

UNIVERSITY OF
LINCOLN

ACADEMY TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2023

Members

Prof N Juster (Chair)
Mr S Parkes
Mr M Tinsley
Ms D Meale
Prof A Hunter

Trustees

Prof A Hunter (Chair)
Ms M Allison (Vice Chair) (Safeguarding Trustee) *Resigned 2 November 2023*
Prof V Braybrooks MBE *Resigned 31 August 2023*
Mr W Naylor
Mr K Batty *Resigned 30 April 2023*
Dr E Libbey (Chair - Audit and Risk Committee)
Prof D French
Mr A Breckon *Resigned 1 January 2023*
Mr S Baragwanath *Appointed 1 January 2023*
Ms A Lloyd *Appointed 4 October 2023*
Dr A Backhouse *Appointed 29 November 2023*

Company registered number

07647805 (England and Wales)

Company name

University of Lincoln Academy Trust

Principal and registered office

University Academy Holbeach, Park Road, Holbeach, Spalding, Lincolnshire, PE12 7PU

Senior leadership team

Mr A Breckon (CEO) *Resigned 1 January 2023*
Mr S Baragwanath (DCEO) (Executive Principal UAH and UALS) *Appointed CEO 1 January 2023*
Mr B Mawford (CFO)
Miss S Paige (Principal UAH)
Mrs S Boor (Executive Principal HPA and HBA)
Mrs L Stanton (Executive Principal GHA) *Resigned post due to retirement 31 December 2022*
Miss K Saywell (Principal GHA) *Appointed 1 January 2023*
Mr L Davé (Principal UALS)

Independent external auditor

Duncan & Toplis Audit Limited, Oxley House, Lincoln Way, Louth, LN11 0LS

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 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

Introduction

The academic year 2022/23 continued to present challenges associated with pandemic recovery, particularly with regard to pupil and staff attendance. Pupil attendance recovered well in the Trust's two primary schools and was well above the national average, however, attendance at the two secondary schools and special school roughly matched the new national average. Significant effort was made to support our pupils back into good working practices and also helping them catching up on areas of work. Many pupils showed great resilience and worked extremely hard to regain lost ground in their working; however, a small number of pupils found great difficulty fully engaging with learning post-Covid. Staff worked extremely hard to improve engagement but poorly motivated families did not help in a number of cases.

The Trust continues to be aware of the growing social challenges in the already highly deprived area served and has spent additional resources trying to support families and their children. The Governors of Holbeach Bank Primary Academy (HBA) agreed to fund additional "wrap around" care for families which includes a free meal for those attending. This has been very well received by families, although the challenge remains of how this is funded sustainably. The Trust has continued the approach of ensuring uniform costs are as low as possible and, in some cases, has purchased uniform for particular pupils. The Trust has also extended the second-hand uniform provision for families.

The Trust has continued its excellent record of supporting students going to university, with over 90% of students gaining their first choice. The vocational course results continue to be outstanding and the apprenticeship scheme continues to provide an essential service to young people in the area and a great service to the community. After eleven years of development the sixth form numbers have increased every year and over 70% of students going to university are the first generation to do so. The results in the academies are generally in line with expectations, although GCSE results were affected by the post pandemic readjustment of grade boundaries.

The year has seen significant further development of the Trust's estate with completion of Condition Improvement Fund (CIF) project at University Academy Long Sutton (UALS) and wave 3 and wave 4 T-Level blocks at University Academy Holbeach (UAH). The CIF project delivered a new double mobile and replacement of curtain walling at UALS. The Trust also funded 5 new science labs, a refurbished art room and a new design technology food room at UALS. The work has significantly enhanced the teaching and learning environment of the academy for pupils and staff, although supply chain issues caused by the pandemic meant there was significant disruption to the operation of the academy through re-rooming until March 2023.

T-Level capital projects at UAH continued, with the wave 3 building being completed at the end of March. Development of the wave 4 project, designed to support delivery of construction T-Levels covering heating and plumbing engineering, electro-technical engineering, joinery and bricklaying was completed in October 2023. Both of these projects total approximately £3.4m of capital investment, which includes £500k contribution from the Trust. This will significantly improve the technical, vocational and apprenticeship provision for young people.

In the summer of 2021, the Trust began formal discussions with the local authority regarding new buildings at Gosberton House Academy (GHA) as the academy transfers to become an "all-needs specialist academy". This has progressed well over the course of the year, with designs now approved, contractors appointed and the plans now proceeding to the necessary planning application.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2023

In July 2022 the Trust were delighted to receive the announcement that UALS had been placed in the Priority School Building Programme. The Trust has worked with representatives from the Department for Education (DfE) throughout the year and developed plans for the new school. These have now passed through the feasibility stage with approval and will now progress to a more detailed planning process. Contractors have been appointed by the DfE and they are expected to be on-site by June 2024.

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. It was initially called The Lincolnshire Educational Trust and was renamed in May 2021 to University of Lincoln Academy Trust.

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.

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 MAT, but leased to external bodies with Academy use during the school day. At the time of transfer, Ofsted rated it as inadequate.

During the course of the year, the Trust has engaged with two primary schools who approached the Trust after reading the strategy for growth in the Trust's handbook. This process of engagement went extremely well and both schools have since applied to join the Trust, following successful consultations with their governing and parental bodies. The applications were considered at the Headteachers' Advisory Board meeting in September 2023 where approval for the conversions were granted. This is a significant milestone achieved in the plans for Trust growth.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2023

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. The Trustees meet at least five times each year, with one of the meetings being an away day to have wide ranging discussions about the work of the Trust and its development. Members, Trustees and Local Governing Committee meetings are held in person where possible, but some have been held online due to outbreaks of COVID. Each Academy Governing Committee meets at least five times a year, although ad-hoc committees are used to address specific remits, at the agreement of the Chair and CEO. Academies at risk or new to the Trust may have more meetings in the initial phase of their membership as determined by the CEO. There are regular skills audits of Trustees and Governors to ensure we have the right experience to carry out the range of functions.

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) and was renamed The Lincolnshire Educational Trust Limited, changing name again on 12 May 2021 to University of Lincoln Academy Trust. 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 terms of reference as well as all the dates and training sessions for the academic year. The Trust believes the Academy Governing Committees have an important role to oversee the running of each Academy with a key focus on monitoring children and young person's progress and well-being as well as health and safety.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2023

To facilitate the smooth running of the Academy Governing Committees the Trust has a Chair of Governors committee which is chaired by the CEO and it meets at least six times each year. 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 (SoDA) is annually updated and approved by Trustees and is published on the Trust website. It also approves the policy schedules and 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 two years because of COVID 19.

The Trust has established a number of key principles that all academies work to. These are fully documented in the Trust Handbook. The key points relate to finance, where the Trust do not automatically top-slice each academy's budget. Instead, a charge for each service is made, so central costs are explicit to each academy and there is complete transparency. This means all academies know exactly what costs are at the centre of the Trust and ensure maximum resources are spent on the children and young person's education. This has proven to be a positive factor when schools have been considering joining the Trust.

In addition, any surplus an academy generates remains with that academy, to ensure they can see the value of careful budgeting and can plan for the medium term. 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 from Principals in all academies. Trustees take a very close interest in the internal and external audits of the Trust and both chairs during the year reported very successful audits. The Trust also is highly committed to all its staff and as well as supporting staff wellbeing, the Trust outsource professional advice on Human Resources (HR) matters to Capita, who provide a first class service and represents very good value for money.

f. ORGANISATIONAL STRUCTURE

The organisational structure consists of four levels of Members, Trustees/Directors, Governors and Executive Management Board lead by the CEO. 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 Trusts 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 of the Trust. The Trust Board also allows the Chief Finance Officer (CFO) and Executive Principals to attend board meetings. The Audit and Risk Committee 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. The Nominations and Remunerations Committee operated throughout the year and assessed senior pay awards and the appointment of the most senior staff.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2023

Academies have Academy Governing Committees which have clear delegated powers. Note that Holbeach Primary Academy and Holbeach Bank Primary Academy have a joint governing committee. These committees have two parent governors and two staff governors. To assist coherence between the Trust Board, Executive and Academy Governing Committees the Trust has a Chairs meeting which is held online approximately once a month. This consists of the CEO, each Chair of Governors and the Director of Primary. This has been found to be a very effective method of working and communicating developments across the Trust.

The Trust is managed by an Executive Management Board whose membership includes the CEO, Director of Primary, CFO and all Principals. This is the key decision making group in operational terms. It meets on a regular basis approximately every month. The key aim is to ensure the Trust has 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 to gain both high quality service and value for money. The Trust places great emphasis on financial probity and during the year the Trustees examined comparative data on how and what is spent. The only areas which were higher than average were teaching costs and that is in-line with the Trusts strategic aim which is to maximise the resources spent on children and young people's education. The Trust executive has three sub committees to support the Trusts work, these are for Safeguarding and Child Protection, SEND and Pupil Premium and Curriculum and Standards Committees.

The 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, sector and needs. For context, the largest academy in the Trust has 1,388 pupils on roll, growing to 1,500 in the next three years, the smallest has 82 pupils on roll and there is also an outstanding special school with a national specialism in autism. The senior leadership teams are responsible for the day-to-day running of their academies. Principals make appointments and oversee the teaching staff and teams of administration and operational support as well as having responsibility for the academy 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.

The Trust uses a number of approaches to facilitate key service provision based on delivering best value for money. Some external services are purchased, for example HR, grounds maintenance and health and safety, whereas other areas utilise the Trust's own staff expertise. Each Academy also accesses a number of external agencies to enable a broader provision of educating and learning. The external agencies may 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 2022/23 the five academies had the same Scheme of Delegated Authority.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

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, Director of Primary, CFO and Executive Principal. Pay rates in line with national agreements were made for the CFO and Executive Principal and Principals. There was no increase for the new CEO.

The Trust appointed a new CEO in the year, the Nominations and Remuneration Committee and the Chair of the Trust appointed Academicis as recruitment consultants in order to secure the strongest field of candidates possible through national advert and the recruitment consultants expertise. After an exhaustive selection process, interviews and presentations with different stakeholder groups within the Trust, the appointment of the new CEO was confirmed.

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
5	3.2747

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1% - 50%	1
51% - 99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£1,392
Total pay bill	£18.33m
Percentage spent on facility time	0.01%

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 the academies and all employees are employed on national or local authority agreed terms and conditions.

In all five academies there are regular team meetings and briefings including full consultative forums for any discussions that are of concern to employees. Full provision is made for disabled employees. There were no complaints from employees during this period related to work conditions.

The Trustees recognise protected characteristics and 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 2023

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. The Trust has large companies for services such as HR, who are procured through a tendering process, through to smaller, local companies who provide grounds maintenance. Some of the Trusts catering provision is also outsourced.

A tendering process is always adopted when purchasing services from companies, under the limits and rules set out in the Scheme of Delegated Authority. The Trust have excellent relationships with a variety of local companies assisted by the apprenticeship scheme, operated by University Academy Holbeach, 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 2023

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 the children 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 2023

Strategic report

a. ACHIEVEMENTS AND PERFORMANCE

The academic year 2022/23 was another very successful and yet challenging year to manage the academies and the Trust. In planning to recover from the impact of the pandemic and return to a more normal provision, it was found that frequent outbreaks of Covid amongst both staff and pupils significantly impacted upon the smooth running of the academies and on pupil's learning. However the Trust still managed to run Saturday schools and Easter schools in both secondary academies to help with post pandemic "catch-up". The Trust was able to run transition activities between schools and a range of extracurricular activities.

The pandemic continued to exert a significant effect upon the academies and communities served by the Trust. At the primary and secondary academies, the number of pupil premium pupils has increased dramatically, with UALS and Holbeach Primary Academy (HPA) having more than twice the national average and HBA has more than three times the national average. Special Educational Needs and Disabilities (SEND) numbers across the academies continue to be very high - a reflection of 11+ selection in the secondary sector and the academies in the Trust's close proximity to a number of local authority borders causing a significant elevation in the number of looked after children supported by the academies. The demands of pupil premium, SEND and looked-after children continue to place great strain on the resources of academies and despite additional staffing provided the complex cases placed great strain on the staff, who have worked tirelessly to help the children and their families.

The continual transfer of more and more care being placed on schools is very worrying as the support from the local services is diminishing. Alternative provision and pupil referral units within Lincolnshire were unavailable to pupils from the Trust, as all of the places had been filled within the county. This reflected the county wide, and national, challenge being faced by schools helping pupils readjust to behavioural norms after the disruption and lockdowns of previous years.

Addressing this situation has been very demanding and required additional resources, making it extremely difficult to balance budgets throughout the year. Clearly with very high inflation, partially funded pay rises and the greater needs to be addressed in these areas, there is a difficult problem emerging. The Trustees and executives are aware of this and are seeking to address through savings in other areas.

All Trust Board meetings took place, although there some were rescheduled and held on online. All Academy Governing Committees took place as set out and approximately half of these were online. There are arrangements in place now for some to be held in person and some online. All Chairs meetings took place online as scheduled.

The Trust was expecting an Ofsted inspection of HBA which joined as a sponsored academy in June 2018, which took place in October 2022. The academy was graded as "Good" in all areas for the first time in its history, and represented a significant turnaround in the fortunes of the school - previously graded as "inadequate" in all areas when it first joined the Trust. The report highlighted the well-planned curriculum, driven by well-trained subject leaders, along with their excellent subject knowledge and understanding of progression and sequencing of the curriculum. Strong academy leadership was recognised by inspectors and the ongoing professional development for all staff was noted along with the "wrap around" care. Some very positive parental comments were highlighted in the report.

"The vast majority of parents value the school. One parent summed up many when they said: 'Every child should be able to attend a school like Holbeach Bank. A school where they feel safe, supported, welcome, loved and happy. A school where teachers and support staff care for them like their parents do'."

This was an outstanding success, that highlighted the capacity of the Trust and the ability of academy leaders to improve schools, despite the challenges of the pandemic.

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FOR THE YEAR ENDED 31 AUGUST 2023

HPA was also inspected in March 2023. This academy was also graded as "Good" in all areas, maintaining the previous rating of "Good". The report was highly positive, recognising:

"It is a welcoming, warm and thoroughly inclusive place to learn. Pupils are proud to belong to the school community. Pupils are happy and enjoy learning. Leaders use well-planned strategies to support pupils' wider development. The arts are at the heart of school life. Leaders provide many opportunities for pupils to reflect..."

The report highlighted the success of SEND provision and the knowledge school leaders had of their academy and the areas they had already identified for improvement.

HPA has a proven record of academic success with pastoral work important in ensuring the needs of all pupils are met in order to maximise the potential outcomes. Pupils are excellent advocates of this academy giving their ideas and opinions with confidence.

Both academies have strong sporting links both between themselves and with the wider, local primary community. The arts are important to both, HPA has a particularly strong music ethos and HBA, in designing and making skills. Both are fortunate to have ample grounds for the positive drive of outdoor learning with chickens and ducks well cared for by the pupils valuing the opportunity to take responsibility. The learning environments of both academies are established, positive and reflect the care and pride of both pupils and their staff.

Gosberton House Academy had 102 pupils and has a significant waiting list, this is an exceptional special academy with an ethos and approach to autistic children which is exceptional. Its biannual survey of parents showed all parents knew their child was safe and behaved well at school. The Academy provided throughout the summer break online interactive communication between staff and families. The Academy maintained its Silver Investors in People award.

The Executive Principal resigned from post due to retirement from January 2023, however the Trust decided to appoint early so there could be a suitable handover and were delighted to appoint a former Vice Principal of the Academy as the new Principal who started in October 2022.

The Academy also holds the contract for the "Working Together Team" and this was awarded again on a three year contract from September 2022. This team provides outreach services to all Lincolnshire schools to support children with autism. The Trust are at planning stage for the new build at the Academy so that they can become an "all-needs" special school. Considerable work has begun redesigning the curriculum to maximise access and entitlement for the learners through careful and targeted adaptations and planning. The leadership team and subject leads are being supported by the Trusts own SEND consultant and significant additional external consultant support.

UAH had a successful year with examination results at GCSE, A-Level and technical and vocational courses. Forty-six students went to university this year, which was less than last year, as more students went on to start degree apprenticeships - a developing and increasing trend.

The average grade in A-Level was "C-" and the average grade at Btec was distinction. These are remarkable results for a non-selective school in a selective area and clearly demonstrates the quality of the post-16 provision at UAH.

The GCSE results showed a slight decrease upon the previous year, that reflected the changes that were applied to grade boundaries nationally in 2023. Comparisons with previous years' results are very difficult to make, and are treated with extreme caution by the inspectorate as a result. The academy had 1,388 on roll and will soon have 240 in each of the year 7 to 11 as the academy remains oversubscribed.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

The academy continues to deliver a highly successful apprenticeship scheme. With approximately 100 students working on the scheme, this represents a vitally important pathway for young people to follow post-16, providing them with valuable technical and vocational training. A record 45 students joined the programme in September 2023, a 100% increase that reflects the quality of work done by the Trust in this area.

The apprenticeship provision was inspected in February 2023 and was rated as "Good" in all areas, bucking a national trend, in which 45% of providers have been downgraded to "Requires Improvement".

The new wave 3 T-Level building, which was delayed by over 6 months by Government announcements, suffered from major cost increases and supply chain issues. It was started during the summer term 2022 and was completed in March 2023. This delay has adversely affected the initial recruitment to these courses. This is a major new resource for the Trust and represents another significant pathway for post-16 learners to follow. In addition, the DfE also awarded UAH with funds for a new T-Level construction block. This facility was completed in October 2023, with remodelling of existing areas scheduled to be complete by December 2023. These investments in technical skills are critical for the future development of South East Lincolnshire and addresses impending skills shortages identified in the East Midlands area. By the end of the 2023 academic year, the Trust will have one of the finest vocational provisions in the country, building on the long tradition in this area of education.

UALS continues on its journey of improvement in all aspects of school life. The last year saw a continuation of the disruption caused by the pandemic and the continuing and difficult issue of high levels of pupil turbulence. Repeated Covid cycles of infection disrupted the attendance of both staff and pupils, and also the smooth delivery of the curriculum. Delays caused to capital projects by post-pandemic supply chain issues meant re-rooming requirements caused some upheaval. The GCSE results showed a slight improvement upon the previous year's progress as a result.

UALS continued to strengthen its leadership team and made some significant staffing appointments to improve delivery in the classroom. The calm atmosphere means learning is now more effective and the culture of the school is much improved. The academy ran a wide range of out-of-school activities and extra-curricular trips to make up for those lost during the pandemic. As of October 2023, the academy had 717 on roll with 44% pupil premium and 24% SEND. These high percentages reflect both the deprivation and selection in the communities the academy serves. UALS engaged fully with the National Tutoring Programme to help students catch up across all year groups, but particularly year 10 and 11 students.

The poor learning environment of UALS at conversion was clear in having a detrimental impact on pupils and staff retention. The Trust and leadership team have worked closely with the DfE and other agencies throughout the year, to drive the PSBP forward. The project has passed the feasibility assessment stage in summer and a contractor has been appointed by the DfE. A detailed 12 week planning process will begin with the DfE and contractors to finalise the design with expectations of building to begin in 2024.

UALS was inspected in September 2023 with the result being that of "Requires Improvement". The Academy has made significant steps to improvement since conversion in 2019 but work still remains. Overall the Trust is encouraged by the improvements made at the Academy especially given the breakdown of the final published reports which highlights the efforts and success made within the institution, and highlights a clear path to further enhancements of a consistent and thorough curriculum.

The four inspections that have taken place across the Trust's academies in the last year show that every academy that has joined the Trust has either improved or maintained its Ofsted grading since conversion. This is a good record and one that Trustees and the executive are keen to continue.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

A factor that affected delivery in all of academies over the course of the year, was the strike action taken by teaching staff. This required significant alteration to normal delivery on multiple occasions throughout the year. Principals at both the primaries and the special school were able to remain open throughout all of the strike days, largely due to their smaller staffing numbers enabling the SLT to cover staff taking strike action. The two secondary schools in the Trust had to operate with partial closures, due to their larger staff numbers. The percentage of staff taking strike action were similar across each phase of schooling. Partial closures were required in these instances, in order to maintain safe environments for pupils. However, in an attempt to mitigate the impact of this disruption to older pupils, exam year groups were protected as much as possible.

Another significant factor that has presented constant challenges throughout the year has been the return to "normality" since the pandemic disruption. This has had two major features; firstly, driving up pupil attendance and secondly, helping pupils re-adjust to the expectations of the school environment. Improving attendance has been a strong feature in the work of all of the Trust's academies. The primary schools have been able to maintain pre-pandemic levels of attendance, yet the special school and the two secondary schools have all seen attendance drop. Their attendance figures are still in line with the new, lower national average, but there is clearly a need to address this issue. The Trust has invested significantly in additional staffing to develop and strengthen teams to support pupils back into school and avoid absence. There is a local authority and national focus on this area, that the Trust is fully engaged with.

There was a significant increase in the number of sanctions applied to youngsters who found adjusting to behavioural norms challenging. Staff worked very hard across all academies to support these youngsters and managed to avoid the most serious of sanctions. However, a lack of accessible alternative provision from within the local authority has been a difficult challenge throughout the academic year.

The Trust has developed and embedded its ethos through excellent staff at all levels of the Trust, and Trustees would like to place on record their thanks for their contribution to creating such a thriving organisation.

The work of the three Executive committees continues to have a positive impact across the Trust.

The Safeguarding and Child Protection committee has oversight of this area of work. The work of this committee has seen this essential area of the Trust's operation graded as "Effective" through four different inspections in the year. The training and collaboration that has been evident over the course of the year has enabled Designated Safeguarding Leads (DSL's) and their teams to constantly update their skills and review their processes and policy.

The Standards and Curriculum Committee, made up of the CEO and all of the Principals has commissioned significant external support to help curriculum development in both UAH and UALS. This has since been extended to GHA and is being well received. The impact of this work contributed significantly to the positive changes evident in UALS's inspection feedback.

The SEND and Pupil Premium Committee has focused upon gaining the SENDIA quality mark at UALS, whilst working collaboratively with all of the SEND teams across the Trust. Excellent progress towards this award is being made, with a view to it being rolled across the Trust more rapidly, once achieved at UALS. UALS was chosen as the starting point, due to the significant pupil premium and SEND profile of its pupils overall.

The impact of the Trust's school improvement model and its commissioning of expertise when required has been very positive and cost effective. The retention of the former CEO and the former Executive Principal of GHA has significantly strengthened the Trust's capacity to drive improvement and grow.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2023

The Trust maintained detailed risk assessments on each academy throughout the year and the Trust also has an overriding risk assessment. These were reviewed by the Audit and Risk committee who were happy that risk was being managed in an effective manner. The specific risk assessments for Covid were dropped, but this was built into the individual risk assessments. Covid remained a risk simply in terms at staffing our academies at certain times due to staff absence. The Trust also had significant risks in delivering government funded protects for T-levels and CIF projects. The risks surrounded delays in announcing the funding awards and the impact of building costs during that delay. This resulted in having to adjust the plans to ensure they could be delivered within budget. This factor was not recognised by the Government and led to serious challenges, although the Trust managed adequate solutions.

The Trust launched its five-year plan in July 2022 and this contained a risk assessment, which Trustees scrutinised and it will be reviewed annually.

b. MAJOR STRATEGIC CHALLENGES

University of Lincoln Academy Trust, like most Trusts, is facing significant financial risks in the next few years as pay awards and inflation outstrip government funding. The Trust recognises this and has planned measures to seek to reduce costs, fortunately the Trust has low central costs and fuel contracts lasting to September 2024. This phase will not be easy to manage and the extent of the challenge is not yet fully known. The Trust academies are popular and several academies are full and others have only a few numbers below PAN.

The second challenge is seeking to support and address the increasing social issues which young people and their families are facing. Children who are at risk of hunger, don't have suitable clothing or are cold at home do not learn well in school, so this is a risk our Trust must seek to address with the local communities. This is combined with the need to continue to address the lost learning through COVID. Again, catch-up activities and additional tutoring are essential, combined with Saturday workshops for secondary aged students. Improving the attendance of pupils is part of this work.

The third challenge remains that Ofsted grade the academies in the Trust as good or outstanding. The Trust has seen "Good" and improved outcomes through the four inspections that took place this year. The Trust are expecting UAH and GHA to be inspected over the next 12 to 18 months.

Other challenges are the new build at GHA that will deliver "all need" capability and the DfE PSBP, which is planned to deliver a brand new school on the UALS site. Delivering both of these projects, whilst minimising disruption to pupils' learning over the next two years will require careful planning and collaboration with the DfE, local authority and contractors.

c. KEY PERFORMANCE INDICATORS

The Trust has set the key performance indicators as:

1. For policy approval that all policies have been reviewed where appropriate during the financial year.
2. All safeguarding and child protection cases were safely managed using Lincolnshire County Council policies, processes and procedures.
3. All academies had a broad and balanced curriculum on offer which conformed with the Trust curriculum intent and the governments requirements.
4. All academies were fully staffed to ensure the academies worked well.
5. Staff training in all areas was maintained and in some key areas it was increased to ensure the academies were able to deliver first class education.
6. That the Trust maintains its record of all inspections since being formed have maintained their grade or improved it.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2023

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. Along with the opportunity to visit the academies or attend open evenings.

Financial Review

In all of the Trust expenditure the CEO, 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 month, 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 previously 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 had 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, UAH raises funds from the ESFA through its delivery of apprenticeships. GHA receives funding from Lincolnshire County Council for the delivery of the council's autism outreach programme.

In the financial year the Trust continued to suffer the belated impact of significant additional costs related to the pandemic and global issues. These costs varied from staffing costs related to sickness and the subsequent need for supply cover, however where staff sickness insurance could be used, it was used to offset where possible to increasing costs for paper and significant changes to utility charges.

The deficit generated during the year in restricted general funds (excluding pension) and unrestricted funds was £771,898. During the year ended 31 August 2023 the total operating expenditure of £23.53m 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, CFO, senior admin officer and other central posts such as IT lead, HR lead etc. who remain central contracted are 1.39% of total expenditure.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

At 31 August 2023 the net current assets were £2.1m and the net book value of tangible fixed assets was £37.88m. The assets were used exclusively for providing education and the associated support services to the learners of the academies.

There is a declared nil balance on the defined benefit pension scheme, Local Government Pension Scheme (LGPS) for associated staff due to the impact of an imposed asset ceiling by the actuaries which highlights the probability of recovering any associated surplus to be negligible. Arguably a potential liability would exist for teachers if measured by the same method. The Trust is following the advice as provided by the pension scheme actuary with regards to contributions and deficit payments. This would mean any future 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 £39.89m. Of this sum £0.89m are restricted revenue funds. £38.63m relates to the value of fixed assets and as such, would be available only by the disposal of tangible fixed assets, and £Nil relates to the value of the LGPS deficit. Unrestricted revenue funds total £0.37m.

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.

The Trust's available reserves total £1.26m which is in excess of one months salary costs aim. The excess amount is held for capital contributions where required across the Trust.

As at 31 August 2023, £86,615 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 2023

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. Meeting the full requirement of the Safeguarding and Child Protection legislation and local authority procedures.
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.
14. Failure to recruit skilled Trustees and Governors.
15. Meeting requirements for safe and effective estates and estate managements under the required legislation and evolving department guidance.

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. A strong and knowledgeable Audit and Risk Committee.
7. Policies and procedures required by law and those necessary to run an effective and efficient organisation.
8. High levels of support for vulnerable young people and their families, with embedded adherence to Safeguarding and Child Protection policies and guidance.
9. 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 2023 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2023

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. The Trustees, CEO, 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.

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 Trust published in July 2022 a five year strategy called "Driving Forward". This plan has four strategic themes being improving pupil experience, developing staff, enhancing learning environments, facilities and resources and growing and sustaining the Trust. The plan has been risk assessed and has milestones and methods of assessment. The plan does not recognise that educational policy has been somewhat unstable over the last few years.

A priority is to ensure the smooth transition of new schools joining the Trust within an efficient time period and the continuing success of their provision whilst in the Trust to demonstrate the ability of continue to provide in the local community an efficient and effective educational environment.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

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 Continuing Professional Development (CPD) 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.

There will also be a drive to address the national decline in pupil attendance that has affected some of the Trusts academies in order to recover attendance to pre-pandemic levels and beyond, to reduce pupil absence and improve attainment.

The Trust is also working to achieve SENDIA Quality Mark for Special Needs delivery initially at UALS, to be further rolled out across the Trust.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023**

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data	Period ended 31 August 2023	Period ended 31 August 2022
Energy consumption used to calculate emissions (kWh)	3,038,349	3,040,272
Energy consumption breakdown (kWh) • Gas • Electricity • Transport fuel	1,909,720 1,084,175 44,454	1,919,749 1,081,323 39,200
Scope 1 emissions in metric tonnes CO₂e		
Gas consumption	348.64	350.43
Owned transport - mini-buses	6.02	3.19
Total scope 1	<u>354.66</u>	<u>353.62</u>
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	224.50	209.11
Scope 3 emissions in metric tonnes CO₂e		
Business travel in employee owned vehicles	4.75	6.33
Total gross emissions in metric tonnes CO₂e	583.91	569.06
Intensity ratio		
Tonnes CO ₂ e per pupil	0.23	0.22
Quantification and reporting methodology:- • We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.		
Intensity measurement The chosen intensity measurement ratio is total gross emissions in metric tonnes CO ₂ e per pupil, the recommended ratio for the sector.		
Measures taken to improve energy efficiency The Trust has continued the use of 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. New developments at University Academy Holbeach are heated via air source heat pumps and have solar panels installed. The Priority School Rebuild taking place at University Academy Holbeach will greatly improve energy efficiency through heat and light savings compared to the current build along with aiming to be net zero on completion.		

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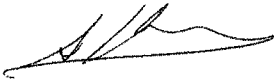
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

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 6 December 2023 and signed on its behalf by:



.....
Professor A Hunter
Chair of Trustees

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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 S Baragwanath 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.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Trust Board met on less than six occasions during the year, with one occasion being a full day meeting when in depth debate took place. To maintain effective oversight the senior officers provide monthly briefings to the Trust Board, including monthly management accounts 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)	5	5
Prof V Braybrooks <i>Resigned 31 August 2023</i>	3	5
Dr E Libbey	4	5
Ms M Allison (Vice Chair) <i>Resigned 2 November 2023</i>	2	5
Mr K Batty <i>Resigned 30 April 2023</i>	2	3
Mr W Naylor	4	5
Prof D French	4	5
Mr A Breckon <i>Resigned 1 January 2023</i>	2	2
Mr S Baragwanath <i>Appointed 1 January 2023</i>	3	3

The board covers a wide range of issues over all academies within the Trust and can include items ranging from building controls (for recent successful bids), relevant Academy successes and challenges and financial updates.

The Trust manages conflicts of interest by maintaining and publishing up-to-date declarations of interest registers for senior staff which is available to all academies to be used in transactional reviews in the event of potential conflicts.

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 and has undertaken an annual skills audit.

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GOVERNANCE STATEMENT (continued)

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
Dr E Libbey (Chair and Trustee)	3	3
Mr K Batty (Trustee) <i>Resigned 30 April 2023</i>	1	2
Mr W Naylor (Trustee)	2	3
Prof D French (Trustee)	2	2
Ms D Hall (Independent Member) <i>Resigned 1 January 2023</i>	-	1
Mr I Waite (Independent Member)	2	3

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

The Nominations and Remuneration Committee held four meetings, one to look at senior staff salaries and the other meetings to discuss the appointment of the new CEO of the Trust.

	Meetings attended	Out of a possible
Prof A Hunter (Chair)	4	4
Ms M Allison <i>Resigned 2 November 2023</i>	1	4
Dr E Libbey	4	4
Mr K Batty <i>Resigned 30 April 2023</i>	2	3

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 2022/23 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 continuing investment in Saturday workshops and holiday tuition has been very well received by students at UAH and UALS and the impact remains significant.

The Trust has also undertaken surveys for RAAC on the estate using a provider familiar with the estate to ensure that reviews were both cost effective and timely, but also detailed enough to provide the DfE and Trust stakeholders with assurance over the condition of the buildings in the Trust.

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Trust charged 1.5% of total income to fund the CEO, CFO, senior admin officer and other central posts (such as IT lead and HR lead) 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 2022 to 31 August 2023 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 2022 to 31 August 2023 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 continued to buy-in an internal audit service from Forrester Boyd for the 2022/23 financial year. This option was chosen to provide an independent, transparent and professional approach to the internal reviews.

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 purchasing controls and banking procedures.
- Testing of cash handling procedures and recording.
- Testing of systems involved with safeguarding of children in the Trust.
- Testing of IT controls and systems.

The internal auditor has carried out their schedule of work as planned for the current financial year with no significant issues arising.

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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. On an annual basis the internal auditors prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

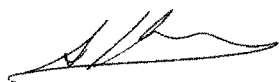
REVIEW OF EFFECTIVENESS

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 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 work of the external auditor.

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 6 December 2023 and signed on its behalf by:



.....
Professor A Hunter
Chair of Trustees



.....
Mr S Baragwanath
Accounting Officer

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

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, including for estates safety and management, 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 Academy Trust Handbook 2022, including responsibilities for estates and safety management.

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 Academy Trust Handbook 2022.

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 S Baragwanath
Accounting Officer

Date: 6 December 2023

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

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 Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 2022 to 2023.
- 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 6 December 2023 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 2023 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 2022 to 2023 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 2023 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 2022 to 2023 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 Academy Trust 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

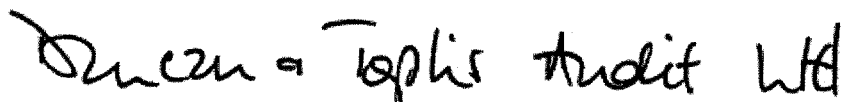
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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
UNIVERSITY OF LINCOLN ACADEMY TRUST

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.



.....
Timothy Godson FCA (Senior Statutory auditor)

For and on behalf of

Duncan & Toplis Audit Limited

Chartered Accountants and Statutory Auditors

Oxley House

Lincoln Way

Louth

LN11 0LS

Date: 6 December 2023

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 Academies Accounts Direction 2022 to 2023, 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 2022 to 31 August 2023 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 Academy Trust Handbook, extant from 1 September 2022, 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 Academies Accounts Direction 2022 to 2023. 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 2022 to 31 August 2023 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 trust'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 2022 to 31 August 2023 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Duncan & Toplis Audit Ltd

.....
Timothy Godson FCA

Duncan & Toplis Audit Limited

Chartered Accountants and Statutory Auditors

Oxley House

Lincoln Way

Louth

LN11 0LS

Date: 6 December 2023

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 2023**

		Unrestricted	Restricted	Restricted	Total	Total
		funds	funds	fixed asset	funds	funds
	Note	2023	2023	2023	2023	2022
		£	£	£	£	£
INCOME FROM:						
Donations and capital grants	2	-	23,525	481,131	504,656	3,126,186
Charitable activities	3	-	21,182,239	-	21,182,239	19,477,444
Other trading activities	4	304,320	649,674	-	953,994	761,437
Investments	5	9,247	-	-	9,247	834
TOTAL INCOME		<u>313,567</u>	<u>21,855,438</u>	<u>481,131</u>	<u>22,650,136</u>	<u>23,365,901</u>
EXPENDITURE ON:						
Charitable activities		345,984	21,990,187	1,193,580	23,529,751	22,079,375
TOTAL EXPENDITURE	6	<u>345,984</u>	<u>21,990,187</u>	<u>1,193,580</u>	<u>23,529,751</u>	<u>22,079,375</u>
NET INCOME/(EXPENDITURE)						
BEFORE TRANSFERS		(32,417)	(134,749)	(712,449)	(879,615)	1,286,526
Transfers between funds	19	-	(652,732)	652,732	-	-
NET INCOME/EXPENDITURE						
BEFORE OTHER RECOGNISED						
GAINS AND LOSSES		(32,417)	(787,481)	(59,717)	(879,615)	1,286,526
Actuarial gain/(loss) on defined benefit pension schemes	27	-	535,000	-	535,000	10,466,000
NET MOVEMENT IN FUNDS		<u>(32,417)</u>	<u>(252,481)</u>	<u>(59,717)</u>	<u>(344,615)</u>	<u>11,752,526</u>
RECONCILIATION OF FUNDS:						
Total funds brought forward		397,895	1,147,300	38,688,497	40,233,692	28,481,166
TOTAL FUNDS CARRIED FORWARD		<u>365,478</u>	<u>894,819</u>	<u>38,628,780</u>	<u>39,889,077</u>	<u>40,233,692</u>

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

REGISTERED NUMBER: 07647805

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	14	37,882,649	36,246,403
CURRENT ASSETS			
Stock	15	61,384	48,988
Debtors	16	1,764,996	3,639,999
Cash at bank and in hand		1,718,804	1,798,789
		<u>3,545,184</u>	<u>5,487,776</u>
CREDITORS: amounts falling due within one year	17	<u>(1,444,652)</u>	<u>(959,929)</u>
NET CURRENT ASSETS		<u>2,100,532</u>	<u>4,527,847</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>39,983,181</u>	<u>40,774,250</u>
CREDITORS: amounts falling due after more than one year	18	<u>(94,104)</u>	<u>(53,558)</u>
NET ASSETS EXCLUDING PENSION ASSET/(LIABILITY)		<u>39,889,077</u>	<u>40,720,692</u>
Defined benefit pension scheme asset/(liability)	27	-	(487,000)
TOTAL NET ASSETS		<u><u>39,889,077</u></u>	<u><u>40,233,692</u></u>
FUNDS OF THE TRUST			
Restricted income funds			
Restricted income funds	19	894,819	1,634,300
Restricted fixed asset funds	19	<u>38,628,780</u>	<u>38,688,497</u>
Restricted funds excluding pension scheme		<u>39,523,599</u>	<u>40,322,797</u>
Pension reserve		-	(487,000)
Total restricted funds		39,523,599	39,835,797
Unrestricted income funds	19	<u>365,478</u>	<u>397,895</u>
TOTAL FUNDS		<u><u>39,889,077</u></u>	<u><u>40,233,692</u></u>

The financial statements on pages 34 to 61 were approved by the Trustees, and authorised for issue, on 6 December 2023 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 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	22	2,214,703	(1,788,677)
Cash flows from investing activities	23	(2,339,448)	1,360,386
Cash flows from financing activities	24	44,760	59,458
Change in cash and cash equivalents in the Year		<u>(79,985)</u>	<u>(368,833)</u>
Cash and cash equivalents brought forward		1,798,789	2,167,622
Cash and cash equivalents carried forward	25/26	<u>1,718,804</u>	<u>1,798,789</u>

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023 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 2023

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 prior 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 prior period.

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

UNIVERSITY OF LINCOLN ACADEMY TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1 ACCOUNTING POLICIES (continued)

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.

- **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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1 ACCOUNTING POLICIES (continued)

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.

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 notes 17 and 18. 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1 ACCOUNTING POLICIES (continued)

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.

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.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1 ACCOUNTING POLICIES (continued)

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 32.

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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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

FOR THE YEAR ENDED 31 AUGUST 2023

2 DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Capital grants	-	481,131	481,131	3,097,513
Donated fixed assets	-	-	-	-
Other donations	-	23,525	23,525	28,673
	-	504,656	504,656	3,126,186
<i>Total 2022</i>	-	3,126,186	3,126,186	

3 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
DfE/ESFA grants				
General Annual Grant	-	15,167,390	15,167,390	14,187,677
16 to 19 allocations	-	1,571,903	1,571,903	1,559,577
Other DfE/ESFA grants				
Pupil Premium	-	982,867	982,867	872,771
TPG/TPECG	-	53,627	53,627	77,553
Other	-	1,019,536	1,019,536	429,171
Other DfE Group grants	-	-	-	-
	-	18,795,323	18,795,323	17,126,749
<i>Total 2022</i>	-	17,126,749	17,126,749	
Other Government grants				
Local authority grants	-	2,012,454	2,012,454	1,934,588
Other Government grants	-	30,640	30,640	33,847
	-	2,043,094	2,043,094	1,968,435
<i>Total 2022</i>	-	1,968,435	1,968,435	
Covid-19 additional funding (DfE/ESFA)				
Covid recovery premium	-	209,222	209,222	108,714
Other DfE/ESFA Covid-19 funding	-	-	-	140,256
Covid-19 additional funding (non-DfE/ESFA)				
Other Covid-19 funding	-	134,600	134,600	133,290
	-	343,822	343,822	382,260
<i>Total 2022</i>	-	382,260	382,260	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4 OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Outreach services	4,987	-	4,987	3,383
Catering income	287,223	625	287,848	295,350
Sales to pupils	-	2,600	2,600	2,556
Hire of facilities	12,110	-	12,110	13,909
Other income	-	418,071	418,071	314,102
Apprenticeship income	-	228,378	228,378	132,137
Music tuition	-	-	-	-
	<u>304,320</u>	<u>649,674</u>	<u>953,994</u>	<u>761,437</u>
Total 2022	<u>312,621</u>	<u>448,816</u>	<u>761,437</u>	

5 INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income - other local investments	<u>9,247</u>	<u>9,247</u>	<u>834</u>
Total 2022	<u>834</u>	<u>834</u>	

6 EXPENDITURE

	Total 2023 £	Total 2022 £
Funding for the academy trust's educational operations	<u>23,529,751</u>	<u>22,079,375</u>

7 ANALYSIS OF EXPENDITURE BY ACTIVITIES

Analysis of direct costs

	Total 2023 £	Total 2022 £
Pension interest	1,000	154,000
Educational supplies	664,441	727,025
Outreach costs	295,430	325,817
Technology costs	190,973	172,573
Examination fees	298,780	282,048
Staff development	75,558	47,275
Other costs	222,603	139,892
Wages and salaries	11,478,122	10,332,500
National insurance	1,192,231	1,068,275
Pension costs	2,527,747	2,736,828
Depreciation	<u>922,595</u>	<u>730,641</u>
	<u>17,869,480</u>	<u>16,716,874</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

7 ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Total 2023	Total 2022
	£	£
Wages and salaries	3,129,867	3,160,923
Depreciation	270,985	241,336
(Profit)/loss on disposal of fixed assets	-	-
Recruitment and support	87,064	69,893
Maintenance of premises and equipment	256,254	281,610
Cleaning	38,150	41,602
Rent and rates	163,228	151,221
Energy costs	458,717	246,925
Insurance	114,537	102,923
Transport	199,620	156,966
Telephone, postage and stationery	167,672	142,811
Catering	445,126	405,548
Other costs	255,232	266,154
Bank interest and charges	1,031	1,321
Auditor's remuneration	19,948	17,860
Legal fees	2,295	6,396
Professional fees	50,545	69,012
	<u>5,660,271</u>	<u>5,362,501</u>

During the year ended 31st August 2023, the Trust incurred the following governance costs: £70,493 (2022 - £86,872) included within the table above in respect of funding for the Trust's educational operations.

8 EXPENDITURE

	Staff costs 2023	Premises 2023	Other costs 2023	Total 2023	Total 2022
	£	£	£	£	£
Funding for the Trust:					
Direct costs	15,199,100	922,595	1,747,785	17,869,480	16,716,874
Support costs	3,129,867	1,030,886	1,499,518	5,660,271	5,362,501
	<u>18,328,967</u>	<u>1,953,481</u>	<u>3,247,303</u>	<u>23,529,751</u>	<u>22,079,375</u>
Total 2022	<u>17,452,526</u>	<u>1,554,922</u>	<u>3,071,927</u>	<u>22,079,375</u>	

9 NET INCOME/(EXPENDITURE)

This is stated after charging:	2023	2022
	£	£
Depreciation	1,193,580	971,977
(Gain)/loss on disposal of fixed assets	-	-
Fees payable to auditors for:		
- external audit	16,280	14,480
- internal audit	3,360	3,180
- other services	308	200
Operating lease rentals	<u>26,155</u>	<u>22,661</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

10 STAFF COSTS

Staff costs were as follows:

	2023	2022
	£	£
Wages and salaries	13,350,822	11,756,176
Social Security costs	1,389,611	1,228,645
Operating costs of defined benefit pension scheme	3,114,585	3,906,091
	<u>17,855,018</u>	<u>16,890,912</u>
Agency staff costs	464,246	561,614
Staff restructuring costs	9,703	-
	<u>18,328,967</u>	<u>17,452,526</u>

Staff restructuring costs comprise:

Redundancy payments	-	-
Severance payments	9,703	-
	<u>9,703</u>	<u>-</u>

The Trust paid 1 severance payment in the year, disclosed in the following band:

	2023	2022
0 - £25,000	1	-

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

	2023	2022
	No.	No.
Management	8	7
Teachers	207	201
Support	243	224
	<u>458</u>	<u>432</u>

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	8	6
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	3
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	-	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-

The key management of the academy trust comprise the trustees and the trust senior leadership team, as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £814,062 (2022 - £785,929).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11 CENTRAL SERVICES

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

Central management and compliance services

Financial and IT services

HR 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:

	2023	2022
	£	£
University Academy Holbeach	176,656	111,251
Holbeach Primary Academy	46,265	17,296
Holbeach Bank Academy	16,359	5,333
Gosberton House Academy	60,560	24,399
University Academy Long Sutton	100,160	51,721
Total	<u>400,000</u>	<u>210,000</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 Principals 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:

		2023	2022
		£	£
Mr A Breckon (CEO/Trustee) <i>Resigned 1 January 2023</i>	Remuneration	23,250	62,100
	Pension contributions paid	Nil	Nil
Mr S Baragwanath (CEO/Trustee) <i>Appointed 1 January 2023</i>	Remuneration	83,511	Nil
	Pension contributions paid	20,251	Nil

During the year travel and subsistence expenses totalling £681 (2022 - £1,663) were reimbursed to 1 Trustees (2022 - 1).

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 2023**

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 2022	8,134,100	25,950,754	3,259,577	691,323	1,139,487	2,063,782	55,248	41,294,271
Additions	270,662	-	31,234	2,253,483	201,483	72,964	-	2,829,826
Transfer of class	-	-	1,947,552	(1,947,552)	-	-	-	-
Disposals	-	-	(277,661)	-	-	-	-	(277,661)
At 31 August 2023	8,404,762	25,950,754	4,960,702	997,254	1,340,970	2,136,746	55,248	43,846,436
Depreciation								
At 1 September 2022	402,949	1,230,493	623,948	-	889,924	1,845,306	55,248	5,047,868
Charge for the year	220,209	519,015	183,371	-	113,281	157,704	-	1,193,580
On disposals	-	-	(277,661)	-	-	-	-	(277,661)
At 31 August 2023	623,158	1,749,508	529,658	-	1,003,205	2,003,010	55,248	5,963,787
Net book value								
At 31 August 2023	7,781,604	24,201,246	4,431,044	997,254	337,765	133,736	-	37,882,649
At 31 August 2022	7,731,151	24,720,261	2,635,629	691,323	249,563	218,476	-	36,246,403

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15 STOCKS

	2023	2022
	£	£
Consumables	61,384	48,988

16 DEBTORS

	2023	2022
	£	£
Trade debtors	24,807	31,446
VAT repayable	138,118	206,696
Other debtors	103,392	192,713
Prepayments and accrued income	1,498,679	3,209,144
	<u>1,764,996</u>	<u>3,639,999</u>

17 CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	682,423	449,525
Loans	10,114	5,900
Other creditors	124,011	92,959
Accruals and deferred income	628,104	411,545
Provisions	-	-
	<u>1,444,652</u>	<u>959,929</u>

	2023	2022
	£	£
Deferred income		
Deferred income at 1 September 2022	107,392	144,713
Resources deferred during the year	126,956	107,392
Amounts released from previous years	(107,392)	(144,713)
	<u>126,956</u>	<u>107,392</u>

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

	2023	2022
	£	£
Provisions		
Provisions at 1 September 2022	-	17,288
Provisions made during the year	-	-
Provisions released from previous years	-	(17,288)
	<u>-</u>	<u>-</u>

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

A loan of £12,280 from Salix Finance was provided on the terms of being repayable within 8 years (maturity September 2029) at a rate of 0% interest to University Academy Long Sutton.

Two CIF loans, being £47,945 and £46,295, from the Department for Education were provided on the terms of being repayable within 10 years (maturity August 2033) at a rate of 2.07% interest to University Academy Long Sutton.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

18 CREDITORS: Amounts falling due in greater than one year

	2023	2022
	£	£
Loans	94,104	53,558
	<u>94,104</u>	<u>53,558</u>

A loan of £12,280 from Salix Finance was provided on the terms of being repayable within 8 years (maturity September 2029) at a rate of 0% interest to University Academy Long Sutton.

Two CIF loans, being £47,945 and £46,295, from the Department for Education were provided on the terms of being repayable within 10 years (maturity August 2033) at a rate of 2.07% interest to University Academy Long Sutton.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

19 STATEMENT OF FUNDS

	Balance as at 1 September 2022					Balance as at 31 August 2023	
	£	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	£	£
Unrestricted funds							
General funds	83,129	-	-	-	-	83,129	
Hire of premises	69,750	12,110	-	-	-	81,860	
Investment income	40,173	9,247	-	-	-	49,420	
Catering income	156,162	287,223	(345,984)	-	-	97,401	
Outreach	48,681	4,987	-	-	-	53,668	
	<u>397,895</u>	<u>313,567</u>	<u>(345,984)</u>	<u>-</u>	<u>-</u>	<u>365,478</u>	
Restricted funds							
GAG - Pre-16	960,778	15,163,535	(14,796,467)	(652,732)	-	675,114	
GAG - 16-19	-	1,571,903	(1,571,903)	-	-	-	
Other ESFA grants	-	854,942	(854,942)	-	-	-	
Rates funding	-	110,614	(110,614)	-	-	-	
Other government grants	583,841	1,425,598	(1,868,782)	-	-	140,657	
Catch-up premium	-	-	-	-	-	-	
Covid recovery premium	-	209,222	(209,222)	-	-	-	
Other DfE/ESFA Covid-19 funding	-	-	-	-	-	-	
Other Covid-19 funding	-	134,600	(134,600)	-	-	-	
Total other income	-	317,007	(317,007)	-	-	-	
School fund	89,681	124,589	(135,222)	-	-	79,048	
Bursary - admin element	-	3,855	(3,855)	-	-	-	
Outreach	-	617,496	(617,496)	-	-	-	
Pupil Premium	-	982,867	(982,867)	-	-	-	
Sports Premium	-	52,200	(52,200)	-	-	-	
Catering	-	56,032	(56,032)	-	-	-	
Sales to pupils	-	2,600	(2,600)	-	-	-	
Apprenticeship	-	228,378	(228,378)	-	-	-	
Pension reserve	(487,000)	-	(48,000)	-	535,000	-	
	<u>1,147,300</u>	<u>21,855,438</u>	<u>(21,990,187)</u>	<u>(652,732)</u>	<u>535,000</u>	<u>894,819</u>	
Restricted fixed asset funds							
Restricted fixed asset funds	38,688,497	481,131	(1,193,580)	652,732	-	38,628,780	
Total restricted funds	<u>39,835,797</u>	<u>22,336,569</u>	<u>(23,183,767)</u>	<u>-</u>	<u>535,000</u>	<u>39,523,599</u>	
Total funds	<u>40,233,692</u>	<u>22,650,136</u>	<u>(23,529,751)</u>	<u>-</u>	<u>535,000</u>	<u>39,889,077</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 2023

UNIVERSITY OF LINCOLN ACADEMY TRUST

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

19 STATEMENT OF FUNDS (continued)

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

	Balance as at 1 September 2021					Balance as at 31 August 2022	
	£	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	£	£
Unrestricted funds							
General funds	83,129	-	-	-	-	83,129	
Hire of premises	55,841	13,909	-	-	-	69,750	
Investment income	39,339	834	-	-	-	40,173	
Catering income	194,134	295,329	(333,301)	-	-	156,162	
Outreach	45,298	3,383	-	-	-	48,681	
	<u>417,741</u>	<u>313,455</u>	<u>(333,301)</u>	<u>-</u>	<u>-</u>	<u>397,895</u>	
Restricted funds							
GAG	884,971	15,743,939	(15,163,718)	(504,414)	-	960,778	
Other ESFA grants	-	302,112	(302,112)	-	-	-	
Rates funding	-	104,199	(104,199)	-	-	-	
Other government grants	641,095	1,361,521	(1,418,775)	-	-	583,841	
Catch-up premium	62,372	-	(62,372)	-	-	-	
Covid recovery premium	-	108,714	(108,714)	-	-	-	
Other DfE/ESFA Covid-19 funding	-	140,256	(140,256)	-	-	-	
Other Covid-19 funding	-	133,290	(133,290)	-	-	-	
Total other income	-	256,264	(256,264)	-	-	-	
School fund	126,440	86,511	(123,270)	-	-	89,681	
Bursary - admin element	-	3,315	(3,315)	-	-	-	
Outreach	-	606,914	(606,914)	-	-	-	
Pupil Premium	-	872,771	(872,771)	-	-	-	
Sports Premium	-	52,020	(52,020)	-	-	-	
Catering	-	48,414	(48,414)	-	-	-	
Sales to pupils	-	2,556	(2,556)	-	-	-	
Apprenticeship	-	132,137	(132,137)	-	-	-	
Pension reserve	(9,710,000)	-	(1,243,000)	-	10,466,000	(487,000)	
	<u>(7,995,122)</u>	<u>19,954,933</u>	<u>(20,774,097)</u>	<u>(504,414)</u>	<u>10,466,000</u>	<u>1,147,300</u>	
Restricted fixed asset funds							
Restricted fixed asset funds	36,058,547	3,097,513	(971,977)	504,414	-	38,688,497	
Total restricted funds	<u>28,063,425</u>	<u>23,052,446</u>	<u>(21,746,074)</u>	<u>-</u>	<u>10,466,000</u>	<u>39,835,797</u>	
Total funds	<u>28,481,166</u>	<u>23,365,901</u>	<u>(22,079,375)</u>	<u>-</u>	<u>10,466,000</u>	<u>40,233,692</u>	

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19 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 £535,000 actuarial decrease 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 2023 were allocated as follows:

	Total 2023	Total 2022
	£	£
University Academy Holbeach	391,851	697,434
Holbeach Primary Academy	337,248	365,161
Gosberton House Academy	355,869	392,901
Holbeach Bank Academy	28,611	3,945
University Academy Long Sutton	2,625	161,719
University of Lincoln Academy Trust	144,093	411,035
Total before fixed asset fund and pension reserve	1,260,297	2,032,195
Restricted fixed asset fund	38,628,780	38,688,497
Pension reserve	-	(487,000)
Total	39,889,077	40,233,692

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

19 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 2023	Total 2022
	£	£	£	£	£	£
University Academy Holbeach	7,818,452	1,554,141	761,844	1,095,118	11,229,555	10,938,332
Holbeach Primary Academy	1,869,242	310,470	132,210	335,954	2,647,876	2,456,540
Gosberton House Academy	1,580,443	281,834	382,610	180,021	2,424,908	2,465,479
University Academy Long Sutton	3,930,963	706,558	382,101	707,680	5,727,302	5,061,789
Central Costs	-	276,864	13,462	16,204	306,530	185,258
	<u>15,199,100</u>	<u>3,129,867</u>	<u>1,672,227</u>	<u>2,334,977</u>	<u>22,336,171</u>	<u>21,107,398</u>

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2023 are represented by:

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	£	£	£	£
Tangible fixed assets	-	-	37,882,649	37,882,649
Current assets	365,478	1,703,766	1,475,940	3,545,184
Creditors due within one year	-	(808,947)	(635,705)	(1,444,652)
Creditors due in more than one year	-	-	(94,104)	(94,104)
Provisions for liabilities and charges	-	-	-	-
	<u>365,478</u>	<u>894,819</u>	<u>38,628,780</u>	<u>39,889,077</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	-	-	36,246,403	36,246,403
Current assets	397,895	2,137,044	2,952,837	5,487,776
Creditors due within one year	-	(502,744)	(457,185)	(959,929)
Creditors due in more than one year	-	-	(53,558)	(53,558)
Provisions for liabilities and charges	-	(487,000)	-	(487,000)
	<u>397,895</u>	<u>1,147,300</u>	<u>38,688,497</u>	<u>40,233,692</u>

UNIVERSITY OF LINCOLN ACADEMY TRUST

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21 CAPITAL COMMITMENTS

	2023	2022
	£	£
Contracted for, but not provided in the financial statements	<u>746,130</u>	<u>3,004,694</u>

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

	2023	2022
	£	£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	(879,615)	1,286,526
Adjusted for:		
Depreciation charges	1,193,580	971,977
Capital grants from DfE and other capital income	(481,131)	(3,097,513)
Interest receivable	(9,247)	(834)
Profit on disposal of tangible fixed assets	-	-
(Increase)/Decrease in stocks	(12,396)	6,580
(Increase)/Decrease in debtors	1,875,003	(2,466,711)
Increase/(Decrease) in creditors	480,509	268,298
Defined benefit pension scheme finance cost	48,000	1,243,000
Net cash provided by operating activities	<u>2,214,703</u>	<u>(1,788,677)</u>

23 CASH FLOWS FROM INVESTING ACTIVITIES

	2023	2022
	£	£
Dividends, interest and rents from investments	9,247	834
Proceeds from sale of tangible fixed assets	-	-
Purchase of tangible fixed assets	(2,829,826)	(1,737,961)
Capital grants from DfE and other capital income	481,131	3,097,513
Net cash used in investing activities	<u>(2,339,448)</u>	<u>1,360,386</u>

24 CASH FLOWS FROM FINANCING ACTIVITIES

	2023	2022
	£	£
Repayments of borrowing	(1,535)	(767)
Cash inflows from net borrowing	46,295	60,225
Net cash provided by financing activities	<u>44,760</u>	<u>59,458</u>

25 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Cash at bank	<u>1,718,804</u>	<u>1,798,789</u>

UNIVERSITY OF LINCOLN ACADEMY TRUST

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26 ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £	Cash flows £	New finance leases £	Other non-cash changes £	At 31 August 2023 £
Cash	1,798,789	(79,985)	-	-	1,718,804
Cash equivalents	-	-	-	-	-
	1,798,789	(79,985)	-	-	1,718,804
Loans falling due within one year	(5,900)	(4,214)	-	-	(10,114)
Loans falling due after more than one year	(53,558)	(40,546)	-	-	(94,104)
Finance lease obligations	-	-	-	-	-
Total	1,739,331	(124,745)	-	-	1,614,586

27 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 2022.

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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**NOTES TO THE FINANCIAL STATEMENTS
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27 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 2024.

The employer's pension costs paid to TPS in the period amounted to £2,097,087 (2022 - £1,901,282).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,145,000 (2022 - £969,000), of which employer's contributions totalled £915,000 (2022 - £770,000) and employee's contributions totalled £230,000 (2022 - £199,000). The agreed employer contribution rates for future years are 25.2% for UAH, 22.1% for GHA, 24.1% for HPA, 24.8% for HBA and 24.4% 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 an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

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 2023/24 £111,083 and 2024/25 £116,083.

Principal actuarial assumptions:

	2023	2022
Discount rate for scheme liabilities	5.3%	4.3%
Rate of increase in salaries	3.9%	3.2%
Rate of increase in pensions in payment/inflation	2.9%	2.9%

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	
	2023	2022	2023	2022
Males	19.5	21.2	20.8	22.1
Females	22.6	23.7	24.0	25.1

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**NOTES TO THE FINANCIAL STATEMENTS
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27 PENSION COMMITMENTS (continued)

Sensitivity analysis

	2023	2022
	£'000	£'000
Discount rate +0.1%	(218)	(278)
Discount rate -0.1%	225	286
Mortality assumption - 1 year increase	307	338
Mortality assumption - 1 year decrease	(298)	(328)
CPI rate +0.1%	213	195
CPI rate -0.1%	(207)	(190)

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

	Fair value at 31 August 2023	Fair value at 31 August 2022
	£	£
Equities	6,972,000	7,602,000
Bonds	1,484,000	1,229,000
Property	839,000	1,317,000
Cash	385,000	245,000
Other	1,611,000	-
Total market value of assets	<u>11,291,000</u>	<u>10,393,000</u>

The actual return on scheme assets was £293,000 (2022 - £19,000).

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

	2023	2022
	£	£
Current service cost	(951,000)	(1,853,000)
Past service cost (including curtailments)	-	-
Interest income	454,000	164,000
Interest cost	(455,000)	(318,000)
Administrative expenses	(11,000)	(6,000)
	<u>(963,000)</u>	<u>(2,013,000)</u>

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

	2023	2022
	£	£
Opening defined benefit obligation	10,880,000	19,248,000
Current service cost	951,000	1,853,000
Past service cost (including curtailments)	-	-
Interest cost	455,000	318,000
Employee contributions	230,000	199,000
Actuarial losses	(641,000)	(10,611,000)
Benefits paid	(584,000)	(127,000)
Effect of business combinations	-	-
Closing defined benefit obligation	<u>11,291,000</u>	<u>10,880,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

27 PENSION COMMITMENTS (continued)

Actuarial losses within the defined benefit obligations include an asset ceiling adjustment of £400,000. Without this adjustment, there would be a net pension scheme asset of £400,000. In the opinion of the trustee's, this asset cannot be realistically recovered from the pension scheme, either by direct payment or future service contributions, hence an adjustment has been made to remove the pension asset.

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

	2023	2022
	£	£
Opening fair value of scheme assets	10,393,000	9,538,000
Interest income	454,000	164,000
Actuarial gains and (losses)	(106,000)	(145,000)
Administration expenses	(11,000)	(6,000)
Employer contributions	915,000	770,000
Employee contributions	230,000	199,000
Benefits paid	(584,000)	(127,000)
Effect of business combinations	-	-
Closing fair value of scheme assets	<u>11,291,000</u>	<u>10,393,000</u>

28 OPERATING LEASE COMMITMENTS

At 31 August 2023 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2023	2022
	£	£
Amounts payable:		
Within 1 year	35,686	21,110
Between 1 and 5 years	93,064	80,828
Over 5 years	-	-
Total	<u>128,750</u>	<u>101,938</u>

29 MEMBERS' LIABILITY

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

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**NOTES TO THE FINANCIAL STATEMENTS
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30 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 Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

	2023	2022
	£	£
During the year the Trust made the following related party transactions:		
University of Lincoln - Expenditure	8,395	3,674
University of Lincoln - Income	<u>-</u>	<u>1,234</u>

University of Lincoln - During the year the income received from the University relates to apprentice income of £Nil (2022 - £1,234). The Trust are sub-contractors to the main contract, 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. The expenditure incurred during the year of £8,395 (2022 - £3,674) relates to hire of premises for examinations at Minerva House and recharges for meetings held on University premises. At the balance sheet date the amount due to the trust was £Nil (2022 -£Nil).

Also during the prior 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 £Nil (2022 - £230).

In entering into the transactions above, the Trust has complied with the requirements of the Academy Trust Handbook. 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.

31 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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**NOTES TO THE FINANCIAL STATEMENTS
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32 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 2023 the trust received £77,095 (2022 - £66,302) and distributed £56,782 (2022 - £36,909) from the fund. The balance of £86,615 (2022 - £71,812) will be distributed to students in the coming year.

The funds for the 16-19 bursary can only be carried forward for one year and therefore an amount of £9,520 included in the closing balance is repayable to the ESFA in the next reporting period.

33 EVENTS AFTER THE END OF THE REPORTING PERIOD

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