

Company Registration Number: 10049068 (England & Wales)

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Gill Golder YMCA, Exeter Peter Bethel Isabel Cherrett (appointed 1 January 2022) Exeter Diocesan Education Network (EDEN)
Trustees	Nicola Dunford, CEO ^{1,2,3,4} Katherine Evans (Appointed 16 February 2022) ³ Christopher Norman (Appointed 2 February 2022) ² Fiona Walters ³ Dominic Course ¹ Jason Hayward-Jones (Resigned 7 February 2022) ¹ Paul Baillie Waterworth ^{2,4} Graeme Scott (Appointed 25 January 2022) ^{1,3} Cheryl Mathieson, Chair of Trustees ^{2,3,4} Jane Collings (Resigned 31 December 2021) ³ Sarah Cox ¹ Roy Gillard (deceased 3 January 2022) ^{2,4} Benjamin Thorne (Appointed 22 February 2022) ^{2,4} ¹ Audit Committee ² Finance and General Purposes Committee ³ Standards and Curriculum Committee ⁴ Remuneration Committee
Company registered number	10049068
Company name	Link Academy Trust
Principal and registered office	Landscope C of E Primary School Landscope Ashburton Newton Abbot TQ13 7LY
Corporate secretary	Matt Matthew
Chief executive officer	Nicola Dunford
Senior management team	Nicola Dunford, CEO & Accounting Officer Matt Matthew, Deputy CEO Elizabeth Lethbridge, Academy Trust School Outcomes Lead Sarah Clarke, Academy Trust School Improvement Lead
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Bankers	Lloyds Bank plc Chapel Hill 11 Treyew Road Truro Cornwall TR1 3AN
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Solicitors	Wolferstans 60-66 North Hill Plymouth Devon PL4 8EP
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**LINK ACADEMY TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' report and a Directors' report under company law.

The Trust now operates sixteen primary academies in the Totnes, Newton Abbot & Teign Valley region, Woodleigh, near Crediton, Budleigh Salterton and Otterton in East Devon and three former South Dartmoor Trust academies, Ilsington, Widecombe in the Moor and Moretonhampstead. Over the last year Morchard Bishop Primary has converted from Management Partnership into an academy within the Trust (October 21). Throughout the previous year Morchard Bishop engaged fully with the Trust's training and CPD provision and transferred successfully into the Trust. Wolborough CofE Primary in Newton Abbot agreed to work in Management Partnership with the Link from March 2022 until conversion or the partnership is dissolved. The initial due diligence work undertaken shows they have financial issues which the Trust has been working on with them since March and the Diocese are supporting the process with property checks and partnership working. It is anticipated that conversion will probably be slowed by land issues and October 2023 is a realistic date for the transfer to happen. The Trust has also been in discussion with a SAT, Sparkwell All Saints, and at the end of the year their Trustees agreed to move forward with joining the Trust. A small Federation of three schools nearby are also exploring the Trust as an option to join. Our reputation is that we provide well for small schools and consequently we are a trust of choice for small community schools.

The Trust this year has had a significant impact on all academies in terms of school improvement and CPD provision. There has been a focus on expansion of Senior Leaders with specific expertise across the whole Trust.

The Executive Improvement Team (EIT) now consists of:

- FTE lead of Standards and Outcomes who closely monitors all schools through Learn, Support and Challenge days where support work is identified and suitable development packages put in place.
- 0.6 School Improvement Lead who ensures the curriculum and strategic planning is effective through scrutiny and actions
- 0.4 Data Lead, who also leads a single school
- The Inclusion and Improvement Hub, who provide intervention from EP, therapeutic training & courses, to counselling, as well as SEND monitoring and
- 0.4 SEND and Safeguarding lead who leads a single school but has significant support from the IIH and an assistant Safeguarding Lead.

The EIT holds weekly meetings to review schools and build supportive programmes and INSET, as well as monitoring the impact of their work according to the performance of individual schools.

Recruitment and retention has been a significant factor this year, as a much higher percentage of personnel have left their roles this year than has been experienced in the past. This has led to some instabilities that we had to address robustly. The Workforce Strategy group (Chair of Trustees, CEO & HR Lead) have focussed on improvements to our People Strategy to build successful recruitment of quality staff and provision for their wellbeing as well as a programme of quality CPD. An outcome has been that we have appointed a higher number of Early Career Teachers than normal and to support their success have instigated internal regular training, as well as the national provision, to ensure they are really well supported. The appointment of teaching assistants remains a difficulty, which can have a significant impact on our small schools. However, we continue to pursue every need as effectively as we can. Schools with major staff changes are under particular scrutiny by the EIT.

We continue to develop our Early Years facilities in as many as possible of our academies. Having established a number of new facilities last year we are now focussed on developing high quality provision across all our Early Years that gives pupils a head start when they enter statutory education.

We continue to improve the learning environments in our schools, with an extension to the Reception classroom at Stoke Gabriel, funded by Section 106 and matched by Trust capital funds, and a new roof across the whole school at Bearnas Primary in Newton Abbot, as part of the Condition Improvement Fund (CIF) bid to which the Trust contributed 15%.

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In the spring of 2022 Ofsted visited three Woodleigh schools under Section 8 framework and while they all remained Good, two schools will be revisited under Section 5. The issues that prompted this decision have been robustly addressed with an in-depth Phonics training programme across the whole Trust to ensure fidelity to the synthetic phonics scheme, as well as targeted support for staff and provision for SEND pupils.

Whilst opportunities for growth during 2021-22 continue to be limited, the White Paper prompted some schools and Federations to look into academisation and a number of establishments, both Federations and single Grant Maintained primaries, who were looking to join a multi-academy trust approached us in-year and we progressed these as set out earlier.

The Trust agreed to be part of a pilot MAT to MAT review project which completed early in the Academic Year and went on to support three more Trusts as part of the DfE initiative Trust and School Improvement Support for 2021 to 2022. These projects included support for a Trust of 19 schools in Cornwall that experienced very severe school improvement issues, a smaller Trust who requested support with their governance procedures and systems and finally a Trust who requested support with their overall Trust structure to make a small school more effective and successful - this school went from RI to Good just weeks later.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust was incorporated on 8 March 2016 and opened as a Trust on 1 April 2016, a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of the Trust are also directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Link Academy Trust. Details of the Trustees who served throughout the period, are included in the Reference and Administration Details on the accompanying document.

Trustees' Liability

Each Trustee 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 Trustee, 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 they cease to be a Trustee.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Trust. The limit of this indemnity is £10,000,000.

Method of recruitment and appointment or election of Trustees

On 1st April 2016 the Members appointed those Trustees that had been recruited and selected to be Trustees of the newly formed Trust. In accordance with the Articles of Association, the Trust's Board of Trustees shall not be less than three and no more than 15. For the period of this report, the Board comprised the Chief Executive Officer (CEO) and a minimum of eight appointed trustees, although there have been some resignations and appointments during the year to maintain this minimum.

Over the current academic year there was significant recruitment into the Board of Trustees. Sadly, our Chair of Finance passed away unexpectedly in January. However, we were able to recruit a chartered accountant

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**TRUSTEES' REPORT (CONTINUED)
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with sector experience who thus had a good understanding of the Trust, and who was able to step in quite quickly, bringing a high level of knowledge and skills. Similarly, we recruited two educationalists, one of which is still employed in a performance management director's role with another Trust on a part-time basis and the other has been the Head of many large schools overseas. Both are highly rated experts that have brought significant strengths to the Trust. We also recruited a retired Director of Estates at a London University who brings a wealth of expertise in estates management to the Trust.

When appointing new Trustees, the Board gives consideration to the skills and experience of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

The skills and experience of the new Trustees has complemented those of our existing Trustees and has provided additional strength in particular areas that had previously been missing from the Board's profile. Together, the Trustees as a Board are able to provide a high level of support and challenge.

Trustees are appointed for a four year period, except that this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

The Diocese of Exeter is empowered under Articles 48-49 to appoint Trustees.

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but will always include a tour of the Trust and a chance to meet staff and pupils. All Trustees are provided with access to copies of the newly expanded and updated Handbook, policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there is normally only a small number of new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other quality external bodies, including the Confederation of School Trusts (CST). Currently all Trustees and Governors are undertaking CST's Essential Trustee Programme which is a 6 session programme providing a practical grounding in trusteeship.

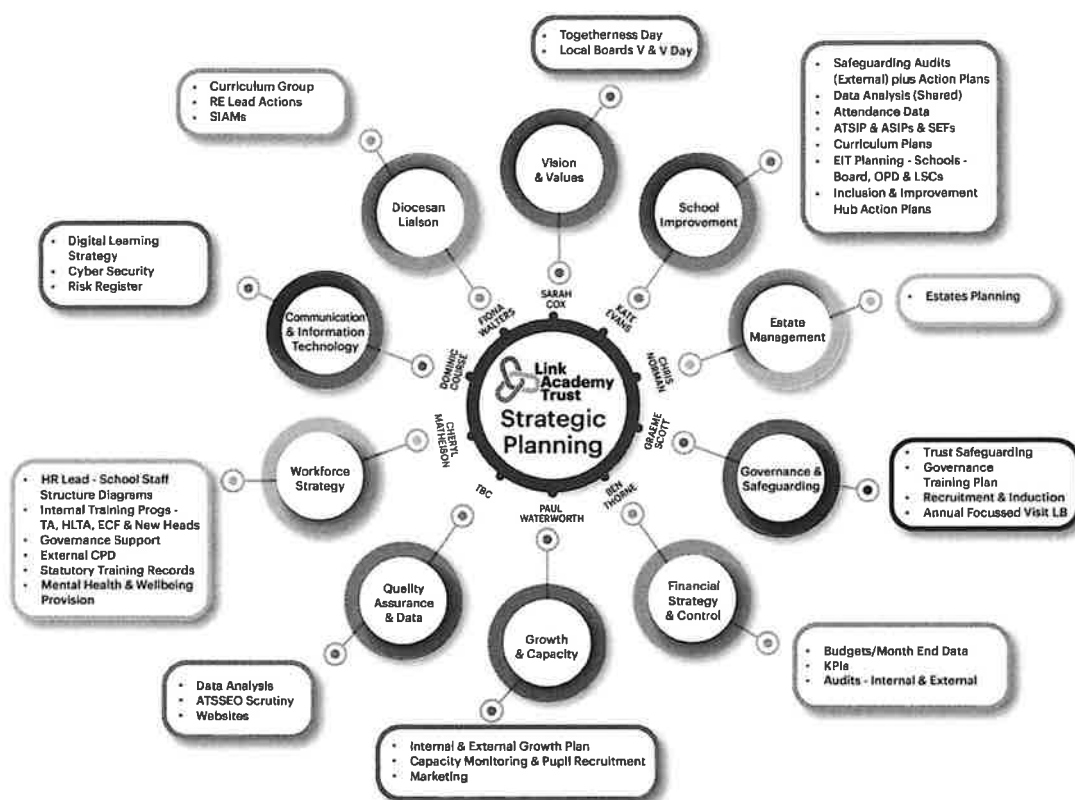
The Trust has in place robust appointment procedures which take account of ongoing skills auditing. It was anticipating that up to three new Trustees would be joining the Board during the financial year 2021-22 and therefore updated and improved practice to ensure good appointments; this has been achieved.

Organisational Structure

The Board of Trustees normally meets once each half term. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of its Committees and other groups. It receives reports including policies from its Committees for approval. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

In 2021-22 we built on the Business Strategy Plan (BSP) for which Trustees are responsible by ensuring each Trustee had the responsibility for an area of the BSP which was pertinent to their particular skills and experience. The BSP established 2-3 action priorities for each Trustee to develop over the year. Trustees were able to work with the documents and personnel within the Trust most relevant to support their work.

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



Communication and Reporting Procedures

The Minutes of the Committees' meetings will be circulated to the next meeting of the Board of Trustees. Subject to any items deemed confidential, the Minutes will be made available to the academies within the Trust once agreed by the Chair and then posted on the website once formally approved at the next meeting.

Clerking Arrangements

The Clerk to the Board of Trustees was the Clerk of the Committee, however her resignation at the end of the year has led to the appointment of a Governance Professional to start in the new academic year who will assume these responsibilities but will also provide more in-depth governance support across the Trust.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Trust and its committee structure, to appoint or remove the Chairperson and/or Vice Chairperson, to appoint the CEO and Governance Professional, to approve the Annual Trust Improvement Plan, Trust Strategic Business Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academies and Trust using budgets and other data, and making major decisions about the direction of the academies and Trust, capital expenditure and staff appointments.

The Trustees have devolved responsibility for day-to-day management of the Trust to the CEO, the Deputy CEO, and School Improvement Leads (School Improvement, Safeguarding, Inclusion, Data and Assessment and School Standards and Educational Outcomes) known as the Trust Executive Improvement Team (EIT), in collaboration with Executive/Academy Heads.

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The Trust has a leadership structure which consists of the Members, Trustees, Local Governors and Trust Senior Management Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The CEO, as Accounting Officer, the Deputy CEO and Finance & General Purposes Committee are responsible for the authorisation of spending within agreed budgets; a summary of which is included in the Scheme of Delegation. Some spending control is devolved to budget holders which must be authorised in line with the Scheme of Delegation. The CEO is responsible for the appointment of staff, through appointment panels for teaching posts that always include a person trained in Safer Recruitment and, whenever appropriate, a Local Governor or Trustee.

The Trust comprises sixteen primary schools, Bearnese, Broadhempston, Cheriton Bishop, Diptford, Drakes-East Budleigh, Harbertonford, Hennock, Ilsington, Landscope, Morchard Bishop, Moretonhampstead, Otterton, Stoke Gabriel, Tedburn St Mary, Widecombe in the Moor and Yeoford which are grouped in Hubs based on previous Federations, with a Local Board (LB) of governors. These Hubs are: Totnes (Broadhempston, Diptford, Harbertonford, Landscope and Stoke Gabriel), Woodleigh (Cheriton Bishop, Morchard Bishop, Tedburn St Mary and Yeoford), Raleigh (Drakes, East Budleigh and Otterton) and the Moorland Hub (Bearnese, Newton Abbot, Hennock, Ilsington, Moretonhampstead and Widecombe in the Moor).

The LBs learn about, support and challenge, school operation in terms of safeguarding, teaching and learning and some statutory reporting link with Sports Funding and Pupil Premium grant, reporting to Trustees.

The Trust Board comprises Trustees that are separate from the LBs.

Any academies in Management Partnership continue to operate their Local Governing Bodies as they always have done and the CEO attends these as part of the Joint committee. On conversion any changes that need to be addressed, will take place during the course of the first year of the academies joining the Trust. This provides individuals already serving on a single school board with the opportunity to consider whether the wider scope of a Hub Board is acceptable to them.

A representative of each LB attends the Standards and curriculum Committee meetings as a conduit for information to flow from individual academies to Trustees and back effectively.

The Chief Executive Officer is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Board of Trustees and the Senior Management Team comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The Trustees benchmark against pay levels in other Trusts of a similar size.

Trade union facility time

There were no relevant union officials during the year.

Related Parties and other Connected Charities and Organisations

The Trust has strong collaborative links across the sixteen primary academies as well as with any academies in Management Partnership with the Trust, at this time Wolborough CofE.

There are no related parties which either control or significantly influence the decisions and operations of the Trust. All Trustees complete relevant declaration forms and there were no transactions with related parties during the year.

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing sixteen primary academies, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on inclusion, a supporting network of teaching and learning expertise to deliver high level exciting learning that is both sequential and progressive.

The aims of the Trust during the 1 September 2021 to 31 August 2022 financial year are summarised below:

- To deliver effective teaching and learning for all pupils and following the pandemic assess where pupils have gaps in their learning in order to address these areas robustly and ensure all pupils have a sequential and progressive understanding of curriculum,
- continue to raise the standard of educational attainment and achievement of all pupils further with due regard to the impact of the previous years' pandemic lockdowns,
- provide an inspirational broad and balanced curriculum, enhanced through regular experiential opportunities, to develop students as more effective, independent and aspirational learners,
- enhance the preschool provision and outcomes for all academies, extending this facility where possible to all academies within the Trust,
- develop the individual academy sites to provide more effective learning environments and enable students to achieve their full potential,
- ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care which is tailored to fully meet their individual needs,
- improve the effectiveness of the academies by keeping the curriculum and organisational structure under continual review in order to effect improvement,
- maximise the number of students who achieve age-related expectations or above at EYFS, phonics, KS1 and KS2,
- provide value for money for the funds expended,
- develop the Improvement & Inclusion Hub, to ensure specialist provision for SEND children across the Trust in the form of bespoke staff training, pupil interventions and access to professional third party specialist organisations,
- close the attainment gap for disadvantaged pupils, by focusing on actions that research shows have most impact,
- work closely with families and the community in order to enhance further the outcomes for children,
- develop greater coherence, clarity and effectiveness in academy systems,
- comply with all appropriate statutory and curriculum requirements,
- maintain close links with industry and commerce,
- develop the Trust's capacity to manage change,
- conduct the Trust's business in accordance with the highest standards of integrity, probity and openness,
- grow the Trust through the capacity of the current academies and encouraging appropriate schools to convert to academy status and join the Trust, including the lowering of age-range to accommodate younger children,
- ensure the skills of Governors and Trustees are fully developed and employed through training and responsibility allocations,
- improve the provision of healthy meals to be produced on site and organising shared provision within the Trust by taking catering 'in-house',
- ensure the highest level of health and safety provision, being aware of children and adult mental health provision and support,
- ensure Safeguarding procedures are tailored to reach families and pupils in their homes even when pupils are not in school to keep them safe,
- ensure online learning Safeguarding is addressed and parents are given information to help them support children to make good choices.

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

At the Trust we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Trust is a community in which children, staff and parents should be part of a happy and caring environment. Our visions and values are reviewed annually and form the foundations of how we operate.

Objectives, Strategies and Activities

The Academy Trust Strategic Improvement Plan (ATSIP) identified a number of priorities that each academy interpreted according to its own needs under each of the main identified headings- with an action plan known as the Academy Strategic Improvement Plan (ASIP). The key priorities for the period from 1 September 2021 to 31 August 2022 are set out as:

A People Strategy - with a focus on:

- Leadership - culture and climate. Ensuring our vision and values runs through all academies and that leadership training is pertinent to needs, addresses all levels of leadership across the trust and is visible everywhere
- Workload and well-being - Wellbeing of staff, pupils and families remains a priority and will be supported through research-based approaches that look to manage workload effectively and support every pupil, family and staff member across the Trust
- Behaviour Management - A focus on developing our relational approach to behaviour across the Trust to ensure pupil and staff needs are met
- Developing people and talent, including our appraisal system, CPD and Career Pathways - This will ensure quality-first teaching remains a clear priority across all our academies and that all pupils receive the education they deserve and leave our Trust in the best possible position both academically and socially. Disadvantaged pupils and families will remain a clear focus.

Curriculum

- An agreed Curriculum Model was constructed during the summer term 2021 and embedded across 2021-22. This will include the Link Digital Learning expectations and innovation in all foundation subjects based on research. Curriculum Hub groups will continue to develop in every subject to the highest standard. Each academy will identify specific subjects to focus on to ensure subjects are delivered to the highest standard
- Trust Subject foci: PSHE/ SRE, DT Computing and MFL.

Global Awareness

- Developing our pupils' awareness and understanding of global issues has become a priority for the Trust. An approach that ensures children gain a picture of world culture/events/challenges (including climate change) will support our pupils to be outward facing and develop attitudes of 'global generosity'.

Development of IIH to include:

- Rationale: Future thinking, what are the challenges for our IIH looking forward?
- Outcomes for PP: How will the IIH support these pupils across the Trust?
- Mental health of our pupils and families: What does this support look like and what are the needs post pandemic?
- Behaviour (relational policy): How will this be embedded across all schools in the Trust? What does consistency look like?

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

Writing

Writing has suffered significantly during the pandemic lockdown in all academies and progress in this area requires immediate, thorough, and relentless attention

Academies will focus on the highest quality delivery of English teaching using forensic analysis to determine the needs of the writers in their individual academy and what they need to ensure progress is rapid and sustained. The English Hub will support with research-based thinking that supports Trust wide approaches in teaching and learning, assessment and monitoring that will ensure lasting improvement is achieved for all children.

Vocabulary

Vocabulary acquisition and the ability to articulate and communicate clearly remain barriers to excellence for many pupils nationally. We have identified this as an area within our Trust that we seek to develop. The principles and research that guide the Oracy project and Closing the Vocabulary Gap, as well as evidence from our own research-led investigations, will be used to develop a robust and systematic approach to vocabulary instruction that will result in a culture shift across our Trust. The positive impact on speaking and listening, reading and writing will be felt by all children and measured across all subject areas, including well-being and meta-cognition.

These priorities formed an ambitious plan that every academy achieved to some level and in line with their own interpretation in accordance with their academy need and capacity. Increasing consistency has been a result, however some academies lead on one foci but not another and we are developing academies' own strengths which we can draw on going forward to support those that have more to do.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The Trust aims to advance for the public benefit, education in Totnes, Newton Abbot & Teign Valley, Crediton, East Devon, South Dartmoor and the surrounding area. In particular, but without prejudice to the generality of the foregoing, by estimating, maintaining, managing and developing schools, offering a broad primary curriculum.

The Trust provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community wherever possible. It also serves to develop the understanding of safeguarding in its communities, charitable support that the Trust is keen to develop at local, national and global level, as well as improving the understanding of our communities towards Equity, Diversity and Inclusion. Environmental concerns are embodied in our Environmental Sustainability Strategy 2021-26.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

National Tests were reinstated this year and so testing resumed in primary schools.

Our educational outcomes, as reflected in the SATs results, have been less consistent than in the past and it is clear that schools with a high percentage of children with additional needs and disadvantaged pupils have fared less well. One academy was significantly below National outcomes which was anticipated, as significant staffing changes were experienced. As a result the Trust has transferred high performing teaching staff into

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

roles within the academy to increase the rapidity of improvement. The EIT continues to monitor and support regularly and closely.

KS2 Reading outcomes in the majority of academies is above national outcomes, with 4 of the 16 marginally below as a result of the large percentages a single child represents. The overall Trust position is that 81% (156/193 pupils) reached expected standards, nationally it was 74%. Levels of Greater Depth were consistently achieved in all but 2 academies, again these were academies with a high percentage of additional needs and disadvantage. KS2 Trust-level writing outcomes were in line with national figures (69%) at 69% (133/193 pupils) and were in the majority very close to reading outcomes, however the achievement of a Greater Depth judgment was low. The impact of the pandemic remains at this level within the writing outcomes in most academies. KS2 Maths outcomes were below the national figure of 71%, at 67% (130/193 pupils) and is a significant area of focus going forward, as there are definite inconsistencies between academies which will be addressed and those performing well will lead improvement. Greater depth outcomes were more consistent.

Overall outcomes were 59% nationally and 60% within the Trust.

The Trust continues to implement a full plan to ensure all academies are operating as near capacity as possible, including a proactive PR and marketing campaign, open events and social media.

The Improvement & Inclusion Hub, established from the inauguration of the Trust has continued to extend its remit, particularly following the pandemic and the issues that have arisen as a result. Working with the Plymouth Excellence Centre it provides training and support for SENCOs, teachers and teaching assistants across all sixteen academies, thereby developing their effectiveness to support vulnerable and challenging pupils. It continues to offer therapeutic courses for challenging pupils, involving their families, which have been highly successful in supporting effective integration of these children into the classroom environment. It also supports academies with Disadvantaged Pupils, identifying their barriers to learning and ensuring their progress is a foremost consideration in every academy.

Currently all academies within the Trust are judged to be Good or Outstanding by Ofsted. As mentioned earlier, Cheriton Bishop, Tedburn St Mary and Yeoford were Section 8 inspected in the spring and summer term; all remain 'good' but there will be a section 5 Inspection scheduled for Cheriton and Tedburn within 12-18 months. The academies are working hard to address the issues that require some improvement, and the EIT have put in place a comprehensive support programme for all academies to address the fidelity to the synthetic phonics programmes, as well as an in-depth scrutiny of provision for SEND pupils and their progress.

The Trust was successful with one of its CIF bids during the year which led to the roof at Bearnes primary school being replaced during the summer which was a very much needed improvement. Stoke Gabriel primary has also had some internal improvement work which has extended the Reception classroom by incorporating the very large cupboard into the classroom footprint – this was partially funded (50%) by 106 grant money. Diptford primary school has had a very difficult year with property issues resulting from Storm Eunice in February. The outcomes of application to the Urgent Capital Rebuild and Schools Rebuilding Teams are still as yet unknown and children continue to have to walk down to use the village hall for lessons. Parents remain very unhappy with the situation and the academy continues to have some very difficult issues to deal with.

To ensure standards are continually assessed, the academies operate a mutual termly learning walk programme of lesson observations, book scrutiny and data analysis reviews that are undertaken by the Executive/Academy Heads, Local Governors and the EIT. From this, teachers and support staff receive feedback and internal programmes of support and/or professional development are run for identified staff. Moderation of judgements is also tested regularly across the Trust.

The Trust has continued to work with a number of individual schools and small federations to promote the ethos and vision that drives the Trust and expects to develop further links with schools in the geographical area and focus on collaborating with federations of small schools. It was through this work that we started to

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discuss partnership working with Moorsway Federation (3 primaries), Wolborough CofE Primary in Newton Abbot and All Saints primary, Sparkwell (SAT) at the end of the year. This will be ongoing.

Key Performance Indicators

The Trust is working with its appointed accountants and has started to develop a full range of KPI's, including percentage carry forward, pupil/teacher ratio, staffing costs versus General Academic Grant (GAG)/income, these have now been extended and form part of the rigorous scrutiny of the financial position at month end and with the F&GP Committee.

	Target	Actual
Total income per pupil	£5,805	£6,708
Total GAG per pupil	£4,195	£4,950
GAG income ratio	74%	73.8%
Staff costs per pupil	£4,252	£5,415
Staff cost ratio (as % of total costs)	73.7%	76.3%
Education costs ratio (as % of total costs)	4.0%	4.9%
Premises costs ratio (as % of total costs)	1.2%	0.8%
Heat and light costs ratio (as % of total costs)	1.2%	1.2%

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 Statement of Accounting Policies.

FINANCIAL REVIEW

The large majority of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

During the year ended 31 August 2022, the Trust received total income of £9,437,521 and incurred total expenditure of £9,991,856. The excess of expenditure over income for the year was £554,335 (before actuarial gains). These figures however include a number of items that distort the financial performance of the Trust, including one off capital grants, depreciation, funds inherited on a new school joining the Trust, and the expenditure effect of the defined benefit pension scheme. The adjusted income and expenditure for the year excluding these items was total income of £9,311,766 and total expenditure £8,692,026. The Trust also reinvested £137,091 of revenue funds into capital works, although this is not recorded as expenditure in the year, it represents expenditure of revenue funds. The overall increase in revenue funds for the year was therefore £481,839.

The Trust has performed financially well for the year, however Trust management and the Trustees are very aware that the success of the Trust is not defined by its financial performance. The surplus achieved in the year has largely been as a result of careful financial management, ensuring that value for money is achieved wherever possible. As also noted throughout this report, there has been a higher than expected number of staff changes. This naturally has resulted in times when expenditure has been below the expected levels. The overall Trust performance is also affected by the timing of work. A large amount of the surplus generated in

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the year is to be earmarked towards capital projects, however the timing has fallen into the new financial year and so not reflected within these accounts. In particular the ongoing uncertainty over departmental support towards Diptford CofE has meant significant expenditure has not been incurred in the year that would have been expected. As is often the case, there are also one-off income streams that were not foreseeably budgeted or expected at the start of the financial year. The Trust has been prudent and where additional funds have been received (and particularly when future funding is not certain), the Trust will only move to use these funds when value for money and optimal educational outcomes can be demonstrated. The Trust is also very conscious not to use one-off pots of money to create new staffing posts that could put additional budgetary pressures in future years if the funding is not renewed.

At 31 August 2022 the net book value of fixed assets was £12,464,696 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust. These assets are represented in the reserves note in the restricted fixed asset fund, and a small value in unrestricted funds.

The land, buildings and other assets were transferred to the Trust upon conversion. Where an academy is a Church of England school, the Trust does not control the buildings and the buildings are therefore not included on the balance sheet.

The balance of the Morchard Bishop schools' budget share (£66,727) was transferred across on conversion and is shown as Unrestricted Funds.

Key financial policies adopted or reviewed during the year include the Finance Procedures Manual which lays out the framework for financial management, including financial responsibilities of the Board, CEO, Deputy CEO, EIT, Academy Heads, Administrators, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

Reserves Policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review. This is reviewed on a continual basis and, where possible, funds will be invested and/or used for capital expenditure to promote and develop the individual academy sites.

The current level of revenue reserves is £13,591,972, and this is represented by funds tied up in fixed assets (or grants required to be spent on fixed assets) of £12,607,933, restricted funds to be spent on specific items of £29,547, a pension reserve of negative £1,000,000. Of the remaining funds there are designated funds of £Nil and free reserves (GAG and unrestricted revenue funds) of £1,954,492.

Currently the Trust sets a free reserve level of approximately six weeks' operating costs (staffing and other expenditure) at £850,000. The Trust has met and exceeded the reserve level this year in order to maintain a strong financial position into the future to allow for increased capital investment. The F&GP committee met in the summer to designate funding that is currently above the reserves level and it was decided that a large sum needed to be held in reserve to support the building work across the Trust. A condition survey has identified over £3 million of maintenance and preventative work is required. Additionally, the Trust is awaiting the outcome of a grant bid for Diptford. If this is not successful, the Trust will need to self-fund rebuilding work so urgently needed at Diptford. It was also agreed that there would be a sum held for the further development of the School Improvement Team in order to accommodate the growth of the Trust and finally a large sum would be put in place to significantly improve the learning environment at Broadhempston primary, with consideration of reconfiguration and refurbishment of the outdoor learning space to bring it into the building to provide the space that is desperately needed within this academy. Full consideration for all buildings within the Trust has been completed with condition survey reports completed for all academies and therefore consideration of the most urgent actions is also part of the designated spending position. The Trust's Environmental Strategy also planned to utilise designated funds into the future. As a consequence of this

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review the Trustees have designated £1,000,000. For more details see the note 19. After this designation, the free reserves of the Trust are now £954,492 in line with our Trust policy.

The level of target and designated reserves will continue to be monitored and revised in response to risks faced by the Trust. They include, but are not limited to, government funding decisions, sector wide pay increase (and any related funding), the success rate of CIF bids and the need for Trust funding on capital projects, and general inflationary pressures such as heat and light costs.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Trust.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. Historically the Trust has not invested additional funds as the interest rates did not generate sufficient return given the time required. With increasing interest rates the Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates and in 2022-23 cash balances not required in the short term will be invested in fixed term accounts. No other form of investment is authorised.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 91.7% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Unfunded salary increases are also a concern as the financial position of the country is currently less stable than in earlier years along with additional inflationary pressures facing the wider economy.

Failures in governance and/or management - the risk in this area arises from potential failure to manage effectively the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks and use such external agencies as the National Governance Association to 'test' their robustness.

Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed. Following 3 Ofsted Inspections all academies within the Trust remain Good or Outstanding.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. Throughout the pandemic robust safeguarding procedures were developed to ensure the Trust had full awareness of pupils' wellbeing and these procedures have continued to ensure a high level of consideration is given to all aspects of safeguarding. Extensive and detailed Risk Assessments were undertaken for each academy and scrutinised by the CEO, Trustees and Local governors to ensure they were as successful as possible. There is a senior leader responsible for Safeguarding at all levels - governance, Trust and academy based.

TRUSTEES' REPORT (CONTINUED)
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Staffing, the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. To mitigate the current picture of difficulty with recruitment and retention across the sector, a full review was carried out by the Workforce Strategy Group and actions put in place to ensure staff well-being and workload is constantly being considered and incremental improvement assured. The EIT completed an in-depth People Strategy and have set out a progression pathway to ensure staff understand the varied progression options open to them, while the Trust Talent spotting procedures have been extended so Academy Heads work alongside governance to identify available talent and CPD is then tailored to support the development of all staff.

Fraud and mismanagement of funds - The Trust has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trust has continued to strengthen its risk management process throughout the year by a complete review resulting in an improved process and staff awareness. A risk register is maintained and reviewed and updated on a regular basis, however it was decided this year to move to an online system and investigations went ahead. The 'Every' system was the most suitable given the context and needs of the Trust and the transfer took place during the summer break of 2022. Risk Management is a major part of the work of the Audit Committee and they 'test' identified aspects regularly throughout the year.

The Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The Register and Plan are regularly reviewed in the light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured there is adequate insurance cover.

With new schools looking to join the Trust it is vital to have a detailed Due Diligence procedure and a follow up strategy to mitigate any identified risks. The process used by the Trust has been updated and is now held online and centrally, experts across the Trust are designated specific areas to investigate and this has increased the level of interrogation to ensure a rigorous and robust process is undertaken and Trustees have accurate information by which to make decisions. Subsequent actions have shown that the risks that were identified during recent Due Diligence exercises were well managed and successfully mitigated in a very short period of time.

Whilst the Trust continues to be well subscribed, with an excellent reputation in the communities it serves and stability in capacity during 2021-22, risks to revenue funding from a falling roll are low. However, the Government's position on the overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years. It is clear the summer of 2022 has begun to see obvious issues around salary increases which would appear to be unfunded and significant increases in energy costs with inflation growing, all of which will impact on our small schools substantially. We do however hold a good level of reserves and feel that, at least in the short-term and until the path forward for education is fully established, we can maintain a good operational structure.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance & General Purposes Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

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At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 25 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

FUNDRAISING

During 2020-21, the Trust employed a Senior Administrator one day a week to apply for grant funding on behalf of all academies and to work with local Parent Teacher Friends Associations (PTFAs) to support their fundraising activities. Unfortunately, this position changed when the Administrator left the post, and the position has not been filled. We continue to seek a replacement for this role which has supported our small schools highly effectively in the past but recruitment remains a challenge. However, the excellent work of the PTFAs across the Trusts' academies has continued throughout 2021/22 and are supporting their schools very well.

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide outstanding education and improve the levels of performance of all its stakeholders at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. The 2022-23 priorities for the Trust are now set out in the Trust Improvement Plan, alongside the individual Academy Improvement Plans which contribute to overall Trust Improvement, these are monitored by the EIT with Local Boards on an annual cycle and reports are shared with the Standards and Curriculum Committee half termly.

The Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community and fulfil our civic duty by increasing involvement in the communities of our academies. We intend to continue to be part of groups such as the Southwest Disadvantage Forum, The Small Schools Roundtable group led by Hannah Woodhouse and using our expertise in the management of small schools to support other trusts and organisations. Our CEO presented a workshop at the CST National Conference in the summer term with small schools as a focus.

The EIT will continue to scrutinise all academies to provide a professional development programme which supports learning at all levels, encourages, challenges and supports all staff, embracing opportunities for collaboration within and beyond individual academies. The Trust's EIT which has evolved and strengthened over the last two years scrutinises all academies to provide a professional development programme which supports learning at all levels, affording more scope to the improvement of all academies. Additional leaders have broadened the expertise available this year and we will continue to offer expanded career opportunities in future in order to expand the capacity of the EIT as the Trust grows. This is the most important aspect of provision for schools seeking to join the Trust.

Full details of our plans for the future are available in our Trust Strategic Business Development Plan, which is on our website or from the Governance Professional.

Our intention in 2022-23 is to:

- Extend our internal provision of catering into 3 more academies.
- Continue to grow the Trust remaining true to our USP, that we serve small schools and their communities, with real consideration for our civic duty (with 2 schools joining and a further 3 considering)
- Extend the school improvement capacity and CPD offer to ensure we can deliver great outcomes
- Continue to support other trusts with our expertise in managing small schools effectively
- Deliver the planned spending for this year, while being aware of the current financial position
- Focus heavily on the disadvantaged pupils in our Trust by building a strong approach to oracy,

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relational behaviour principles and developing further visual learning and the approach we use to feeding back to pupils.

- Develop our interactions with parents and support them to support their children

The Trust has clearly proven that it has a wealth of expertise and capacity in delivering school improvement rapidly and successfully and is in a position to support schools which may be experiencing difficulties. We look forward in 2022-23 to extend the Trust to welcome more small schools into the Trust and to give them the stability and expertise to grow and provide the very best education for pupils.

A Capacity Growth Plan, part of the overall Trust Business Plan, is in place to ensure the Trust continues to expand in order to continue to provide efficient, highly skilled and effective services thereby ensuring high quality education is viable for the small academies we serve.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITOR

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on *5th December 2022* and signed on its behalf by:



Cheryl Mathieson
Chair of Trustees

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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that the Link 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.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer (CEO), as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between the Link Academy Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Board of Trustees has formally met five times between 1 September 2021 and 31 August 2022. During the year, four Trustees were appointed to the Board and three Trustees resigned from the Board as follows:

Jane Collings	Resigned	31 December 2021
Roy Gillard	Passed away	3 January 2022
Jason Hayward Jones	Resigned	7 February 2022
Graeme Scott	Appointed	25 January 2022
Christopher Norman	Appointed	2 February 2022
Kate Evans	Appointed	16 February 2022
Ben Thorne	Appointed	22 February 2022

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Jane Collings	1	2
Dominic Course	5	5
Nicola Dunford	5	5
Jason Hayward Jones	1	2
Fiona Walters	5	5
Roy Gillard	2	2
Sarah Cox	5	5
Paul Waterworth	5	5
Cheryl Mathieson	5	5
Kate Evans	2	2
Graeme Scott	3	3
Christopher Norman	3	3
Ben Thorne	2	2

The **Annual General Meeting** held on 25 July 2022 was attended by eight of the Trustees, together with three of the Members. Chairs of the Local Boards were invited but none attended. The Covid-19 virus has meant that the majority of meetings from 1 September 2021 have been online, using Microsoft Teams.

During 2021-22, the Board spent significant time on the following:

GOVERNANCE STATEMENT (CONTINUED)
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- Following a thorough overhaul of the format and content of the Trust-wide risk register, this document continued to be regularly discussed, considered and updated throughout the year, however it was decided that a new online system Every had significant advantages and has been adopted. It was set up during the summer term and is now being embedded.
- The Scheme of Delegation was reviewed alongside the Constitution and Terms of Reference of the Board's Committees during the previous year. Significant consultation work continued to be undertaken on the role of the governors within the Local Board. Each Board was refined to ensure effective and knowledgeable support is available to Academy Heads and a conduit of communication continues through to Trustees via the Standards and Curriculum committee, however the 'make-up of each Local Board is still to be addressed.
- The 'Dashboard' assesses the financial position of individual academies as well as the Trust as a whole in terms of adherence to the approved Budget and continues to be a highly effective means of comparative scrutiny. The clarity offered by this development has improved the scrutiny of budget figures at all levels.
- The Trust-wide data analysis system, Power Bi, which is linked to SIMS is now bespoke to the Trust's needs, however as a result of the pandemic and the lack of National testing data its full impact has not yet been realised, however internal comparisons are efficiently achieved and this is productive.
- The experienced Executive School Improvement Team (EIT) lead strategic school improvement:
 - The Academy Trust School Standards and Educational Outcomes Lead (ATSSEOL) FTE 1.0 with no Academy Head commitment
 - The Academy Trust School Improvement Lead (ATSIL) 0.6 with no Academy Head commitment
 - The Academy Trust Safeguarding and SEND Lead (ATSSL) 0.2, also Executive Academy Head – linked with the Inclusion & Improvement Hub
 - The Academy Trust Data and Standards Lead (ATDSL) 0.4 also Academy Head

The EIT considers every academy and prioritises the level of support and scrutiny they receive dependent on critical factors which impact on the quality of provision. They complete Learn, Support & Challenge days, which include local governors, Ofsted Preparation sessions, training and specific mentoring and coaching activities, as well as leading Trust-wide INSET days and supporting staff development.
- With TCAF funding there has been significant development of the Central Business Unit (CBU) to include: a Finance Manager to allow the Trust Business Manager (TBM) to take up responsibilities of Deputy CEO, extended time for the Data Protection Officer (DPO) and the Health and Safety Lead (HSL) to ensure capacity for Trust growth. A Maintenance worker that completes a continuous round of improvement directed by the HSL and specific supplementary roles given to School Administrators including Attendance Officer and 3 Seniors to line manage less experienced and new Administrators. Catering - Phase 4 has seen all but 5 schools providing in-house catering, resulting in over 66% of Trust schools providing nutritious, meals using locally grown produce. The final phase is set for 2022-23 when 3 more schools cater in-house leaving just 2 schools to consider in future. The Trust Catering Manager is overall line manager of each school kitchen lead.
- Morchard Bishop joined the Trust in October 2021, and a new Academy Head was recruited for a September 2022 start. During the summer break significant improvements will be completed to bring the learning environment up to standard and staff changes will be established to enable the school to develop well.
- The Trust ITH provision supported many families with mental health and wellbeing issues through increased and additional 'out-reach' during the pandemic and this year has returned to supporting inclusivity in our schools. The diversity of support continues to develop, and a SEND specialist has been seconded from Wolborough CofE primary in order to provide opportunity and relieve financial pressures on the school.
- Trust-level governance was strengthened with the addition of Graeme Scott, Chris Norman, Ben Thorne and Kate Evans to replace Jane Collings and Jason Hayward Jones. Sadly, in January 2022

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Roy Gillard passed away and Ben Thorne was able to take up the role of Trustee responsible for Finance.

- In June, the Trust underwent an external review by a National Leader of Governance, from which a major point was that a Governance Professional was required to impact on other more minor areas. This was achieved during the summer and regular induction and support is planned to ensure immediate impact.
- The Link Academy Trust growth includes consideration of Wolborough CofE primary, Sparkwell All Saints primary and Moorsway Federation, as suitable schools to join the Trust after due diligence has been completed. The Trust is currently supporting Wolborough to improve areas of financial management as well as overall school improvement as they access Trust systems and provision.

The **Admissions Committee** is a committee of the Board of Trustees. Its purpose is to:

- Consider all matters relating to the admission of pupils to the academies within the Trust.
- Review the admission arrangements/oversubscription criteria contained within the draft admission policies of each academy in accordance with the School Admission Code, consulting as appropriate with other admission authorities on any non-statutory changes.
- Consider and decide on applications for admission which occur throughout the course of the school year ensuring that appropriate consultation on the admission arrangements takes place in accordance with each academy's published admissions policy and criteria.

The Committee meets each week to consider extraordinary applications or circumstances. All meetings during the period to 31 August 2022 were attended by two Trustees (Nicola Dunford and Cheryl Mathieson) and the relevant Executive/Academy Heads.

The **Finance and General Purposes (F&GP) Committee** is a committee of the Board of Trustees. Its purpose is to:

- Oversee preparation of the Budget and financial forecasts for recommendation to the Board
- Periodically monitor actual income and expenditure v budget (quarterly) and consider the implications for future years
- Consider the draft financial statements and recommend these to the Board and consider how best to manage/ invest Reserves
- Maintain oversight of financial policies: Treasury Management and the Financial Procedures Manual
- Oversee the Maintenance Plan, Environment/Energy and Health & Safety and the cost-effective implementation of building improvements, including those externally funded

During the period to 31 August 2022 two Trustees joined the committee and one resigned. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible	
Roy Gillard (Former Chair)	2	2	Passed away Jan 2022
Nicola Dunford	7	8	
Cheryl Mathieson	8	8	
Paul Waterworth (Interim Chair)	6	8	
Christopher Norman	6	6	Joined Trustees 2 February 2022
Ben Thorne (Chair)	5	5	Joined Trustees 22 February 2022

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GOVERNANCE STATEMENT (CONTINUED)
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The **Audit Committee** is a committee of the Board of Trustees. Its purpose is to:

- Review the Governance Statements associated with the draft Financial Statements, ensure recommendations made by the External Audit Service are implemented,
- Set the programme of reviews conducted by the Internal Audit Service,
- Ensure that agreed audit recommendations are completed,
- Ensure that risk management is embedded throughout the organisation and
- Monitor compliance testing for Legionella, Health & Safety, Environmental Protection and DBS checks.

During the period to 31 August 2022, one Trustee joined the committee and one resigned. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible	
Dominic Course (Chair)	3	3	
Jason Hayward-Jones	0	2	Resigned 7 February 2022
Sarah Cox	3	3	
Nicola Dunford (attending as an officer)	3	3	
Graeme Scott	1	1	Joined Trustees 25 January 2022

The **Remuneration Committee** is a committee of the Board of Trustees. Its purpose is to monitor:

- Staffing Needs & Budget
- The approval of pay progression for teaching staff, subject to satisfactory completion of their objectives set for the previous year
- Appraisal arrangements of the CEO and making recommendations to the non-Executive Trustees on the CEO's remuneration and conditions of service.
- All HR and Employment Policies are reviewed and updated in accordance with a published timetable and submitted to the Board for formal approval

During the period to 31 August 2022 one Trustee resigned and one Trustee joined the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible	
Roy Gillard	2	2	Passed away 3 Jan 2022
Nicola Dunford (attending as an Officer)	4	4	
Cheryl Mathieson (Chair)	4	4	
Paul Waterworth	4	4	
Ben Thorne	2	2	Joined Trustees 22 February 2022

The CEO attended all the meetings but was not present for any issues relating to their own employment.

The **Standards & Curriculum Committee** is a committee of the Board of Trustees. Its purpose is to:

- Review pupil performance data from detailed 'group' reports, including by year, Key Stage, gender, Pupil Premium etc across all Academies in the Trust to assess progress, achievement, and

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attainment and identified areas for improvement. Case studies will be included in the data provided and the Committee will monitor agreed action plans where improvements are required

- Contribute to and monitor the Academy Trust Strategic Improvement Plan in collaboration with the CEO, the ATSIL, EIT and Executive/Academy Heads for positive impact.
- Monitor schools' preparation for periodic external inspection, such as Ofsted and the Statutory Inspection of Anglican and Methodist Schools (SIAMS) and ensure any recommendations for improvement are implemented in a timely way.
- Link with the Local Boards (LBs) regarding day to day operation of schools and their detailed interrogation of pupil data
- Ensure delivery of the School Curriculum to meet national standards
- Be responsible for the detailed review of all policies related to Standards and Curriculum e.g. Early Years Foundation Stage (EYFS), School Behaviour, Sex & Relationships, Special Educational Needs and Disability (SEND), Behaviour Principle, Home School Agreement, Child Protection, Teaching & Learning, Assessment, Literacy, Numeracy & Marking
- Monitor the Trust and individual academies' websites to ensure they comply with statutory requirements.
- Assess school attendance across the Trust, ensuring systems and procedures fulfil statutory requirements, especially around children missing from education.
- Monitor safeguarding procedures and practice across the Trust to ensure duty of care.

During the period to 31 August 2022 one Trustee resigned and two Trustees joined the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible	
Jane Collings (Former Chair)	2	2	Resigned 31 December 2021
Cheryl Mathieson (Interim Chair)	5	5	
Nicola Dunford	5	5	
Fiona Walters	3	5	
Graeme Scott	3	3	Joined Trustees 25 January 2022
Kate Evans (Chair)	2	2	Joined Trustees 16 February 2022
Sarah Clarke	5	5	
<i>Representatives of the four Local Boards attended as follows:</i>			
Lynda Cooper (Moorland)	5	5	
Cat Radford (Totnes)	4	5	
Jo Carter (Woodleigh)	5	5	
Corinna Tigg (Raleigh)	2	5	

The ATSIL provides the important link with the LB to understand and promote school improvements. The post holder therefore fulfils a valuable role as an officer of the Committee.

External Review of Governance

The Trust underwent a National Leaders of Governance External Review during the year, which was completed on 22 June 2022. The Trust was considered to be in a strong position to continue growing and the Trustees were found to provide effective leadership of the Trust's vision, ethos and strategic direction. A number of small actions were identified, one of them being the need for a Governance Professional to be appointed. This appointment was made during the summer break and actions have been put in place which have already enhanced the Trust's governance operations.

A review of the local governance arrangements is planned for 22/23 and a full self-evaluation of governance

GOVERNANCE STATEMENT (CONTINUED)
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is planned for 23/24.

Review of Value for Money (VfM)

As Accounting Officer, the CEO has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Continued considering allocation/targeting/use of resources which has enabled improved quality of provision and joint procurement of resources leading to significant savings, particularly the annual stationery order for every school when combined and the fixing of energy costs prior to the significant increases being experienced currently.
- The Trust is committed to continuing as an employer of choice, developing our staff to take on more senior roles through a comprehensive investment in training and continuous professional development. This minimises disruption for our pupils, avoids high staff turnover and associated recruitment costs and enhances our staff retention. This applies to non-teaching as well as teaching staff and middle managers. Our CPD annual provision model is now clearly set out and staff are encouraged to participate through the staff appraisal process. A talent management approach involving Trustees has also supported successful employment. Opportunities have been created for Middle Leadership through Trust-wide subject leadership and talent management is a development instigated by Executive Improvement Leaders as part of their NPQEL CPD courses.
- The formation of the EIT has ensured that even as we grow we are able to maintain the highest quality strategic school improvement. We continue to expect experienced Academy Heads to step up to manage two Academies which results in a reduced senior leadership cost to the small schools and provides career and pay progression for those able to demonstrate an appropriate level of leadership. This in turn released two experienced Academy Heads to take on the EIT role leading school improvement across the Trust. A career progression document illustrates the extended opportunities now available for staff joining the Trust and this is available on our website.
- Upper Pay Scale teachers continue to contribute effectively across the Trust, this not only shares best practice but also provides sound evidence to support their own career progression and is cost effective use of 'experts'.
- Staff recognise that as the Trust expands opportunities to progress are available by moving schools within the Trust for a period or permanently to gain experience with new responsibilities and in new settings which they may need in order to seek promotion. Staff moves are fully considered annually and planned over three years to ensure both professional development and widening experience.
- The CBU continue to develop the understanding of their role and develop their effectiveness to negate the need for external, costly support.
- Catering has been brought 'in house' in a planned, phased manner in order to make significant savings and improve food quality, more than 66% of Trust schools are now in-house, using locally sourced healthy food to provide quality meals.
- School cleaning has been overhauled and consistent provision by one company has reduced costs and improved outcomes.
- Schools joining the Trust have had induction to support them to follow Trust practice, including shared and supportive working practices, which ensures they explore all the established avenues of cost cutting currently in place across the Trust.
- Staffing structures in new joining schools continue to be scrutinised to ensure staffing levels are appropriate and where they are not measures have been put into place to reduce costs.

**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

- Additional staff wellbeing and mental health support was put in place during the period of the pandemic to enable staff to continue to manage the situation effectively thereby reducing absence. Subsequently consideration for staff has been extended further to ensure our staff have access to an external supervision service and the Give-Back day is always well-received by every staff member.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

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

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

The 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, having been scrutinised at various levels within the Trust's CBU.
- Regular reviews by the F&GP Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes, prior to which regular meetings with the Chair of F&GP ensure scrutiny throughout the process.
- Setting targets to measure financial and other performance and using KPIs to make appropriate judgements
- Clearly defined purchasing (assets purchase or capital investment) guidelines and systems, which are regularly monitored and checked
- Delegation of authority and segregation of duties
- Identification and management of risks through robust systems and checks by experienced personnel

The Board of Trustees has considered the need for a specific internal audit function and has appointed Westcott Accountancy as internal auditor for 2022/23.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. An agreed programme of checks for the financial year 2021-22 was completed and included:

- Testing of payroll systems
- Testing of purchase systems

**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

All reports are presented to the next scheduled meeting of the Audit Committee; where appropriate, the report is also passed to F&GP Committee to ensure a recommendation is implemented. Reports include a commentary on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the internal auditor
- The work of the external auditor
- The assurance report provided by the Trust's accountants and its consistently early completion with few recommendations for improvement.
- The work of the Deputy CEO to the Board who has daily responsibility for the development and maintenance of the internal control framework that include full monthly management reports, which are circulated to all Trustees for information
- The CEO's scrutiny of Financial Reports on a regular basis


The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee/F&GP 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 *5th December 2022* and signed on their behalf by:

Cheryl Mathieson
Chair of Trustees



Nicola Dunford
Accounting Officer



**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Link Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2021.

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

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.

Nicola Dunford
Accounting Officer
Date:


5th December 2022

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 order of the members of the Board of Trustees and signed on its behalf by:

Cheryl Mathieson
Chair of Trustees

Date:


5th December 2022

Nicola Dunford
Accounting Officer



**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OPINION

We have audited the financial statements of Link Academy Trust (the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, 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 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust 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.

**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academy Trust Handbook, UK Companies Act, tax legislation, Charity Law and Charity SORP.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance

**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

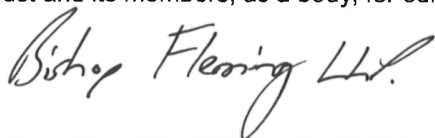
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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



Nathan Coughlin FCA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Plymouth

Date: 13/12/2022

**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 27 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Link Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Link Academy Trust's funding agreement with the Secretary of State for Education dated 29 March 2016 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and noncompliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

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



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 13/12/2022

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants:	3					
Transfer on conversion		66,727	(390,000)	-	(323,273)	-
Other donations and capital grants		50,333	115,771	442,433	608,537	474,229
Other trading activities	6	110,640	-	-	110,640	54,708
Investments	7	256	-	-	256	191
Charitable activities	4	833,957	8,207,404	-	9,041,361	7,960,263
Total income		1,061,913	7,933,175	442,433	9,437,521	8,489,391
Expenditure on:						
Charitable activities	9	862,576	8,723,300	405,980	9,991,856	8,584,067
Total expenditure		862,576	8,723,300	405,980	9,991,856	8,584,067
Net income / (expenditure)		199,337	(790,125)	36,453	(554,335)	(94,676)
Transfers between funds	19	(65,849)	(72,052)	137,901	-	-
Net movement in funds before other recognised gains/(losses)		133,488	(862,177)	174,354	(554,335)	(94,676)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	3,837,000	-	3,837,000	(268,000)
Net movement in funds		133,488	2,974,823	174,354	3,282,665	(362,676)

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Reconciliation of funds:					
Total funds brought forward	638,438	(2,744,591)	12,415,460	10,309,307	10,671,983
Net movement in funds	133,488	2,974,823	174,354	3,282,665	(362,676)
Total funds carried forward	771,926	230,232	12,589,814	13,591,972	10,309,307

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

The notes on pages 38 to 75 form part of these financial statements.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:10049068

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	12,464,696	12,277,831
		<u>12,464,696</u>	<u>12,277,831</u>
Current assets			
Debtors	17	614,601	248,814
Cash at bank and in hand		2,278,406	1,881,489
		<u>2,893,007</u>	<u>2,130,303</u>
Creditors: amounts falling due within one year	18	(765,731)	(534,827)
Net current assets		<u>2,127,276</u>	<u>1,595,476</u>
Net assets excluding pension liability		<u>14,591,972</u>	<u>13,873,307</u>
Defined benefit pension scheme liability	25	(1,000,000)	(3,564,000)
Total net assets		<u><u>13,591,972</u></u>	<u><u>10,309,307</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	12,589,814	12,415,460
Restricted income funds	19	1,230,232	819,409
		<u>13,820,046</u>	<u>13,234,869</u>
Restricted funds excluding pension liability	19	13,820,046	13,234,869
Pension reserve	19	(1,000,000)	(3,564,000)
Total restricted funds	19	<u>12,820,046</u>	<u>9,670,869</u>
Unrestricted income funds	19	<u>771,926</u>	<u>638,438</u>
Total funds		<u><u>13,591,972</u></u>	<u><u>10,309,307</u></u>

The financial statements on pages 34 to 75 were approved by the Trustees, and authorised for issue on
5th December 2022 and are signed on their behalf, by:



Cheryl Mathieson
Chair of Trustees

The notes on pages 38 to 75 form part of these financial statements.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	674,278	566,657
Cash flows from investing activities	22	(277,361)	(61,590)
Change in cash and cash equivalents in the year		396,917	505,067
Cash and cash equivalents at the beginning of the year		1,881,489	1,376,422
Cash and cash equivalents at the end of the year	23, 24	2,278,406	1,881,489

The notes on pages 38 to 75 form part of these financial statements

**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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 Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

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**

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

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

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

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

- **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, 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 for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

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.

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE (CONTINUED)

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 TANGIBLE FIXED ASSETS

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the Local Authority schools. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Where the Academy Trust has been granted use of the school buildings from the Diocese under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

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

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on the following bases:

Long-term leasehold property	- Land: 125 years/Lease term, Buildings: 50 years
Furniture and equipment	- 4 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 4 years 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 or leasehold land and buildings.

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

1.7 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.8 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.9 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.

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

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

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

1. ACCOUNTING POLICIES (continued)

1.11 OPERATING LEASES

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

1.12 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 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 funders where the asset acquired or created is held for a specific purpose.

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised on the balance sheet.

The valuation of assets transferred on conversion is subject to judgement, and is based on managements best estimate with reference to available information such as historic cost, market information, ESFA valuations and benchmarking.

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

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
DONATIONS				
Transfers from Local Authority on conversion	66,727	(390,000)	-	(323,273)
Donations	50,333	115,771	-	166,104
Capital Grants	-	-	442,433	442,433
	<u>117,060</u>	<u>(274,229)</u>	<u>442,433</u>	<u>285,264</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Transfers from Local Authority on conversion	-	-	-	-
Donations	58,100	107,407	-	165,507
Capital Grants	-	-	308,722	308,722
	<u>58,100</u>	<u>107,407</u>	<u>308,722</u>	<u>474,229</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Education	<u>833,957</u>	<u>8,207,404</u>	<u>9,041,361</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Education	<u>600,932</u>	<u>7,359,331</u>	<u>7,960,263</u>

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

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
EDUCATION			
DFE/ESFA GRANTS			
General Annual Grant	-	6,965,044	6,965,044
OTHER DFE/ESFA GRANTS			
Pupil Premium	-	272,459	272,459
UIFSM funding	-	156,366	156,366
PE and sports grant	-	267,960	267,960
Other	-	112,534	112,534
	-	7,774,363	7,774,363
OTHER GOVERNMENT GRANTS			
High Needs	-	273,561	273,561
Early Years funding	460,927	-	460,927
Other	-	159,480	159,480
	460,927	433,041	893,968
Other income from the Academy Trust's education	373,030	-	373,030
	833,957	8,207,404	9,041,361

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

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
EDUCATION			
DFE/ESFA GRANTS			
General Annual Grant	-	6,163,925	6,163,925
OTHER DFE/ESFA GRANTS			
Pupil Premium	-	334,418	334,418
UFSM funding	-	174,401	174,401
PE and sports grant	-	250,330	250,330
Other	-	8,285	8,285
	-	6,931,359	6,931,359
OTHER GOVERNMENT GRANTS			
High Needs	-	216,109	216,109
Early Years funding	256,772	-	256,772
Other	-	116,215	116,215
	256,772	332,324	589,096
Other income from the Academy Trust's education	344,160	48	344,208
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)			
Catch-up Premium	-	95,600	95,600
	600,932	7,359,331	7,960,263

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

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings	-	-	204
School clubs	110,640	110,640	54,504
TOTAL 2022	110,640	110,640	54,708

All prior year amounts relate to unrestricted income.

7. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	256	256	191

All prior year amounts relate to unrestricted income.

8. EXPENDITURE

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
EDUCATION:				
Direct costs	6,162,717	236,379	529,065	6,928,161
Allocated support costs	1,457,234	811,396	795,065	3,063,695
	7,619,951	1,047,775	1,324,130	9,991,856

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

8. EXPENDITURE (CONTINUED)

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
EDUCATION:				
Direct costs	5,379,630	236,094	296,697	5,912,421
Allocated support costs	1,047,779	773,348	850,519	2,671,646
	<u>6,427,409</u>	<u>1,009,442</u>	<u>1,147,216</u>	<u>8,584,067</u>

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Education	<u>862,576</u>	<u>9,129,280</u>	<u>9,991,856</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Education	<u>311,640</u>	<u>8,272,427</u>	<u>8,584,067</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Education	6,928,161	3,063,695	9,991,856

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Education	5,912,421	2,671,646	8,584,067

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

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2022 £	Total funds 2021 £
Pension finance costs	25,000	16,000
Staff costs	1,457,234	1,047,779
Depreciation	180,451	217,208
Recruitment and support	44,348	22,541
Maintenance of premises and equipment	84,366	118,197
Cleaning	244,496	220,387
Rent and rates	202,969	194,493
Energy costs	124,420	106,980
Insurance	37,378	29,576
Security and transport	53,136	24,979
Catering	216,429	272,219
Technology costs	178,315	176,629
Office overheads	73,586	68,626
Legal and professional	94,286	119,049
Bank interest and charges	3,877	2,592
Governance costs	43,404	34,391
TOTAL 2022	3,063,695	2,671,646

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	11,232	9,378
Depreciation of tangible fixed assets	416,831	450,883
Fees paid to auditors for:		
- audit	17,100	15,900
- other services	4,535	6,725

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

12. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	5,214,098	4,555,007
Social security costs	430,610	367,276
Pension costs	1,931,351	1,490,919
	<u>7,576,059</u>	<u>6,413,202</u>
Agency staff costs	43,892	14,207
	<u><u>7,619,951</u></u>	<u><u>6,427,409</u></u>

b. STAFF NUMBERS

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

	2022 No.	2021 No.
Teachers	106	96
Educational Support	148	124
Administration and Clerical	33	29
Management	2	2
	<u>289</u>	<u>251</u>

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

12. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-
	=====	=====

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £350,280 (2021: £230,400). Key management personnel have increased from FTE 2.0 (2021) to FTE 3.6 (2022).

13. CENTRAL SERVICES

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

- School Improvement
- Safeguarding and SEN support
- Governance support
- Management
- Administration support
- HR, Payroll & Legal
- Sports Provision
- Income Generation support
- Risk Management
- Estate Management
- IT Support
- Health & Safety support
- Data Protection Support
- Catering provision
- Inclusion and Improvement Hub (IIH)

The Academy Trust charges for these services on the following basis:

The cost of provision of central services is recharged to the academies on the basis of pupil numbers.

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

13. CENTRAL SERVICES (CONTINUED)

The actual amounts charged during the year were as follows:

SCHOOL	Additional Central Services			Previous Central Services		2022 £	2021 £
	IIH £	CAT £	SP £	CBU £	SI £		
Bearnes Voluntary Primary School	8,186	10,972	8,949	38,002	12,850	78,959	51,053
Cheriton Bishop Primary School	7,885	-	8,949	36,810	12,631	66,274	40,727
Broadhempston Village Primary School	7,281	10,972	8,949	34,427	12,192	73,820	55,068
Diptford C of E Primary School	7,492	10,972	8,949	35,261	12,346	75,019	33,844
Drake's C of E Primary School	7,039	-	8,949	33,473	12,017	61,478	31,549
Harbertonford Primary School	8,277	10,972	8,949	38,359	12,916	79,473	56,789
Hennock Community Primary School	7,371	10,972	8,949	34,784	12,258	74,334	36,712
Illesington C of E Primary School	7,311	10,972	8,949	34,546	12,214	73,992	36,138
Landscope C of E Primary School	8,247	10,972	8,949	38,240	12,894	79,301	53,347
Morchard Bishop C of E Primary School	8,579	10,972	-	39,551	13,135	72,237	-
Moretonhampstead Primary School	8,881	10,972	8,949	40,742	13,355	82,899	68,261
Ottertton C of E Primary School	6,707	-	8,949	32,162	11,776	59,594	32,123
Stoke Gabriel Primary School	8,337	10,972	8,949	38,597	12,960	79,815	58,510
Tedburn St Mary Primary School	8,398	-	8,949	38,836	13,004	69,186	57,936
Widcombe-in-the-Moor Primary	7,734	10,972	8,949	36,214	12,521	76,390	39,007
Yeoford Primary School	7,522	-	8,949	35,380	12,368	64,218	35,565
TOTAL	125,246	120,693	134,228	585,384	201,438	1,166,989	686,629

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

13. CENTRAL SERVICES (CONTINUED)

The Central Services offer was significantly expanded during 2021-22 as capacity within both business and school improvement sectors was restricting the trust ability to successfully develop school support. The expansion of the Trust during the year was also a factor contributing to increased costs. You can see from the table provided that the Central Services offer covers 5 distinct areas, they are:

School Improvement (SI)

The development of an experienced Executive School Improvement Team (EIT) to lead on strategic school improvement was recognised and positions covering a range of specialist foci were instigated.

- The Academy Trust School Standards and Educational Outcomes Lead (ATSSEOL) FTE 1.0. No academy commitment
- The Academy Trust FTE 0.6 School Improvement Lead (ATSIL) with no Academy Head commitment
- The Academy Trust Safeguarding and SEND Lead (ATSSL) FTE 0.2, also Executive Academy Head, linked with the Inclusion and Improvement Hub FTE 0.8
- The Academy Trust Data and Standards Lead (ATDSL) FTE 0.4, also Academy Head FTE 0.6
- Other subject specialists seconded from their contracted school whose expertise contribute to the overall Trust Improvement offer and consequently there were backfill costs.

The EIT consider every academy and prioritise the level of support and scrutiny required by individual settings and this positively improves quality of provision across the Trust. The EIT monitor impact regularly through the EIT dashboard and weekly meetings. To monitor academies they complete Learn, Support, Challenge days with local governance involvement, Ofsted preparation sessions, training and specific mentoring and challenge sessions, as well as leading Trust and Academy based INSET and supporting staff development programmes.

Following the issues that all schools experienced during the pandemic and difficulties with recruitment and supply cover it was decided that there would be 2 members of staff available to all schools in a 'floating' HLTA and Teacher role. These staff were fully engaged at all times and were an additional annual cost of £52,644 with £17,548 funded by TCAF.

Sports Provision (SP)

The Trust employs three PE specialist teachers who work with individual schools to enhance the delivery of sports across the Trust and ensure consistency in the delivery of the curriculum is achieved whilst upskilling staff. This area is funded through the PE and Sports Grant.

Inclusion and Improvement Hub (IIH)

The IIH provide SEN expertise across the Trust including a small team offering therapeutic courses for families to meet a growing demand. This year saw the provision increased such is the demand on this service with £15,101 of TCAF funding supplementing the first six months of the academic year. This area is funded by contributions from Pupil Premium.

Central Business Unit (CBU)

In order to improve the services provided by Central Business Unit, small incremental changes were made to its core offer that include increases to the Data Protection and Health & Safety roles and the introduction of a further Finance Assistant. The ever growing importance of financial forecasting saw the appointment of a dedicated Finance Manager that has added significant capacity to the team. The recruitment and appointment process was funded by TCAF, however the ongoing salary costs have added to the Central Services charged to schools which is a further reason for increased costs delegated to individual academies. The 'one-off' implementation costs of establishing and training for new finance software that allows accurate forecasting, (Integrated Management Planning, IMP) was also an additional cost of £26,114 this year funded by TCAF.

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

13. CENTRAL SERVICES (CONTINUED)

Catering (CAT)

In previous years the cost of each school's catering provision sat at the individual school budget level but for 21/22 the Trust moved all in house catering to a centrally financed model that saw greater economies of scale gained and extensive improvements in the quality of meals provided has increased up-take of school meals and families are now getting a much improved service. This area is funded by UIFSM and catering paid income with 21/22 providing a small surplus that allowed reinvestment into catering equipment.

While Central Services have clearly increased significantly over this year the impact has given important capacity and has led to significantly improved support for schools.

14. TRUSTEES' REMUNERATION AND EXPENSES

The Chief Executive Officer is the only Trustee who receives remuneration in respect of services they provide undertaking their role under their contract of employment, and not in respect of their services as a Trustee. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits were as follows: Mrs N Dunford: Remuneration £110,000 - £115,000 (2021: £100,000 - £105,000), Employer's pension contributions £15,000 - £20,000 (2021: £20,000 - £25,000).

Other related party transactions involving the Trustees are set out in note 28.

During the year, retirement benefits were accruing to 1 Trustees (2021 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2022, expenses totalling £1,745 were reimbursed or paid directly to 4 Trustees (2021 - £499 to 1 Trustee). The nature of these expenses were mileage claims.

15. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department of 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 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 2022

16. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST					
At 1 September 2021	12,845,530	385,948	495,614	35,325	13,762,417
Additions	484,846	49,257	69,593	-	603,696
Disposals	-	-	(8,730)	-	(8,730)
At 31 August 2022	13,330,376	435,205	556,477	35,325	14,357,383
DEPRECIATION					
At 1 September 2021	834,672	308,562	317,109	24,243	1,484,586
Charge for the year	236,379	46,709	124,912	8,831	416,831
On disposals	-	-	(8,730)	-	(8,730)
At 31 August 2022	1,071,051	355,271	433,291	33,074	1,892,687
NET BOOK VALUE					
At 31 August 2022	12,259,325	79,934	123,186	2,251	12,464,696
At 31 August 2021	12,010,858	77,386	178,505	11,082	12,277,831

17. DEBTORS

	2022 £	2021 £
DUE WITHIN ONE YEAR		
Trade debtors	44,484	4,331
VAT recoverable	144,183	85,419
Prepayments and accrued income	425,934	159,064
	614,601	248,814

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

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	236,816	167,194
Other taxation and social security	103,655	96,019
Other creditors	125,014	111,381
Accruals and deferred income	300,246	160,233
	765,731	534,827
	2022	2021
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2021	138,834	134,776
Resources deferred during the year	109,299	138,834
Amounts released from previous periods	(138,834)	(134,776)
Deferred income at 31 August 2022	109,299	138,834

Deferred income relates to grant funding received in advance for the 2022-23 accounting year.

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

19. STATEMENT OF FUNDS

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
MAT Growth and Development	16,189	-	(16,189)	-	-	-
GENERAL FUNDS						
General Funds	611,875	1,043,318	(835,537)	(65,849)	-	753,807
PTFA	10,374	18,595	(10,850)	-	-	18,119
	622,249	1,061,913	(846,387)	(65,849)	-	771,926
TOTAL UNRESTRICTED FUNDS	638,438	1,061,913	(862,576)	(65,849)	-	771,926
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	719,916	6,883,874	(6,380,480)	(1,022,625)	-	200,685
Pupil Premium	-	272,459	(272,459)	-	-	-
Academy Conversion Grants	10,500	16,715	(16,715)	-	-	10,500
Higher Needs	-	273,561	(273,561)	-	-	-
UIFSM	-	156,366	(156,366)	-	-	-
G&T Programme	8,496	-	-	-	-	8,496
Donated rent on Diocese buildings	-	115,771	(115,771)	-	-	-
PE Sports Grant	79,097	267,960	(297,630)	(49,427)	-	-
School Capital Program	-	-	-	1,000,000	-	1,000,000
Other	1,400	336,469	(327,318)	-	-	10,551
Pension reserve	(3,564,000)	(390,000)	(883,000)	-	3,837,000	(1,000,000)
	(2,744,591)	7,933,175	(8,723,300)	(72,052)	3,837,000	230,232

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
RESTRICTED FIXED ASSET FUNDS						
Fixed Assets transferred on conversion	10,903,178	-	(230,014)	-	-	10,673,164
DfE/ESFA Capital grants	533,864	117,316	(96,507)	20,531	-	575,204
Condition Improvement Fund	675,552	325,117	(20,467)	44,906	-	1,025,108
Awards for All	531	-	(531)	-	-	-
Other Restricted	302,335	-	(58,461)	72,464	-	316,338
	<u>12,415,460</u>	<u>442,433</u>	<u>(405,980)</u>	<u>137,901</u>	<u>-</u>	<u>12,589,814</u>
TOTAL RESTRICTED FUNDS	<u>9,670,869</u>	<u>8,375,608</u>	<u>(9,129,280)</u>	<u>65,849</u>	<u>3,837,000</u>	<u>12,820,046</u>
TOTAL FUNDS	<u>10,309,307</u>	<u>9,437,521</u>	<u>(9,991,856)</u>	<u>-</u>	<u>3,837,000</u>	<u>13,591,972</u>

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

MAT Growth and Development - funds put aside by the Trust to enable the Trust to grow and develop. This will be used when there is no ESFA funding available in the year.

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers. Transfers reflect contributions from individual schools to the Trust inclusion hub.

Academy Conversion Grants - funding received on schools converting to academy schools to be used towards start up costs.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Inclusion Hub Grants - This represents one off funding received from the local authority and other grant providers for inclusion projects as well as funding from individual schools to support students within the Trust.

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19. STATEMENT OF FUNDS (CONTINUED)

G&T Programme - This represents a donation from a charitable foundation for the provision of a five year gifted and talented programme.

PE Sports Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Other - This represents all other funding from restricted sources.

Pension reserve – This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy Trust. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Capital Grants – These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the Net Book Value (NBV) of assets and any unspent grant amounts.

Fixed assets transferred on conversion – This represent the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

DfE/ESFA Capital Grants - This represents funding from the ESFA to cover the maintenance and purchase of the Academy Trust's assets.

Condition Improvement Fund - This represents funding from the ESFA to cover specific capital and maintenance projects.

GAG deficits in individual schools has been covered by a transfer out of unrestricted funds. Additionally non capital expenditure funded by the Condition Improvement Fund has been transferred to GAG.

Energy Efficiency Funds - Money that has been designated to be used towards upgrading the Trust's estate to be more energy efficient.

School Capital Programme - These funds have been set aside for the continued investment in the Trust estate. A condition survey has recently been undertaken that identifies over £3,000,000 of capital maintenance works to be completed over the next 3-5 years. Whilst some of this work may be covered by ESFA capital grants, this is not guaranteed. Additionally where capital grant bids are successful, there is an expectation that the Trust will be required to contribute funding towards any project. The Trust has submitted three applications to the Public Sector Decarbonisation Scheme (PSDS) which, if successful, will require a significant contribution from the Trust with the impact being that three schools will significantly reduce their carbon footprint and cease their reliance upon outdated oil and gas heating systems. As a result of the significant future costs, the Trustees have designated these funds to be used towards these projects.

OTHER INFORMATION

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

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

19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
MAT Growth and Development	120,000	-	-	(103,811)	-	16,189
GENERAL FUNDS						
General Funds	247,285	706,013	(304,647)	(36,776)	-	611,875
PTFA	9,449	7,918	(6,993)	-	-	10,374
	256,734	713,931	(311,640)	(36,776)	-	622,249
TOTAL UNRESTRICTED FUNDS	376,734	713,931	(311,640)	(140,587)	-	638,438

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	447,145	6,222,177	(5,941,657)	(7,749)	-	719,916
Pupil Premium	-	276,166	(217,914)	(58,252)	-	-
Academy Conversion Grants	112,555	18,785	(120,840)	-	-	10,500
Higher Needs	3,070	216,109	(219,179)	-	-	-
UIFSM	-	175,565	(175,565)	-	-	-
Inclusion Hub	-	-	(58,252)	58,252	-	-
G&T Programme	13,496	-	(5,000)	-	-	8,496
Donated rent on Diocese buildings	-	107,407	(107,407)	-	-	-
Covid Catchup Premium	-	97,875	(97,875)	-	-	-
PE Sports Grant	58,239	250,330	(229,472)	-	-	79,097
Other	1,400	102,324	(102,324)	-	-	1,400
Pension reserve	(2,749,000)	-	(547,000)	-	(268,000)	(3,564,000)
	<u>(2,113,095)</u>	<u>7,466,738</u>	<u>(7,822,485)</u>	<u>(7,749)</u>	<u>(268,000)</u>	<u>(2,744,591)</u>

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
RESTRICTED FIXED ASSET FUNDS						
Fixed Assets transferred on conversion	11,144,242	-	(241,064)	-	-	10,903,178
DfE/ESFA Capital grants	268,729	322,594	(61,394)	3,935	-	533,864
Condition Improvement Fund	715,124	(13,872)	(25,700)	-	-	675,552
Awards for All	8,026	-	(7,495)	-	-	531
Other Restricted	272,223	-	(114,289)	144,401	-	302,335
	<u>12,408,344</u>	<u>308,722</u>	<u>(449,942)</u>	<u>148,336</u>	<u>-</u>	<u>12,415,460</u>
TOTAL RESTRICTED FUNDS	<u>10,295,249</u>	<u>7,775,460</u>	<u>(8,272,427)</u>	<u>140,587</u>	<u>(268,000)</u>	<u>9,670,869</u>
TOTAL FUNDS	<u>10,671,983</u>	<u>8,489,391</u>	<u>(8,584,067)</u>	<u>-</u>	<u>(268,000)</u>	<u>10,309,307</u>

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

19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Beames Voluntary Primary School	368,179	305,406
Broadhempston Village Primary School	165,008	121,154
Cheriton Bishop Primary School	116,901	98,059
Diptford C of E Primary School	75,667	68,138
Drake's C of E Primary School	74,767	59,184
Harbertonford C of E Primary School	223,728	184,418
Hennock Community Primary School	21,239	16,461
Illesington C of E Primary School	145,970	112,590
Landscope C of E Primary School	104,429	68,580
Morchard Bishop C of E Primary School	51,825	-
Moretonhampstead Primary School	(7,677)	9,323
Otterton C of E Primary School	129,383	17,080
Stoke Gabriel Community Primary School	270,966	227,597
Tedburn St Mary Primary School	41,200	6,650
Widecombe-in-the-Moor Primary School	70,852	65,523
Yeoford Primary School	73,664	28,661
Central Function (including start up grants)	76,057	69,023
Total before fixed asset funds and pension reserve	2,002,158	1,457,847
Restricted fixed asset fund	12,589,814	12,415,460
Pension reserve	(1,000,000)	(3,564,000)
TOTAL	13,591,972	10,309,307

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
Moretonhampstead Primary School	(7,677)

Moretonhampstead faced significant SEN challenges this year that required additional staffing and resources that was over and above any funding provided by the LA.

The Academy Trust is taking the following action to return the academy to surplus:

Constant monitoring of staffing levels remains a priority whilst increased efforts to recruit pupils have taken place this year along with an effective marketing plan. Current pupil numbers would indicate a reduction in the number of classes from 5 to 4 in 23/24.

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

19. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £
Beames Voluntary Primary School	396,663	45,150	20,012	45,402	507,227
Broadhempston Village Primary School	284,323	34,791	36,516	37,490	393,120
Cheriton Bishop Primary School	362,404	40,851	42,142	83,673	529,070
Diptford C of E Primary School	280,014	25,235	33,304	87,387	425,940
Drake's C of E Primary School	249,205	28,852	18,491	52,614	349,162
Harbertonford C of E Primary School	393,526	38,086	31,136	83,972	546,720
Hennock Community Primary School	304,449	21,132	23,152	50,841	399,574
Illington C of E Primary School	307,374	28,496	25,609	72,946	434,425
Landscope C of E Primary School	309,435	24,902	23,952	69,502	427,791
Morichard Bishop C of E Primary School	426,831	50,358	28,284	59,244	564,717
Moretonhampstead Primary School	452,498	46,413	34,032	66,065	599,008
Otterton C of E Primary School	202,629	38,820	16,590	58,369	316,408
Stoke Gabriel Community Primary School	380,983	28,237	35,882	60,437	505,539
Tedburn St Mary Primary School	330,801	31,731	14,506	70,507	447,545
Widcombe-in-the-Moor Primary School	257,346	28,130	27,042	56,586	369,104
Yeoford Primary School	253,882	30,318	28,360	59,239	371,799
Central services	476,354	635,080	51,055	342,388	1,504,877
ACADEMY TRUST	5,668,717	1,176,582	490,065	1,356,662	8,692,026

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NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (CONTINUED)

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Beames Voluntary Primary School	444,388	40,514	25,230	98,976	609,108
Broadhempston Village Primary School	260,727	34,019	26,477	80,959	402,182
Cheriton Bishop Primary School	341,018	38,049	22,437	74,368	475,872
Diptford C of E Primary School	254,941	26,044	17,575	81,263	379,823
Drake's C of E Primary School	235,004	25,653	13,975	50,057	324,689
Harbertonford C of E Primary School	373,735	31,545	22,542	99,758	527,580
Hennock Community Primary School	276,640	61,303	14,374	56,722	409,039
Illington C of E Primary School	296,248	33,334	20,612	113,409	463,603
Landscope C of E Primary School	304,069	65,988	13,689	80,807	464,553
Moretonhampstead Primary School	467,781	105,525	21,078	73,183	667,567
Otterton C of E Primary School	237,930	35,281	13,486	85,469	372,166
Stoke Gabriel Community Primary School	333,381	27,474	23,640	73,907	458,402
Tedburn St Mary Primary School	315,077	32,451	12,712	76,454	436,694
Widcombe-in-the-Moor Primary School	254,682	27,138	20,348	64,804	366,972
Yeoford Primary School	220,648	32,029	11,807	83,294	347,778
Central services	451,361	260,973	11,200	156,622	880,156
ACADEMY TRUST	5,067,630	877,320	291,182	1,350,052	7,586,184

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NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	18,110	-	12,446,586	12,464,696
Current assets	759,034	1,925,575	208,398	2,893,007
Creditors due within one year	(5,218)	(695,343)	(65,170)	(765,731)
Provisions for liabilities and charges	-	(1,000,000)	-	(1,000,000)
TOTAL	771,926	230,232	12,589,814	13,591,972

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	10,369	-	12,267,462	12,277,831
Current assets	636,059	1,252,011	242,233	2,130,303
Creditors due within one year	(7,990)	(432,602)	(94,235)	(534,827)
Provisions for liabilities and charges	-	(3,564,000)	-	(3,564,000)
TOTAL	638,438	(2,744,591)	12,415,460	10,309,307

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

21. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(554,335)	(94,676)
ADJUSTMENTS FOR:		
Depreciation	416,831	450,883
Capital grants from DfE and other capital income	(442,433)	(308,722)
Dividends, interest and rents from investments	(256)	(191)
Defined benefit pension scheme cost less contributions payable	819,000	505,000
Defined benefit pension scheme finance cost	64,000	42,000
(Increase)/decrease in debtors	(118,114)	(17,967)
Increase/(decrease) in creditors	166,312	(15,722)
Assets and liabilities from local authority on conversion	323,273	-
(Profit)/loss on disposal	-	6,052
NET CASH PROVIDED BY OPERATING ACTIVITIES	674,278	566,657

22. CASH FLOWS FROM INVESTING ACTIVITIES

	2022 £	2021 £
Dividends, interest and rents from investments	256	191
Purchase of tangible fixed assets	(539,104)	(681,677)
Capital grants from DfE Group	194,760	619,896
Cash transferred on conversion from the local authority	66,727	-
NET CASH USED IN INVESTING ACTIVITIES	(277,361)	(61,590)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash at bank and in hand	2,278,406	1,881,489

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

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,881,489	396,917	2,278,406
	<u>1,881,489</u>	<u>396,917</u>	<u>2,278,406</u>

25. PENSION COMMITMENTS

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

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

Contributions amounting to £124,747 were payable to the schemes at 31 August 2022 (2021 - £111,381) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

25. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £728,529 (2021 - £680,858).

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

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £508,000 (2021 - £388,000), of which employer's contributions totalled £390,000 (2021 - £297,000) and employees' contributions totalled £ 118,000 (2021 - £91,000). The agreed contribution rates for future years are xx per cent for employers and 5.5-12.5% per cent for employees.

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

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

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

25. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	2022	2021
	Years	Years
Retiring today		
Males	21.7	22.7
Females	22.9	24.0
Retiring in 20 years		
Males	23	24.0
Females	24.3	25.4

SENSITIVITY ANALYSIS

	2022	2021
	£000	£000
Discount rate +0.1%	110	160
Discount rate -0.1%	113	165
Mortality assumption - 1 year increase	127	244
Mortality assumption - 1 year decrease	124	235
CPI rate +0.1%	112	158
CPI rate -0.1%	109	154

SHARE OF SCHEME ASSETS

The Academy Trust's share of the assets in the scheme was:

	At 31	At 31 August
	August 2022	2021
	£	£
Equities	1,847,000	1,748,000
Bonds	692,000	670,000
Property	347,000	223,000
Cash and other liquid assets	50,000	17,000
Other	548,000	135,000
TOTAL MARKET VALUE OF ASSETS	3,484,000	2,793,000

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25. PENSION COMMITMENTS (CONTINUED)

The actual return on scheme assets was £-1,217,000 (2021 - £435,000).

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

	2022 £	2021 £
Current service cost	(1,209,000)	(802,000)
Interest income	52,000	34,000
Interest cost	(116,000)	(76,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(1,273,000)	(844,000)

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

	2022 £	2021 £
AT 1 SEPTEMBER	6,357,000	4,733,000
Conversion of Academy Trusts	669,000	-
Current service cost	1,209,000	802,000
Interest cost	116,000	76,000
Employee contributions	118,000	91,000
Actuarial losses/(gains)	(4,003,000)	668,000
Benefits paid	18,000	(13,000)
AT 31 AUGUST	4,484,000	6,357,000

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

	2022 £	2021 £
AT 1 SEPTEMBER	2,793,000	1,984,000
Conversion of Academy Trusts	279,000	-
Interest income	54,000	35,000
Actuarial gains	(166,000)	400,000
Employer contributions	390,000	297,000
Employee contributions	118,000	91,000
Benefits paid	18,000	(13,000)
Administration expense	(2,000)	(1,000)
AT 31 AUGUST	3,484,000	2,793,000

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

26. OPERATING LEASE COMMITMENTS

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

	2022	2021
	£	£
AMOUNTS PAYABLE		
Not later than 1 year	3,899	6,271
Later than 1 year and not later than 5 years	5,259	8,243
Total	9,158	14,514

27. MEMBERS' LIABILITY

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

28. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period.

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

29. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST

On the 1 October 2021 Morchard Bishop C of E Primary School transferred into the Trust from the Local Authority. The pension liability and revenue funds were transferred as part of the agreement. No value for Land and Buildings have been transferred as ownership remains with the Diocese.

Morchard Bishop C of E Primary School

	Value reported by transferring trust £	Transfer in recognised £
CURRENT ASSETS		
Cash at bank and in hand	66,727	66,727
PENSIONS		
Pensions - pension scheme assets	279,000	279,000
Pensions - pension scheme liabilities	(669,000)	(669,000)
NET LIABILITIES	<u>(323,273)</u>	<u>(323,273)</u>

