Committee etc. which results in a reduction in travel between sites and the new Science building at University Academy Holbeach is fitted with sensors to ensure lighting is only in use when needed.</p>		

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 9th December 2021 and signed on its behalf by:



.....
Professor A Hunter
Chair of Trustees

UNIVERSITY OF LINCOLN ACADEMY TRUST

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that University of Lincoln 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 DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to Mr A Breckon as CEO and 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 University of Lincoln Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

During the Covid-19 pandemic and resulting partial closure of our academies, the board of trustees gave full executive power to the CEO to take actions necessary to meet Government requirements and related health and safety issues. The board of trustees and Members were delighted with the way the executive managed this demanding period and greatly appreciated the support from our staff.

GOVERNANCE

The members met on six occasions during the year with one occasion being a full day meeting when in depth debate took place.

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. To maintain effective oversight the senior officers provide monthly briefings to the Trust Board and the CEO gives regular feedback to the chair. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Prof A Hunter (Chair)	4	4
Prof T Wilkinson (Chair)	2	2
Prof V Braybrooks	5	6
Dr E Libbey	6	6
Mr A Robinson	2	6
Ms M Allison (Vice Chair)	4	6
Mr K Batty	6	6
Mr W Naylor	4	6
Prof D French	5	6
Mr A Breckon	5	5

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GOVERNANCE STATEMENT (continued)

GOVERNANCE REVIEWS

The board of trustees review and respond to any third party review of governance requirements. The board of trustees is aware of their responsibility to consider laws and regulations, finance systems and controls and also community responsibility. The board is aware of the requirement to ensure the work of the board is effective.

The Audit and Risk Committee is a sub-committee of the main board of trustees. Its purpose is to review and control the financial performance of the Trust. There were three meetings of the Audit and Risk Committee during the year.

Members of the Audit and Risk Committee and their attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
Prof V Braybrooks (Chair and Trustee)	3	3
Dr E Libbey (Trustee)	3	3
Mr K Batty (Trustee)	3	3
Mr D Braham (Independent Member)	1	1
Ms D Hall (Independent Member)	1	3
Mr I Waite (Independent Member)	2	2

The CEO, CFO and Finance Manager were in attendance at all Audit and Risk Committee meetings.

The Nominations and Remuneration Committee held two meetings, one to look at senior staff salaries and the other meeting to discuss the appointment of the new CFO.

	Meetings attended	Out of a possible
Prof T Wilkinson (Chair)	1	1
Prof A Hunter (Chair)	1	1
Ms M Allison	2	2
Dr E Libbey	2	2

REVIEW OF VALUE FOR MONEY

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

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

University of Lincoln Academy Trust is fully committed to seeking best value for money; from investing in the future in a new infrastructure and educational experiences to ensuring every child and young person can fulfil their potential. We annually look at every contract and determine best value from all suppliers and this is now part of our standard operating procedures across the Trust.

The Trust however believes it has provided very good value for money to tax payers in 2020/21 with the provision of a broad, wide ranging curriculum in all academies and very significant extracurricular activities is what the Trust aim to offer and that has been achieved with good results in all of academies. The investment in Saturday workshops and holiday tuition has been very well received by students at University Academy Holbeach and University Academy Long Sutton and the impact is significant. The academies work very closely together and expertise is shared and again in 2020/21 the University of Lincoln is providing support in the arts and with teacher recruitment and initial teacher training and at Gosberton House Academy there has been significant research carried out at post graduate level.

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GOVERNANCE STATEMENT (continued)

The Trust charged 0.35% of total income to fund the CEO, CFO and assistant finance manager and compliance officer roles in the Trust which it believes is first class value for money as all of these positions are held by very experienced personnel. The Trust is very keen to ensure a very efficient and effective infrastructure supports the academies but maximum resources are spent on teaching and learning. The Trust will continue to seek best value whenever it can to ensure maximum resources are available to support the learning of pupils in the academies.

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 University of Lincoln Academy Trust for the period 1 September 2020 to 31 August 2021 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 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 Trust Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Identification and management of risks.

The board of trustees decided to buy-in an internal audit service from Forrester Boyd for the 2020/21 financial year.

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

- Testing of income, purchase and payroll systems
- Testing of month-end procedures
- Testing of general compliance issues e.g. website, Health and Safety

On a termly basis, the internal auditor reports to the board of trustees, through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions to assess year on year progress.

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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

- The work of the internal auditor.
- The work of the external auditor.
- The financial management and governance self-assessment process or the school resource management self-assessment tool.
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 9th December 2021 and signed on its behalf by:



.....
Professor A Hunter
Chair of Trustees



.....
Mr A Breckon
Accounting Officer

UNIVERSITY OF LINCOLN ACADEMY TRUST

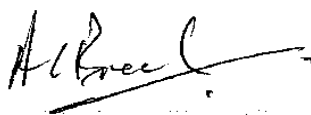
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of University of Lincoln Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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 2020.

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



.....
Mr A Breckon
Accounting Officer

Date: 9th December 2021

UNIVERSITY OF LINCOLN ACADEMY TRUST

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the order of the members of the board of trustees on 9th December 2021 and signed on its behalf by:



.....
Professor A Hunter
Chair of Trustees

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNIVERSITY OF LINCOLN ACADEMY TRUST**

OPINION

We have audited the financial statements of University of Lincoln Academy Trust (the 'Academy') for the year ended 31 August 2021 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the 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 2020 to 2021 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 Academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- Have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISA's (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 Academy 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 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.

OTHER INFORMATION

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

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNIVERSITY OF LINCOLN ACADEMY TRUST**

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

We have nothing to report in this regard.

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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy 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:

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

RESPONSIBILITIES OF TRUSTEES

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

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

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNIVERSITY OF LINCOLN ACADEMY TRUST**

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 ISA's (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:

We have identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience, knowledge of the sector, a review of regulatory and legal correspondence and through discussions with Trustees and other management obtained as part of the work required by auditing standards. We have also discussed with the Directors and other management the policies and procedures relating to compliance with laws and regulations. We communicated laws and regulations throughout the team and remained alert to any indications of non-compliance throughout the audit.

The potential impact of different laws and regulations varies considerably. Firstly, the company is subject to laws and regulations that directly impact the financial statements (for example financial reporting legislation) and we have assessed the extent of compliance with such laws as part of our financial statements audit. This included the identification and testing of unusual material journal entries and challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.

Secondly, the academy is subject to other laws and regulations where the consequence for non-compliance could have a material effect on the amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: Ofsted rating, Health and Safety Law, HR and minimum wage law, Company Law, compliance with the Funding Agreement, compliance with the Academies Financial Handbook and the completion of DBS checks.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection. We have performed audit work through enquiries with management regarding any non-compliance and reviewed all available information to assess whether any breaches have been found. Through these procedures, if we became aware of any non-compliance, we considered the impact on the procedures performed on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of non-detection of irregularities as these may involve collusion, intentional omissions of the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNIVERSITY OF LINCOLN ACADEMY TRUST**

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.

USE OF OUR REPORT

This report is made solely to the Academy'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'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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Alistair Main FCA (Senior Statutory auditor)

For and on behalf of

Duncan & Toplis Limited

Chartered Accountants and Statutory Auditors

15 Chequergate

Louth

Lincolnshire

LN11 0LJ

Date: 9th December 2021

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
UNIVERSITY OF LINCOLN ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 20 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by University of Lincoln Academy Trust during the period 1 September 2020 to 31 August 2021 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 University of Lincoln Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to University of Lincoln Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than University of Lincoln Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF UNIVERSITY OF LINCOLN ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of University of Lincoln Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2012, and the Academies Financial Handbook, extant from 1 September 2020, 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 are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 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 Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the 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's income and expenditure.

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
UNIVERSITY OF LINCOLN ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....
Alistair Main FCA

Duncan & Toplis Limited

Chartered Accountants and Statutory Auditors

15 Chequergate

Louth

Lincolnshire

LN11 0LJ

Date: 9th December 2021

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted	Restricted	Restricted	Total	Total
		funds	funds	fixed asset	funds	funds
	Note	2021	2021	2021	2021	2020
		£	£	£	£	£
INCOME FROM:						
Donations and capital grants	2	-	12,243	19,854,239	19,866,482	1,714,531
Charitable activities	3	-	18,430,648	-	18,430,648	16,584,145
Other trading activities	4	218,133	282,266	-	500,399	736,243
Investments	5	2,875	-	-	2,875	5,146
TOTAL INCOME		<u>221,008</u>	<u>18,725,157</u>	<u>19,854,239</u>	<u>38,800,404</u>	<u>19,040,065</u>
EXPENDITURE ON:						
Charitable activities		226,086	19,329,856	658,792	20,214,734	19,442,830
TOTAL EXPENDITURE	6	<u>226,086</u>	<u>19,329,856</u>	<u>658,792</u>	<u>20,214,734</u>	<u>19,442,830</u>
NET INCOME/(EXPENDITURE)						
BEFORE TRANSFERS		(5,078)	(604,699)	19,195,447	18,585,670	(402,765)
Transfers between funds	18	-	(409,783)	409,783	-	-
NET INCOME/EXPENDITURE						
BEFORE OTHER RECOGNISED						
GAINS AND LOSSES		(5,078)	(1,014,482)	19,605,230	18,585,670	(402,765)
Actuarial gain/(loss) on defined benefit pension schemes	25	-	(1,427,000)	-	(1,427,000)	(195,000)
NET MOVEMENT IN FUNDS		<u>(5,078)</u>	<u>(2,441,482)</u>	<u>19,605,230</u>	<u>17,158,670</u>	<u>(597,765)</u>
RECONCILIATION OF FUNDS:						
Total funds brought forward		422,819	(5,553,640)	16,453,317	11,322,496	11,920,261
TOTAL FUNDS CARRIED FORWARD		<u>417,741</u>	<u>(7,995,122)</u>	<u>36,058,547</u>	<u>28,481,166</u>	<u>11,322,496</u>

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 07647805

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021	2020
		£	£
FIXED ASSETS			
Tangible assets	14	35,480,419	16,453,317
CURRENT ASSETS			
Stock	15	55,568	42,392
Debtors	16	1,173,288	1,308,866
Cash at bank and in hand		2,167,622	1,990,438
		<u>3,396,478</u>	<u>3,341,696</u>
CREDITORS: amounts falling due within one year	17	<u>(685,731)</u>	<u>(998,517)</u>
NET CURRENT ASSETS		<u>2,710,747</u>	<u>2,343,179</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>38,191,166</u>	<u>18,796,496</u>
CREDITORS: amounts falling due after more than one year		<u>-</u>	<u>-</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES		<u>38,191,166</u>	<u>18,796,496</u>
Defined benefit pension scheme liability	25	(9,710,000)	(7,474,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES		<u><u>28,481,166</u></u>	<u><u>11,322,496</u></u>
FUNDS OF THE TRUST			
Restricted income funds			
Restricted income funds	18	1,714,878	1,920,360
Restricted fixed asset funds	18	36,058,547	16,453,317
Restricted funds excluding pension scheme liability		37,773,425	18,373,677
Pension reserve		<u>(9,710,000)</u>	<u>(7,474,000)</u>
Total restricted funds		28,063,425	10,899,677
Unrestricted income funds	18	<u>417,741</u>	<u>422,819</u>
TOTAL		<u><u>28,481,166</u></u>	<u><u>11,322,496</u></u>

The financial statements on pages 31 to 57 were approved by the Trustees, and authorised for issue, on 9th December 2021 and are signed on their behalf, by:



.....
Prof A Hunter
Chair of Trustees

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	21	5,964	(942,149)
Cash flows from investing activities	22	171,220	(328,152)
Change in cash and cash equivalents in the Year		<u>177,184</u>	<u>(1,270,301)</u>
Cash and cash equivalents brought forward		1,990,438	3,260,739
Cash and cash equivalents carried forward	23/24	<u>2,167,622</u>	<u>1,990,438</u>

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1 ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

University of Lincoln Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 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 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.

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1 ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

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

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

Donations 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, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the academy trust has provided the goods or services.

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received. For the current period the donated leasehold is as a result of a prior conversion to Academy status for University Academy Holbeach where the lease was signed in the current period.

1.4 Expenditure

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

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1 ACCOUNTING POLICIES (continued)

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Assets costing £700 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold buildings	-	2% or 10% straight line
Leasehold buildings	-	2% straight line
Leasehold improvements	-	0% to 10% straight line
Assets under construction	-	Not depreciated
Furniture and equipment	-	20% straight line
Computer equipment	-	33% straight line
Motor vehicles	-	20% straight line

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

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 incorporating income and expenditure account.

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1 ACCOUNTING POLICIES (continued)

1.6 Liabilities

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

1.7 Provisions

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

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

1.8 Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. 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 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.

1.10 Stock

Unsold uniforms, catering stocks, oil stocks and sundry items are valued at the lower of cost or net realisable value.

1.11 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.

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1 ACCOUNTING POLICIES (continued)

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.

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. 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 academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities incorporating income and expenditure account 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.

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1 ACCOUNTING POLICIES (continued)

1.13 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funder/donor and include grants from the Department of Education.

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

1.14 Agency arrangements

The academy trust acts as an agent in distributing 16 – 19 bursary funds from the ESFA. The trust can use up to 5% of the allocation towards its own administration costs. The funds received and paid and any balances are disclosed in note 30.

1.15 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2021. 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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2 DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Capital grants	-	663,407	663,407	1,683,015
Donated fixed assets	-	19,190,832	19,190,832	-
Other donations	-	12,243	12,243	31,516
	-	19,866,482	19,866,482	1,714,531
<i>Total 2020</i>	-	1,714,531	1,714,531	

3 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants				
General Annual Grant	-	14,431,505	14,431,505	13,534,069
Other DfE/ESFA grants				
Pupil Premium	-	742,829	742,829	712,554
TPG/TPECG	-	700,010	700,010	713,697
Other	-	253,720	253,720	180,404
Other DfE Group grants	-	-	-	-
	-	16,128,064	16,128,064	15,140,724
<i>Total 2020</i>	-	15,140,724	15,140,724	
Other Government grants				
Local authority grants	-	1,831,226	1,831,226	1,432,233
Other Government grants	-	15,478	15,478	-
	-	1,846,704	1,846,704	1,432,233
<i>Total 2020</i>	-	1,432,233	1,432,233	
Covid-19 additional funding (DfE/ESFA)				
Catch-up premium	-	225,125	225,125	-
Other DfE/ESFA Covid-19 funding	-	127,905	127,905	11,188
Covid-19 additional funding (non-DfE/ESFA)				
Other Covid-19 funding	-	102,850	102,850	-
	-	455,880	455,880	11,188
<i>Total 2020</i>	-	11,188	11,188	

- The Trust received £225,125 of funding for catch-up premium and costs incurred in respect of this funding totalled £162,753, with the remaining £62,372 to be spent in 2021/22.

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NOTES TO THE FINANCIAL STATEMENTS
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4 OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Outreach services	3,106	-	3,106	3,752
Catering income	207,111	719	207,830	257,507
Sales to pupils	-	2,336	2,336	1,599
Hire of facilities	7,916	-	7,916	9,196
Other income	-	178,793	178,793	293,470
Apprenticeship income	-	100,418	100,418	169,056
Music tuition	-	-	-	1,663
	<u>218,133</u>	<u>282,266</u>	<u>500,399</u>	<u>736,243</u>
Total 2020	<u>233,675</u>	<u>502,568</u>	<u>736,243</u>	

5 INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income - other local investments	<u>2,875</u>	<u>2,875</u>	<u>5,146</u>
Total 2020	<u>5,146</u>	<u>5,146</u>	

6 EXPENDITURE

	Total 2021 £	Total 2020 £
Funding for the academy trust's educational operations	<u>20,214,734</u>	<u>19,442,830</u>

7 ANALYSIS OF EXPENDITURE BY ACTIVITIES

Analysis of direct costs

	Total 2021 £	Total 2020 £
Pension interest	121,000	126,000
Educational supplies	564,474	387,535
Outreach costs	330,308	316,119
Technology costs	157,537	182,266
Examination fees	234,211	205,350
Staff development	56,210	72,011
Other costs	56,816	109,842
Wages and salaries	10,010,992	9,418,999
National insurance	996,306	949,156
Pension costs	2,465,990	2,697,015
Depreciation	426,426	339,084
	<u>15,420,270</u>	<u>14,803,377</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7 ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Total 2021 £	Total 2020 £
Wages and salaries	2,769,309	2,848,228
Depreciation	232,366	181,982
(Profit)/loss on disposal of fixed assets	-	(311)
Recruitment and support	43,100	45,988
Maintenance of premises and equipment	373,896	287,808
Cleaning	64,052	40,746
Rent and rates	129,008	158,132
Energy costs	220,242	244,723
Insurance	93,889	109,417
Transport	119,187	108,024
Telephone, postage and stationery	142,084	139,815
Catering	278,703	279,707
Other costs	219,477	94,117
Bank interest and charges	1,503	1,070
Auditor's remuneration	16,700	20,750
Legal fees	9,795	11,039
Professional fees	81,153	68,218
	<u>4,794,464</u>	<u>4,639,453</u>

During the year ended 31st August 2021, the Trust incurred the following governance costs:
£97,853 (2020 - £88,968) included within the table above in respect of funding for the Trust's educational operations.

8 EXPENDITURE

	Staff costs 2021 £	Premises 2021 £	Other costs 2021 £	Total 2021 £	Total 2020 £
Funding for the Trust:					
Direct costs	13,594,288	426,426	1,399,556	15,420,270	14,803,377
Support costs	2,769,309	881,087	1,144,068	4,794,464	4,639,453
	<u>16,363,597</u>	<u>1,307,513</u>	<u>2,543,624</u>	<u>20,214,734</u>	<u>19,442,830</u>
Total 2020	<u>16,039,398</u>	<u>1,179,910</u>	<u>2,223,522</u>	<u>19,442,830</u>	

9 NET INCOME/(EXPENDITURE)

This is stated after charging:	2021 £	2020 £
Depreciation	658,792	521,066
(Gain)/loss on disposal of fixed assets	-	(311)
Fees payable to auditors for:		
- external audit	12,870	17,110
- internal audit	3,180	3,490
- other services	650	150
Operating lease rentals	<u>33,005</u>	<u>53,389</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10 STAFF COSTS

Staff costs were as follows:

	2021	2020
	£	£
Wages and salaries	11,327,032	10,837,557
Social Security costs	1,136,404	1,078,276
Operating costs of defined benefit pension scheme	3,350,809	3,819,744
	<u>15,814,245</u>	<u>15,735,577</u>
Agency staff costs	539,352	295,821
Staff restructuring costs	10,000	8,000
	<u>16,363,597</u>	<u>16,039,398</u>

Staff restructuring costs comprise:

Redundancy payments	-	-
Severance payments	10,000	8,000
	<u>10,000</u>	<u>8,000</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totaling £10,000 (2020 - £8,000). Individually the payment was £10,000 (2020 - £8,000).

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

	2021	2020
	No.	No.
Management	19	19
Teachers	183	186
Support	222	222
	<u>424</u>	<u>427</u>

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	4	3
In the band £70,001 - £80,000	2	4
In the band £80,001 - £90,000	2	-
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	-	-
In the band £110,001 - £120,000	1	1

The key management of the academy trust comprise the trustees and the senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,772,477 (2020 - £1,690,781).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11 CENTRAL SERVICES

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

Central management and compliance services

The Trust charges for these services on the following basis:

Use of appropriate factors representing the demand for the services at each academy

The actual amounts charged during the year were as follows:

	2021	2020
	£	£
University Academy Holbeach	40,000	39,600
Holbeach Primary Academy	5,600	5,604
Holbeach Bank Academy	2,150	2,148
Gosberton House Academy	8,602	8,600
University Academy Long Sutton	15,048	15,048
Total	<u>71,400</u>	<u>71,000</u>

12 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 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 (with the following being appointed as a Trustee in October 2020):

		2021	2020
		£	£
Mr A Breckon	Remuneration	55,360	Nil
(CEO/Trustee)	Pension contributions paid	Nil	Nil

During the year travel and subsistence expenses totalling £516 (2020 - Nil) were reimbursed to 1 Trustees (2020 - 0).

13 TRUSTEES' AND OFFICERS' INSURANCE

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Leasehold land and buildings £	Leasehold improvements £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost								
At 1 September 2020	7,255,849	6,903,000	1,539,305	1,473,565	963,625	1,679,824	55,248	19,870,416
Additions	72,302	19,047,754	34,550	168,974	60,371	301,943	-	19,685,894
Transfer of class	-	-	1,642,539	(1,642,539)	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
At 31 August 2021	7,328,151	25,950,754	3,216,394	-	1,023,996	1,981,767	55,248	39,556,310
Depreciation								
At 1 September 2020	130,161	509,925	460,237	-	729,216	1,532,312	55,248	3,417,099
Charge for the year	133,860	201,553	91,013	-	76,815	155,551	-	658,792
On disposals	-	-	-	-	-	-	-	-
At 31 August 2021	264,021	711,478	551,250	-	806,031	1,687,863	55,248	4,075,891
Net book value								
At 31 August 2021	7,064,130	25,239,276	2,665,144	-	217,965	293,904	-	35,480,419
At 31 August 2020	7,125,688	6,393,075	1,079,068	1,473,565	234,409	147,512	-	16,453,317

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15 STOCKS

	2021	2020
	£	£
Consumables	<u>55,568</u>	<u>42,392</u>

16 DEBTORS

	2021	2020
	£	£
Trade debtors	9,607	233,061
VAT repayable	121,659	107,703
Other debtors	233,275	275,436
Prepayments and accrued income	<u>808,747</u>	<u>692,666</u>
	<u><u>1,173,288</u></u>	<u><u>1,308,866</u></u>

17 CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	232,414	259,969
Other creditors	62,694	46,277
Accruals and deferred income	373,335	692,271
Provisions	<u>17,288</u>	-
	<u><u>685,731</u></u>	<u><u>998,517</u></u>

	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	143,297	67,222
Resources deferred during the year	144,713	142,673
Amounts released from previous years	<u>(143,297)</u>	<u>(66,598)</u>
	<u><u>144,713</u></u>	<u><u>143,297</u></u>

Deferred income comprises grants received in the year towards future expenditure.

	2021	2020
	£	£
Provisions		
Provisions at 1 September 2020	-	-
Provisions made during the year	17,288	-
Provisions used from previous years	<u>-</u>	<u>-</u>
	<u><u>17,288</u></u>	<u><u>-</u></u>

Provisions relate to pay increase consultations for non-teaching staff to be implemented.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18 STATEMENT OF FUNDS

	Balance as at 1 September 2020			Balance as at 31 August 2021		
	£	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	£
Unrestricted funds						
General funds	83,129	-	-	-	-	83,129
Hire of premises	47,925	7,916	-	-	-	55,841
Investment income	36,464	2,875	-	-	-	39,339
Catering income	213,109	207,111	(226,086)	-	-	194,134
Outreach	42,192	3,106	-	-	-	45,298
	<u>422,819</u>	<u>221,008</u>	<u>(226,086)</u>	<u>-</u>	<u>-</u>	<u>417,741</u>
Restricted funds						
GAG	933,644	14,428,742	(14,067,632)	(409,783)	-	884,971
Start Up Grant	-	-	-	-	-	-
Other ESFA grants	-	765,710	(765,710)	-	-	-
Rates funding	-	103,683	(103,683)	-	-	-
Other government grants	865,922	1,229,206	(1,454,033)	-	-	641,095
Catch-up premium	-	225,125	(162,753)	-	-	62,372
Other DfE/ESFA Covid-19 funding	-	127,905	(127,905)	-	-	-
Other Covid-19 funding	-	102,850	(102,850)	-	-	-
Total other income	-	178,820	(178,820)	-	-	-
School fund	120,794	12,216	(6,570)	-	-	126,440
Bursary - admin element	-	2,763	(2,763)	-	-	-
Outreach	-	617,498	(617,498)	-	-	-
Pupil Premium	-	742,829	(742,829)	-	-	-
Sports Premium	-	51,880	(51,880)	-	-	-
Catering	-	33,176	(33,176)	-	-	-
Sales to pupils	-	2,336	(2,336)	-	-	-
Apprenticeship	-	100,418	(100,418)	-	-	-
Music	-	-	-	-	-	-
Pension reserve	(7,474,000)	-	(809,000)	-	(1,427,000)	(9,710,000)
	<u>(5,553,640)</u>	<u>18,725,157</u>	<u>(19,329,856)</u>	<u>(409,783)</u>	<u>(1,427,000)</u>	<u>(7,995,122)</u>
Restricted fixed asset funds						
Restricted fixed asset funds	16,453,317	19,854,239	(658,792)	409,783	-	36,058,547
Total restricted funds	<u>10,899,677</u>	<u>38,579,396</u>	<u>(19,988,648)</u>	<u>-</u>	<u>(1,427,000)</u>	<u>28,063,425</u>
Total funds	<u>11,322,496</u>	<u>38,800,404</u>	<u>(20,214,734)</u>	<u>-</u>	<u>(1,427,000)</u>	<u>28,481,166</u>

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021

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**NOTES TO THE FINANCIAL STATEMENTS
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18 STATEMENT OF FUNDS (continued)

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

	Balance as at 1 September 2019 £			Transfers in/out £	Gains/ (Losses) £	Balance as at 31 August 2020 £
	Income	Expenditure				
	£	£	£			
Unrestricted funds						
General funds	83,129	-	-	-	-	83,129
Hire of premises	38,729	9,196	-	-	-	47,925
Investment income	31,318	5,146	-	-	-	36,464
Catering income	235,309	220,727	(242,927)	-	-	213,109
Outreach	38,440	3,752	-	-	-	42,192
	<u>426,925</u>	<u>238,821</u>	<u>(242,927)</u>	<u>-</u>	<u>-</u>	<u>422,819</u>
Restricted funds						
GAG	1,060,577	13,531,859	(13,325,494)	(333,298)	-	933,644
Start Up Grant	74,000	-	(74,000)	-	-	-
Other ESFA grants	-	803,779	(803,779)	-	-	-
Rates funding	-	101,510	(101,510)	-	-	-
Other government grants	1,148,131	762,867	(1,045,076)	-	-	865,922
Total other income	-	260,698	(260,698)	-	-	-
School fund	123,869	64,288	(67,363)	-	-	120,794
Bursary - admin element	-	2,210	(2,210)	-	-	-
Outreach	-	617,496	(617,496)	-	-	-
Pupil Premium	-	712,554	(712,554)	-	-	-
Sports Premium	-	51,870	(51,870)	-	-	-
Catering	-	36,780	(36,780)	-	-	-
Sales to pupils	-	1,599	(1,599)	-	-	-
Apprenticeship	-	169,056	(169,056)	-	-	-
Music	-	1,663	(1,663)	-	-	-
Pension reserve	(5,871,000)	-	(1,408,000)	-	(195,000)	(7,474,000)
	<u>(3,464,423)</u>	<u>17,118,229</u>	<u>(18,679,148)</u>	<u>(333,298)</u>	<u>(195,000)</u>	<u>(5,553,640)</u>
Restricted fixed asset funds						
Restricted fixed asset funds	14,957,759	1,683,015	(520,755)	333,298	-	16,453,317
Total restricted funds	<u>11,493,336</u>	<u>18,801,244</u>	<u>(19,199,903)</u>	<u>-</u>	<u>(195,000)</u>	<u>10,899,677</u>
Total funds	<u>11,920,261</u>	<u>19,040,065</u>	<u>(19,442,830)</u>	<u>-</u>	<u>(195,000)</u>	<u>11,322,496</u>

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18 STATEMENT OF FUNDS (continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the Trust.

Other DfE/EFSA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education for pupils from a disadvantaged background.

Local government grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the Trust to assist with the pupil's education.

Catch-up premium and other Covid-19 funding is provided for specified recovery use resulting from the effects of the Covid-19 pandemic ranging from tutoring and summer school to free school meal vouchers.

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings or facilities, or the repair or refurbishment of such.

Other capital grants are provided to the Trust based on specific bids for individual projects.

Other income comprises various other receipts. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Trust's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the Trust in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £1,427,000 actuarial increase in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2021 were allocated as follows:

	Total 2021	<i>Total 2020</i>
	£	<i>£</i>
University Academy Holbeach	672,053	871,323
Holbeach Primary Academy	378,550	286,017
Gosberton House Academy	363,426	354,664
Holbeach Bank Academy	3,024	17,751
University Academy Long Sutton	68,237	(26,160)
University of Lincoln Academy Trust	647,329	839,584
Total before fixed asset fund and pension reserve	2,132,619	2,343,179
Restricted fixed asset fund	36,058,547	16,453,317
Pension reserve	(9,710,000)	(7,474,000)
Total	28,481,166	11,322,496

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**NOTES TO THE FINANCIAL STATEMENTS
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18 STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support £	Other support staff costs £	Educational supplies £	Other costs exc. depr'n £	Total 2021 £	Total 2020 £
University Academy Holbeach	7,390,840	1,469,393	644,336	843,404	10,347,973	9,693,336
Holbeach Primary Academy	1,484,239	271,931	73,583	272,546	2,102,299	1,961,922
Gosberton House Academy	1,517,843	250,807	424,882	176,735	2,370,267	2,299,738
University Academy Long Sutton	3,201,366	631,415	200,545	554,474	4,587,800	4,822,339
Central Costs	-	145,763	-	1,840	147,603	144,740
	<u>13,594,288</u>	<u>2,769,309</u>	<u>1,343,346</u>	<u>1,848,999</u>	<u>19,555,942</u>	<u>18,922,075</u>

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	35,480,419	35,480,419
Current assets	417,741	2,400,609	578,128	3,396,478
Creditors due within one year	-	(685,731)	-	(685,731)
Creditors due in more than one year	-	-	-	-
Provisions for liabilities and charges	-	(9,710,000)	-	(9,710,000)
	<u>417,741</u>	<u>(7,995,122)</u>	<u>36,058,547</u>	<u>28,481,166</u>

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	16,453,317	16,453,317
Current assets	422,819	2,918,877	-	3,341,696
Creditors due within one year	-	(998,517)	-	(998,517)
Creditors due in more than one year	-	-	-	-
Provisions for liabilities and charges	-	(7,474,000)	-	(7,474,000)
	<u>422,819</u>	<u>(5,553,640)</u>	<u>16,453,317</u>	<u>11,322,496</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20 CAPITAL COMMITMENTS

	2021	2020
	£	£
Contracted for, but not provided in the financial statements	<u>692,337</u>	<u>167,080</u>

21 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	18,585,670	(402,765)
Adjusted for:		
Depreciation charges	658,792	521,066
Capital grants from DfE and other capital income	(19,854,239)	(1,683,015)
Interest receivable	(2,875)	(5,146)
Profit on disposal of tangible fixed assets	-	(311)
(Increase)/Decrease in stocks	(13,176)	169
(Increase)/Decrease in debtors	135,578	(790,669)
Increase/(Decrease) in creditors	(312,786)	10,522
Defined benefit pension scheme finance cost	<u>809,000</u>	<u>1,408,000</u>
Net cash provided by operating activities	<u><u>5,964</u></u>	<u><u>(942,149)</u></u>

22 CASH FLOWS FROM INVESTING ACTIVITIES

	2021	2020
	£	£
Dividends, interest and rents from investments	2,875	5,146
Proceeds from sale of tangible fixed assets	-	567
Purchase of tangible fixed assets	(19,685,894)	(2,016,880)
Capital grants from DfE and other capital income	<u>19,854,239</u>	<u>1,683,015</u>
Net cash used in investing activities	<u><u>171,220</u></u>	<u><u>(328,152)</u></u>

23 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash at bank	<u><u>2,167,622</u></u>	<u><u>1,990,438</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

24 ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	New finance leases £	Other non-cash changes £	At 31 August 2021 £
Cash	1,990,438	177,184	-	-	2,167,622
Cash equivalents	-	-	-	-	-
	1,990,438	177,184	-	-	2,167,622
Loans falling due within one year	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-
Finance lease obligations	-	-	-	-	-
Total	1,990,438	177,184	-	-	2,167,622

25 PENSION COMMITMENTS

The academy trust'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 Lincolnshire County Council. Both are multi-employer defined benefit pension 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**Introduction**

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

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

Valuation of the Teachers' Pension Scheme

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

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25 PENSION COMMITMENTS (continued)

- 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 2023.

The employer's pension costs paid to TPS in the period amounted to £1,830,319 (2020 - £1,761,414).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (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 academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £911,000 (2020 - £842,000), of which employer's contributions totalled £730,000 (2020 - £672,000) and employee's contributions totalled £181,000 (2020 - £170,000). The agreed employer contribution rates for future years are 20.9% for UAH, 18.9% for GHA, 20.4% for HPA, 20.7% for HBA and 20.7% for UALS. The contribution rates for employees range from 5.5% to 12.5%.

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 LGPS is in deficit. In order to finance the Trust's share of the deficit, the Trust has entered into an agreement to make additional lump sum contributions in addition to the normal funding levels for future years. The agreed additional contributions are 2021/22 £98,000 and 2022/23 £99,000.

Principal actuarial assumptions:

	2021	2020
Discount rate for scheme liabilities	1.7%	1.7%
Rate of increase in salaries	3.2%	2.5%
Rate of increase in pensions in payment/inflation	2.9%	2.2%

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

	Retiring today		Retiring in 20 years	
	2021	2020	2021	2020
Males	21.2	21.4	22.0	22.4
Females	23.6	23.7	25.1	25.2

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25 PENSION COMMITMENTS (continued)

Sensitivity analysis

	2021 £'000	2020 £'000
Discount rate +0.1%	(504)	-
Discount rate -0.1%	518	389
Mortality assumption - 1 year increase	(822)	-
Mortality assumption - 1 year decrease	859	-
CPI rate +0.1%	325	342
CPI rate -0.1%	(317)	-

The academy trust's share of the assets in the scheme was:

	Fair value at 31 August 2021 £	Fair value at 31 August 2020 £
Equities	6,834,000	5,016,300
Bonds	1,356,000	1,454,000
Property	985,000	727,000
Cash	363,000	72,700
Total market value of assets	<u>9,538,000</u>	<u>7,270,000</u>

The actual return on scheme assets was £1,588,000 (2020 - -£126,000).

The amounts recognised in the statement of financial activities incorporating income and expenditure account are as follows:

	2021 £	2020 £
Current service cost	(1,414,000)	(1,412,000)
Past service cost (including curtailments)	-	-
Interest income	129,000	129,000
Interest cost	(250,000)	(255,000)
Administrative expenses	(4,000)	-
	<u>(1,539,000)</u>	<u>(1,538,000)</u>

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

	2021 £	2020 £
Opening defined benefit obligation	14,744,000	12,531,000
Current service cost	1,414,000	1,412,000
Past service cost (including curtailments)	-	-
Interest cost	250,000	255,000
Employee contributions	181,000	170,000
Actuarial losses	2,886,000	(60,000)
Benefits paid	(227,000)	(106,000)
Effect of business combinations	-	542,000
Closing defined benefit obligation	<u>19,248,000</u>	<u>14,744,000</u>

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25 PENSION COMMITMENTS (continued)

Included within the effect of business combinations is £Nil (2020 - £542,000) relating to the conversion of University Academy Long Sutton in July 2019 which was not included on the initial valuation of the pension deficit.

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

	2021	2020
	£	£
Opening fair value of scheme assets	7,270,000	6,660,000
Interest income	129,000	129,000
Actuarial gains and (losses)	1,459,000	(255,000)
Administration expenses	(4,000)	-
Employer contributions	730,000	672,000
Employee contributions	181,000	170,000
Benefits paid	(227,000)	(106,000)
Effect of business combinations	-	-
Closing fair value of scheme assets	<u>9,538,000</u>	<u>7,270,000</u>

26 OPERATING LEASE COMMITMENTS

At 31 August 2021 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	£	£
Amounts payable:		
Within 1 year	18,079	25,818
Between 1 and 5 years	82,965	1,673
Over 5 years	6,784	-
Total	<u>107,828</u>	<u>27,491</u>

27 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.

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28 RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial 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. The following related party transactions took place in the financial period.

	2021	2020
	£	£
During the year the Trust made the following related party transactions:		
University of Lincoln - Expenditure	8,256	18,332
University of Lincoln - Income	<u>54,008</u>	<u>132,583</u>

University of Lincoln - During the year the income received from the University relates to the apprentice contracts of £54,008 (2020 - £132,583). The Trust are sub-contractors to the main contract, Prof T Wilkinson, Prof A Hunter, Prof V Braybrooks and Prof D French were all employed by the University and were also Directors of the Trust within the current period. Ms C Hamblett was employed by the University but was not a Director of the Trust in the current period. The expenditure incurred during the year of £8,256 (2020 - £18,332) relates to time recharged for Central Services (including the supply of accommodation and resources within the Minerva House building in the prior year). At the balance sheet date the amount due to the trust was £Nil. In 2020 the balance at the year end was £13,020 which was owed to the Trust.

Also during the year, a family member of the Deputy Chief Executive Officer was employed on a zero hours contract to assist University Academy Holbeach with on-site Covid testing, amounting to a total cost of £1,442.

In entering into the transactions above, the Trust has complied with the requirements of the Academies Financial Handbook 2020. The elements above £2,500 have been provided 'at no more than cost' and the University of Lincoln has provided a statement of assurance confirming this.

29 CONTINGENT LIABILITIES

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

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

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

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30 AGENCY ARRANGEMENTS

The academy trust distributes 16 -19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021 the trust received £55,252 (2020 - £44,201) and distributed £32,622 (2020 - £38,192) from the fund. The balance of £42,419 (2020 - £19,789) will be distributed to students in the coming year.

31 EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no events to note for the current or prior financial period.