

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Gill Golder Exeter Diocesan Education Network (EDEN) Peter Bethel (appointed 14 May 2020) Isabel Cherrett
<b>Trustees</b>	Nicola Dunford, CEO <sup>1,2,3,4</sup> Fiona Walters <sup>3</sup> Dominic Course (appointed 31 March 2020) <sup>1</sup> Peter Bethel (resigned 28 February 2020) <sup>1</sup> Jason Hayward-Jones <sup>3</sup> Mike Fisher <sup>1</sup> Isabel Cherrett, Chair <sup>2,4</sup> Cheryl Mathieson <sup>2,4</sup> Jane Collings <sup>3</sup> Roy Gillard <sup>2,4</sup>  <sup>1</sup> Audit Committee <sup>2</sup> Finance and General Purposes Committee <sup>3</sup> Standards and Curriculum Committee <sup>4</sup> Remuneration Committee
<b>Company registered number</b>	10049068
<b>Company name</b>	Link Academy Trust
<b>Principal and registered office</b>	Landscope C of E Primary School Landscape Ashburton Newton Abbot TQ13 7LY
<b>Chief executive officer</b>	Nicola Dunford
<b>Senior management team</b>	Nicola Dunford, CEO Matt Matthew, Business Manager
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
<b>Bankers</b>	Lloyds Bank plc Chapel Hill 11 Treyew Road Truro Cornwall TR1 3AN

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

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' report and a Directors' report under company law.

The Trust now operates fifteen primary academies in the Totnes, Newton Abbot & Teign Valley region, Woodleigh, near Crediton, Budleigh Salterton and Otterton in East Devon and most recently three former South Dartmoor Trust academies, Ilsington, Widecombe-in-the-Moor and Moretonhampstead.

Broadhempston primary had been working with the Link Academy in a Management Partnership arrangement and joined the Trust in September 2019, while the two East Devon schools were delayed with a legal issue until December 2019, when they too moved from Management Partnership to join the Link Academy Trust.

The three South Dartmoor Academies joined the Trust in February 2020 as a result of re-brokerage. They had been significantly poorly resourced; staff were underperforming with clear lack of CPD and the school environment was particularly poor. All three schools joined the Trust with a zero carry forward budget.

The 15 academies of the Link Academy Trust at the start of the 2019/20 academic year had a combined overall pupil capacity of 1,477 places, with the number of pupils on roll of 1,248 which is 84.5pc of capacity. Of the recently joining schools the two East Devon schools are well below capacity, also one of the South Dartmoor schools. A focus on increasing capacity is underway and numbers on roll are already starting to rise.

One of the original six Link Academy primary schools had an Ofsted Inspection in January 2020, every area was judged to be good under the New Framework.

The transition into the Trust of Broadhempston primary with 73/70 on roll was effectively achieved. It is a successful village school with a current outstanding Ofsted judgement. It has been operating collaboratively and productively within the Trust since March 2019 and became an Academy within the Trust on 1st September 2019.

The two primary schools of the Raleigh Federation, Drake's and Otterton are both Voluntary Aided schools and started working with the Link in January 2019. The Link provided an interim Executive Head across the two schools who has continued to lead the schools throughout the transition into being part of the Trust. The schools transferred to the Trust on 1st December 2019. Both schools were identified as operating well below expectations at this point, however the Trust and Executive Head have put significant resources into turning the position around rapidly. Both schools are now stable and embedding good practice. The Diocese of Exeter has worked closely with the Trust to support the improvement of local Governance.

During the latter half of the autumn term, in preparation for conversion on 1st February the Link Academy Trust worked with South Dartmoor's interim leadership team to manage the re-brokerage of Ilsington primary, Widecombe-in-the-Moor primary and Moretonhampstead primary into the Link Academy Trust. There were some significant factors to consider and two of the academies required significant age range changes to be approved. This was resolved. The Link also worked with the Regional Schools Commissioner (RSC) and Department for Education (DfE) to secure funding for the building at Ilsington primary to be reconfigured and extended to accommodate fully the provision which was already operating in the school in a learning environment that was not fit for purpose.

All three schools joined the Trust with a zero carry forward which impeded the extensive need for building upgrades, resource provision and staff training requirements. The Link managed to provide significant improvements in all areas from the Trust budget and has put in place highly effective financial management procedures, alongside staffing changes, all of which have led to a slow growth of funds alongside a significant upgrading of these schools.

All three schools are flagged within the Trust as requiring a high level of support to improve the delivery of quality first teaching and learning as well as improve outcomes and provision for all students. Leadership has been a clear issue and staff had received little or no professional training. During the course of the remainder of the year this was addressed.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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In 2019-20 the Link Academy Trust responded to an invitation to work with Morchard Bishop primary school to 'test' whether the school felt the Trust was a suitable home for the school when the Head Teacher retires in 2021. Throughout the year there has been a two-way conversation, support and shared practice while the Local Governing Board considered their options. It was agreed at the end of the academic year that Morchard Bishop would work in a Management Partnership with the Link Academy Trust from September 2020, in preparation for full conversion the following year if the partnership arrangement was successful.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy 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 Academy Trust. The Trustees of Link Academy Trust are also the 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.

**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 they cease to be a member.

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy 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 Academy 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 Academy Trust. The limit of this indemnity is £10,000,000.

**Method of recruitment and appointment or election of Trustees**

On 1st April 2016 the Trustees appointed those Trustees that had been recruited and selected to be Trustees of the newly formed Academy 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. It is anticipated that further skilled professional Trustees will join the Trust in future and there will be at least two more positions filled.

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.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**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 would always include a tour of the Trust and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three 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. The Trust has in place robust appointment procedures which take account of ongoing skills auditing. Currently the Governance Audit undertaken by the external auditors, Bishop Fleming has identified additional skills required and it is anticipated that up to three new Directors will be joining the Board during the next financial year 2020-21. As the Trust extends additional skills have been identified to enhance the highly effective operation of the Trust and positions continue to be advertised in local communities as Academy Ambassadors have been unable to provide suitable applicants.

**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 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.

During the period under report, the Board met six times and the committees working within the Board are as follows:

Finance and General Purposes Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, drafting the annual budget for the Board's approval and, once agreed, monitoring performance against the budget; setting the Trust's staffing establishment based on a staffing needs analysis; the Trust's estate development and maintenance as well as compliance with reporting and regulatory requirements. In 2019-20 it met six times, some of which were online due to the Covid 19 Lockdown (March- August 2020).

Standards and Curriculum Committee - this meets five times a year to monitor, evaluate and review Trust policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, teaching and learning data and all pastoral issues. Its duties include responsibility for all policies related to Standards and Curriculum, will monitor pupil performance data and monitor the Trust Improvement Plan. The Committee provides the link with Local Boards (LBs) regarding the day to day operation of schools as the Chairs of LBs attend the Standards and Curriculum meetings. LBs are tasked with areas to learn, challenge and support their schools to inform the Board of Trustees through the Committee. The Committee also monitors the Link Academy website to ensure it complies with statutory requirements. Checking school attendance and all aspects of safeguarding also fall within its duties. In 2019-20 it met five times some of which were online due to the Covid 19 Lockdown (March- August).

Remuneration Committee which meets three times a year to deal with all matters relating to pay. The Committee is authorised to approve expenditure within the levels agreed by the Board of Directors, in accordance with the Link Academy Trust's Financial Regulations, funding bodies' and other legal requirements. These duties include the detailed employment arrangements of the Senior Management Team (SMT); the Committee conducts the appraisal of the CEO; pay awards for the SMT are subject to the approval of the full Board. The Committee is responsible for all HR Policies. In 2019-20 it met six times, some of which were online due to the Covid 19 Lockdown (March- August).

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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Audit Committee which meets at least three times a year and is authorised to approve expenditure within the levels agreed by the Board of Directors, in accordance with the Link Academy Trust's Financial Regulations, funding bodies' and other legal requirements. Its duties include the appointment of the Internal Audit Service, setting the annual programme of reviews and receiving reports thereon and ensuring the timely completion of any recommendations. The Committee met with the External Audit Service at the conclusion of the annual audit to discuss its findings prior to presentation to the Board and will monitor the timely completion of recommendations. The Committee also oversees compliance testing for legionella, health & safety and environmental protection. The Committee scrutinises all audit reviews by the Education & Skills Funding Agency (ESFA) and monitors the completion of recommendations. Overall it also takes responsibility for the Audit and Annual Risk Management Plan and all aspects of Business Recovery. It met three times in 2019-20, some of which were online due to the Covid 19 Lockdown (March-August).

**Communication and Reporting Procedures**

The minutes of the committees' meetings will be circulated to the next meeting of the Board of Directors. 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 Board of Directors will appoint a Clerk to the Trust to support the Board and its Committees.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the statutes or constitution of the Trust and its committee structure, to appoint or remove the Chairperson and/or Vice Chairperson, to appoint the CEO and Clerk to the Trustees, 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 MAT by the use of budgets and other data, and making major decisions about the direction of the Academies and MAT, capital expenditure and staff appointments.

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

The Trust has a leadership structure which consists of the Members, Trustees, Governors and SMT. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The CEO, Business Manager and Finance Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is 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 Academy Trust comprises fifteen primary schools, Bearnese, Broadhempston, Cheriton Bishop, Diptford, Drake's, Harbertonford, Hennock, Ilington, Landscope, 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: Newton and Teign (Bearnese and Hennock), Totnes (Broadhempston, Diptford, Harbertonford, Landscope and Stoke Gabriel), Woodleigh (Cheriton Bishop, Tedburn St Mary and Yeoford), Raleigh (Drake's and Otterton) and the Moorland Hub (Ilington, Moretonhampstead and Widecombe-in-the-Moor).

The LBs oversee day to day 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 Local Boards.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

Any schools 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, such as the formation of one Board for the three Dartmoor schools will take place during the course of the first year of joining the Trust. This enables individuals already serving on a single school board the opportunity to consider whether the wider scope of a Hub Board is acceptable to them.

A representative of each Local Board 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 SMT comprise of 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 Academies of a similar size.

**Related Parties and other Connected Charities and Organisations**

The Trust has strong collaborative links across the fifteen primary schools forming the Link Academy Trust, as well as the schools in Management Partnership with the Trust, at this time Morchard Bishop.

There are no related parties which either control or significantly influence the decisions and operations of Link Academy Trust. There are no sponsors or formal Parent Teacher Associations associated with the Trust.

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
<b>0</b>	<b>0</b>

**Percentage of time spent on facility time**

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

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	0
Provide the total pay bill	0
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	0
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**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 fifteen 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 experiential learning.

The aims of the Trust during the 1 September 2019 to 31 August 2020 financial year are summarised below:

- continue to raise the standard of educational attainment and achievement of all pupils further,
- 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,
- 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 KS1 and KS2,
- provide value for money for the funds expended,
- develop the Improvement & Inclusion Hub located at Bearnas Primary school 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 organisations,
- work closely with families and the community in order to enhance further the outcomes for children
- develop greater coherence, clarity and effectiveness in school 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 Multi Academy Trust through the capacity of the current Academies and encouraging schools to convert to Academy status and join the Link Academy Trust,
- 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 during the period of the Covid pandemic, being aware of children and adult mental health provision and support,
- develop an improving hybrid learning provision which balances traditional learning with the use of technology to give pupils the best chance to continuing to receive quality first teaching even during periods of lockdown, and
- ensure Safeguarding procedures are tailored to reach families and pupils in their homes even when pupils are not in school to keep them safe.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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At the Link Academy 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**

Key priorities for the period 1 September 2019 to 31 August 2020 are contained in our MAT Improvement Plan which is available from the Trust Head Office. Improvement foci identified for this year included:

**Key Priority 1**

**Quality of Education**

Academies will focus on improving the teaching and learning challenge in order to increase the percentage of pupils achieving Greater Depth while ensuring greater consistency in all Core Subject teaching reflected in improved progress data. This will be planned and executed with due regard and understanding of the New Ofsted Framework.

**Key Priority 2**

**Quality of Education: Science**

Science Curriculum planning, delivery and teaching is enhanced to ensure skills, knowledge and understanding are well planned and effectively taught consistently well across the Trust.

This will be exemplified in the newly formed Curriculum Leadership groups for a range of subjects, with specific Terms of Reference and the opportunity for Middle Leaders to lead meetings and have an impact across the Trust. Other subject areas and phases include: Early Years, SEND provision, Maths, English, PSHE, NQTs, RE, etc

**Key Priority 3**

**Quality of Education: Computing**

Middle Leaders will lead Trust delivery of a high quality computing curriculum and use IT to enhance the teaching of all curriculum subject skills. This too is a curriculum group which regularly meets and disseminates appropriate information.

**Key Priority 4**

**Leadership & Management and Quality of Education**

Middle Leaders will establish Trust-wide network systems to ensure the highest quality delivery of a broad and balanced curriculum, with a particular focus on progression of skills & extended vocabulary.

**Key Priority 5**

**Personal Development, Behaviour and Welfare**

Social, Emotional Spiritual & Mental Health is a focus to ensure barriers to learning are removed. Pupil Mental Health is a priority and Sex & Relationship Education is consistently delivered to the highest standard.

The Senior Management Team will scrutinise all schools 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 schools and the Trust and to have strategic sharing of practice, protocols and resources across the MAT to benefit all pupils. We expect all Ofsted Inspections will have a good or better outcome and Church schools will receive a good or better judgement in any SIAMS Inspections.

**Outcomes for Pupils:**

All Academies to be at or above the National Average for progress in Reading, Writing and Maths. The gap between pupil premium and non-pupil premium children to be below the National Average. The percentage of pupils achieving Greater Depth to be improved. Every Academy will focus on a core subject that will show improved outcomes over the year.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Provision:**

All Academies to have strong links with feeder pre-schools, to have effective transition arrangements and to improve school readiness for children.

Recruitment and retention in Academies will drive to ensure there is a strategic focus on ensuring every Academy achieves the Pupil Admission Number (PAN) for entry into Reception and as far as possible every cohort maintains PAN in every cohort to achieve overall high capacity in schools.

IT infrastructure and hardware will be improved for all Academies.

**Teaching and Learning**

All schools deliver an engaging curriculum that challenges pupils' thinking and provides exciting and memorable learning experiences. The curriculum will ensure children capable of achieving Greater Depth will have the opportunity to do so.

**Personal Development, Behaviour and Welfare.**

All schools will be above the National Average for attendance and below the National Average for fixed term and permanent exclusions. The Improvement and Inclusion Hub will impact on pupils that require support to be ready to learn. A focus on PSME, SRE and Mental Health in pupils will ensure pupils' SEMH is provided for.

Alongside the above, all individual Academies continued during the 2019-20 academic year to complete their own Improvement Plans which are specific to the individual needs of the setting. Each of the MAT Improvement Plan foci was interpreted for the individual Academy and the improvement plan captured the actions each setting needed to focus on to ensure the MAT plan achieved the overall outcomes, for example, in fulfilling Outcomes for Children, one of the Academies pinpointed Writing at KS1&2, Spelling and writing at Greater Depth.

This is the fourth complete year of a Link Academy Trust Strategic Improvement Plan and it was established through collaboration and consultation with the CEO, Trust Business Manager, Executive/ Academy Heads across the MAT. The Link MAT Improvement Plan operates alongside the individual Academy plans which address specific areas required for the individual settings; these are then monitored and evaluated for impact throughout the year.

The Covid 19 Lockdown (March- August 2020) had a significant impact on the level of success of these initiatives and highlighted the need for a Trust approach to remote/ blended learning. All academies were able to provide online learning opportunities, but we will in future address the issues that parents voiced in a detailed online survey as we prepare for 2020-21.

**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.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

As a result of the Covid 19 Lockdown SATs and all other National Tests were suspended. Children were not in school to test and there was no expectation to do so.

We had anticipated considerably improved results in the nine academies that have had the stability of being in the Trust for a substantial period of time. Focus on quality first teaching in the newly joined academies was also seeing outcomes improve rapidly. However even teacher assessment was suspended as pupils were not available throughout this period to scrutinise.

The Trust continued to implement a full plan of growth in the Academies to ensure all schools are operating as near capacity as possible, including a proactive PR and marketing campaign, open events and exploring transport opportunities for those parents located in the more rural areas to enhance the already inclusive nature of our schools.

Over the year this has been highly successful as the numbers on roll have increased throughout the year with almost all Reception year capacity taken up in every school.

In parallel with this development, the Trust continued to strengthen its links with surrounding preschool providers and develop its own provision within schools as Foundation Units, extending the age range of schools where appropriate and welcoming Pre Schools into the Trust.

The Improvement & Inclusion Hub, established from the inauguration of the MAT has extended its remit and now supports all Academies within the MAT and schools across Devon with its growing links to Early Help provision and is closely linked with Plymouth Excellence Centre. It provides training and support for SENCOs, teachers and teaching assistants across all 15 academies, thereby developing their effectiveness to support vulnerable and challenging pupils. It is now offering therapeutic courses to challenging pupils which have been highly successful in supporting effective integration of these children into the classroom environment. This year it has also supported Academies with Disadvantaged Pupils, identifying their barriers to learning and ensuring their progress is a foremost consideration in every school, the MDIF grant has supported this development over the year. A whole raft of new courses have been planned for the September return of children following the Covid 19 Lockdown and an excellent document was created for all pupils just a week into the period of lockdown helping families to manage their concerns and keep mentally healthy.

Every school is well supported by parent volunteers who are increasingly developing their income generation skills alongside supporting activities within schools. Parent support groups are highly effective in all schools. Our Income Generation lead replacement was appointed in-year and impact has already been achieved.

Currently all Academies within the Trust are judged to be Good or Outstanding by Ofsted, Landscope was inspected by an HMI in January 2020 under the New Framework and achieved a very sound judgement of Good. The Inspection Reports over the past two years have been extremely positive for all schools.

This year we have received the £360,000 reconfiguration and extension of Ilsington primary to accommodate Early Years. A further Mechanical and Electrical (M&E) upgrade of Tedburn St Mary was funded through the Condition Improvement Fund (CIF) and more recently, approved through the summer, a similar upgrade in M&E for Broadhempston and a new roof for Yeoford primary. The Trust has also generated its own funding for a classroom extension at Bearnas in order to remove a temporary classroom structure which was significantly restricting use of the school hall, this will be completed by October half term and upgrade learning facilities at Bearnas in a major way.

All schools have seen improvements in general maintenance and decoration over the year and grants for individual projects amounting to over £25,000 have been achieved through a dedicated member of staff focusing on bidding for one day per week. This has also included the upgrade of playgrounds and Forest School facilities.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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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 CEO. From this, teachers and support staff receive feedback and internal programmes of continuous professional development are run for identified staff.

The Link Academy 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.

**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.

	<b>Target</b>	<b>Actual</b>
Total income per pupil	£5,805	£6,112
Total GAG per pupil	£4,195	£4,355
GAG income ratio	74%	71%
Staff costs per pupil	£4,252	£4,222
Staff cost ratio (as % of total costs)	73.7%	75%
Education costs ratio (as % of total costs)	4.0%	5.3%
Premises costs ratio (as % of total costs)	1.2%	4.8%
Heat and light costs ratio (as % of total costs)	1.2%	1.5%

**Going Concern**

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

**FINANCIAL REVIEW**

Most 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 2020 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 2020, the Trust received total income of £11,578,207 and incurred total expenditure of £7,006,999. The excess of income over expenditure for the year was £4,571,208.

At 31 August 2020 the net book value of fixed assets was £11,959,432 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The land, buildings and other assets were transferred to the Trust upon conversion. Land and buildings were professionally valued at £4,148,111. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The balance of the former schools' budget share (£50,000) 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, Trust Business Manager, 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 school sites. Currently the Trust sets a reserve level of six weeks' operating costs (staffing and other expenditure) at £860,332. 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 and mitigate against funding uncertainties post Covid19.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy 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 Academy 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. The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

**PRINCIPAL RISKS AND UNCERTAINTIES**

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

The 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 55pc 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.

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.

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.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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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. The Covid 19 Lockdown has increased the possibility of safeguarding issues going undetected, so a robust communication procedure was put in place over the period of lockdown to provide vulnerable families with extensive food hampers and a regular calling system operated by class teachers. 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.

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.

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 Academies' Financial 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. It was noted in 2019-20 that local risks in schools were difficult to identify by Trustees and therefore Executive/Academy Heads are now responsible for these risks, reporting them to the Audit Committee and ensuring mitigation, this process continues to be refined further. Two Trustees have had an Academy visit programme over the year to monitor the risk register in depth.

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.

This year, in particular, with six schools joining the Trust over a relatively short period of time it has been vital to have a detailed Due Diligence procedure and a follow up strategy to mitigate any identified risks. The process used by the Link was considered rigorous and robust by the Interim Management CEO and Finance Team at South Dartmoor during the period of re-brokerage. Subsequent actions have shown that the risks that were identified were well managed and successfully mitigated in a very short period of time.

Whilst the Trust is over-subscribed with substantial growth in capacity during 2019-20, risks to revenue funding from a falling roll are small. However, the freeze on the Government's 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.

The impact of Covid 19 lockdown going into the future is also an unknown.

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.

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

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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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 2019-20, the Trust employed a Senior Administrator one day a week to apply for grant funding on behalf of academies and to work with local Parent Teacher Friends Associations (PTFAs).

**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 2020-21 priorities for the Academy 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 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, an effective example has been through the Improvement and Inclusion Hub which was able to extend its remit through MDIF Funding last year and will in future continue to offer courses at cost to support other schools as well as the Academies within the Trust with training for inclusive practice and supporting vulnerable and challenging pupils with specific needs.

The School Improvement Structure for 2020-21 has changed to an Academy Trust Executive Improvement Team which was developed from the strengths of the initial Leadership Model last year to establish and further embed a number of roles which will afford more scope to the Improvement of all Academies. This will also offer expanded career opportunities in future.

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 Clerk to the Trustees.

Over the course of 2019-20, despite school closure from March to August the Link Academy Trust has welcomed six schools into the Trust, all of which needed some significant support in varied areas of delivery to improve provision for pupils. The Trust has worked hard with the Diocese to bring about these much needed improvements. The Trust has proven that it has the expertise and capacity to support schools to bring about successful and rapid improvement increasing the schools' ability to improve outcomes for all children.

The Link Academy 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 2020-21 to extend the Trust to welcome more small schools into the Trust and 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 schools 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.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**AUDITOR**

In so far as the Trustees are aware:

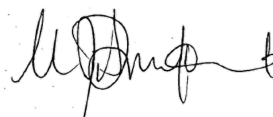
- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 18/01/2021 and signed on the board's behalf by:



**Isabel Cherrett**  
Chair of Trustees



**Nicola Dunford**  
Accounting Officer

## **GOVERNANCE STATEMENT**

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### **SCOPE OF RESPONSIBILITY**

As Trustees we acknowledge we have overall responsibility for ensuring that 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 6 times between 1 September 2019 and 31 August 2020. During the year, Peter Bethel resigned as a Trustee on 1 March 2020 and was subsequently appointed as a Trustee of the Bearnas Educational Foundation. In this role, the Foundation nominated him as a Member of the Link Academy Trust. Two Trustees joined the Board: Jane Collings on 1 September 2019 and Dominic Course on 31 March 2020.

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

Trustee	Meetings attended	Out of a possible
Nicola Dunford, CEO	6	6
Fiona Walters	5	6
Dominic Course	3	3
Peter Bethel	3	4
Jason Hayward-Jones	6	6
Mike Fisher	5	6
Isabel Cherrett, Chair	6	6
Cheryl Mathieson	6	6
Jane Collings	6	6
Roy Gillard	6	6

In addition to the formal meetings, Trustees held an Away Day in February 2020 to discuss strategic issues with Chairs of the Local Boards, the Senior Leadership Team and Executive/Academy Heads. The Annual General Meeting held in July 2020 was attended by eight of the Trustees, together with the Members and Chairs of the Local Boards. The Covid-19 virus has meant that all meetings from 1 April 2020 have been on line, using Microsoft Teams.

During 2019-20, the Board spent significant time on the following:

- Continued overhaul of the format and content of the Trust-wide risk register in order that sections can be monitored at specified times and newly identified risks can easily be added. Updating of this document continued throughout the year.
- Completion of the Scheme of Delegation which captures the respective responsibilities of the Trustees, the Board's Committees, the Chief Executive Officer, the Trust Business Manager and the newly constituted Local Boards. The Scheme will be reviewed annually when the Constitution and Terms of Reference of the Board's Committees are also reviewed. Significant consultation work was undertaken on the role of the governors and the Local Board and the make-up of each Board was refined to ensure effective and knowledgeable support was available to Academy Heads.

**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE (CONTINUED)**

- A continued focus on the development of data to aid the Board's budget preparation and financial forecasting has led to enhanced management information and a monthly "Dashboard" which assesses individual academies as well as the Trust as a whole in terms of adherence to the approved Budget. The clarity offered by this development has improved the scrutiny of budget figures at all levels.
- Worked closely with SCOMIS to utilise the data stored on SIMS to transfer into a Trust-wide data analysis system, Power Bi, which is now bespoke to the Trust's needs. There were delays in its implementation but now available it offers enhanced access to data, particularly that of the whole Trust which will have a significant impact going forward.
- The initial Distributed Leadership Model has been completely reviewed and overhauled in the light of six primary schools joining the Link Academy Trust during the course of 2019-20.  
A dedicated group of four Leaders and Executive/Academy Heads lead strategic school improvement as the Senior Leadership Team (SLT) which includes:
  - The Academy Trust Strategic 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) 0.2, also Academy Head;
  - The Academy Trust School Standards and Educational Outcomes Lead (ATSSEOL) 0.5, also Academy Head.The SLT members use their dedicated time to visit academies in order to Learn, Support and Challenge and prioritise strategic needs in schools.  
Development of the Central Business Team to include: an additional finance support worker, an HR specialist and specific supplementary roles given to School Administrators.
- Scrutinising the information for six primary schools which joined the Trust during the course of 2019-20 to ensure all aspects of Due Diligence had been addressed prior to joining and thereafter induction into the Link Academy Trust systems and procedures to ensure successful integration.
- In response to Covid-19 Lockdown remote learning provision was established and six schools were operational for specific year groups and key workers, adhering to detailed risk assessments linked to operational practice.

A full effectiveness review was undertaken by the external auditors, Bishop Fleming, in March 2020. The review highlighted the fact that there was a reasonable balance of skills, although there were positions that needed to be filled and training was required for many in terms of interpreting the financial information successfully. The appointment of Mr Course, a Trustee of the former South Dartmoor Trust, has brought marketing skills identified by the Board as beneficial to its expertise.

The Finance and General Purposes 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;
- 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 2020 attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Roy Gillard, Chair	6	6
Isabel Cherrett	6	6
Nicola Dunford	6	6
Cheryl Mathieson	6	6

**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE (CONTINUED)**

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 2020, one new Trustee joined the committee and one resigned. The Board continues to seek a new Trustee or co-opt a suitably qualified individual to join the Committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Bethel	2	2
Mike Fisher	2	3
Dominic Course	1	1

Mr Bethel chaired the Committee from September until the end of February 2020 and Mr Fisher chaired from March 2020. The Chief Executive Officer attends the Committee as an officer and attended three out of three meetings during the 2019-20 financial year. The Chair of the Board of Trustees attended one meeting to ensure the Committee was quorate.

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 Chief Executive Officer 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 2020 attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Isabel Cherrett (Chair)	6	6
Roy Gillard	6	6
Cheryl Mathieson	6	6

The Chief Executive Officer attended six of the six 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, 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 Improvement Plan in collaboration with the CEO, the Academy Trust School Improvement Lead 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.

**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE (CONTINUED)**

- 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 Link Academy Trust and individual academies' websites to ensure they comply with statutory requirements.
- Assess school attendance across The Link Academy, 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 2020, two new Trustees joined the committee and the ATSIL Sarah Clarke was invited to join the Committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Jane Collings (Chair)	5	5
Nicola Dunford	5	5
Jason Hayward-Jones	5	5
Fiona Walters	4	5
Representatives of the four Local Boards attended as follows:		
	4	5
Lynda Cooper (Newton & Teign)		
Cat Radford (Totnes)	4	5
Jo Carter (Woodleigh)	5	5
Corinna Tigg (Raleigh)	2	3

The Academy Trust School Improvement Lead (ATSIL) provides the important link with the Local Boards to understand and promote school improvements. The post holder therefore fulfils a valuable role as an officer of the Committee. Mr Course, newly appointed Trustee, represented the Moretonhampstead Local Governing Board as their Chair whilst the Moorland Schools Local Board is formed; he attended two out of two possible meetings.

## **GOVERNANCE STATEMENT (CONTINUED)**

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### **REVIEW OF VALUE FOR MONEY**

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

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

- 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.
- 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 pilot Distributed Leadership Model (November 2018) to provide the Chief Executive Officer with Trust-wide support on the development, implementation and assessment of the Trust's School Improvement Plan has now been cemented to form an extended and experienced SLT with specific and dedicated foci. This has ensured that even as we expand 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 one Academy Head to take on a new role from September 2019 leading school improvement and has enabled another to dedicate half the working week to supporting school improvement across the Trust.
- 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 a cost effective use of 'experts'.
- Staff recognise that as the Link Academy 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 Central Team 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.
- 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 Link Academy 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 have been scrutinised to ensure staffing levels are appropriate and where they are not measures have been put into place to reduce costs.

## **GOVERNANCE STATEMENT (CONTINUED)**

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### **THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks, the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Link Academy Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

### **CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### **THE RISK AND CONTROL FRAMEWORK**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees, having been scrutinised at various levels within the organisation's Central Business team.
- Regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes, 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 (asset 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 Griffin Accountancy as internal auditor.

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 2019-20 was completed and included:

- Testing of payroll systems
- Testing of purchase systems

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

**GOVERNANCE STATEMENT (CONTINUED)**

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**THE RISK AND CONTROL FRAMEWORK (CONTINUED)**

**REVIEW OF EFFECTIVENESS**

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

- The work of the internal auditors;
- The work of the external auditors;
- The assurance report provided by the Trust's accountants;
- Recognition of good practice initially through the DfE's invitation to take part in important research by Aldaba into how successful small school academies operate and subsequent inclusion of a number of case studies of The Link Academy practice in the Report;
- The work of the Trust Business Manager 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.

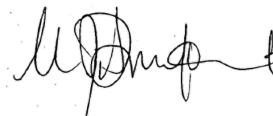
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee/Finance and General Purpose Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 18/01/2021

and signed on



**I Cherrett**  
Chair of Trustees



**N Dunford**  
Accounting Officer

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

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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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 Academies Financial Handbook 2019.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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: 18/01/2021

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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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 2019 to 2020;
- 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:



**Isabel Cherrett**  
(Chair of Trustees)  
Date: 18/01/2021

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

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**OPINION**

We have audited the financial statements of Link Academy Trust (the 'Academy Trust') for the year ended 31 August 2020 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 2019 to 2020 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 2020 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 2019 to 2020 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

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**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. 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.

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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**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.

**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.

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](http://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  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth  
PL4 0BN

Date: 22/1/2021

**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**

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In accordance with the terms of our engagement letter dated 6 June 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, 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 2019 to 31 August 2020 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 29/3/16 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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.

**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)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Nathan Coughlin FCA (Reporting Accountant)

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 22/1/2021

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

		Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
	Note					
<b>INCOME FROM:</b>						
Donations and capital grants:	3					
Transfer on conversion		84,163	(882,000)	5,294,494	4,496,657	-
Other donations and capital grants		48,531	147,760	527,057	723,348	246,476
Charitable activities	4	376,277	5,953,796	-	6,330,073	4,148,676
Other trading activities	6	27,599	-	-	27,599	39,069
Investments	7	530	-	-	530	581
<b>TOTAL INCOME</b>		<b>537,100</b>	<b>5,219,556</b>	<b>5,821,551</b>	<b>11,578,207</b>	<b>4,434,802</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		366,956	6,280,942	359,101	7,006,999	4,487,178
<b>TOTAL EXPENDITURE</b>		<b>366,956</b>	<b>6,280,942</b>	<b>359,101</b>	<b>7,006,999</b>	<b>4,487,178</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>170,144</b>	<b>(1,061,386)</b>	<b>5,462,450</b>	<b>4,571,208</b>	<b>(52,376)</b>
Transfers between funds	18	(36,181)	652	35,529	-	-
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES) CARRIED FORWARD</b>		<b>133,963</b>	<b>(1,060,734)</b>	<b>5,497,979</b>	<b>4,571,208</b>	<b>(52,376)</b>

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

		<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES) BROUGHT FORWARD</b>		<b>133,963</b>	<b>(1,060,734)</b>	<b>5,497,979</b>	<b>4,571,208</b>	<b>(52,376)</b>
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Actuarial losses on defined benefit pension schemes	25	-	<b>(447,000)</b>	-	<b>(447,000)</b>	<b>(215,000)</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>133,963</b>	<b>(1,507,734)</b>	<b>5,497,979</b>	<b>4,124,208</b>	<b>(267,376)</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		<b>242,771</b>	<b>(605,361)</b>	<b>6,910,365</b>	<b>6,547,775</b>	6,815,151
Net movement in funds		<b>133,963</b>	<b>(1,507,734)</b>	<b>5,497,979</b>	<b>4,124,208</b>	<b>(267,376)</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>376,734</b>	<b>(2,113,095)</b>	<b>12,408,344</b>	<b>10,671,983</b>	<b>6,547,775</b>

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

The notes on pages 34 to 71 form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	15	<b>11,959,432</b>	6,762,998
		<b>11,959,432</b>	6,762,998
<b>CURRENT ASSETS</b>			
Debtors	16	<b>542,021</b>	105,770
Cash at bank and in hand		<b>1,376,422</b>	1,015,156
		<b>1,918,443</b>	1,120,926
Creditors: amounts falling due within one year	17	<b>(456,892)</b>	(216,149)
<b>NET CURRENT ASSETS</b>		<b>1,461,551</b>	904,777
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		<b>13,420,983</b>	7,667,775
Defined benefit pension scheme liability	25	<b>(2,749,000)</b>	(1,120,000)
<b>TOTAL NET ASSETS</b>		<b>10,671,983</b>	6,547,775
<b>FUNDS OF THE ACADEMY TRUST</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	<b>12,408,344</b>	6,910,365
Restricted income funds	18	<b>635,905</b>	514,639
Restricted funds excluding pension liability	18	<b>13,044,249</b>	7,425,004
Pension reserve	18	<b>(2,749,000)</b>	(1,120,000)
<b>Total restricted funds</b>	18	<b>10,295,249</b>	6,305,004
<b>Unrestricted income funds</b>	18	<b>376,734</b>	242,771
<b>TOTAL FUNDS</b>		<b>10,671,983</b>	6,547,775

The financial statements on pages 30 to 71 were approved by the Trustees, and authorised for issue on 18/01/2021 and are signed on their behalf, by:



**Isabel Cherrett**  
 (Chair of Trustees)

The notes on pages 34 to 71 form part of these financial statements.

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

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by operating activities	20	<b>283,082</b>	90,624
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	21	<b>78,184</b>	(241,007)
		<hr/>	<hr/>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>361,266</b>	(150,383)
Cash and cash equivalents at the beginning of the year		<b>1,015,156</b>	1,165,539
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	22, 23	<b>1,376,422</b>	1,015,156
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 34 to 71 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Link Academy Trust meets the definition of a public benefit entity under FRS 102.

**1.2 GOING CONCERN**

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

**1.3 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.

**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOME (CONTINUED)**

- **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 on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **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.

- **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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. ACCOUNTING POLICIES (continued)**

**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.

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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020

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**1. ACCOUNTING POLICIES (continued)**

**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 16. 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 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.11 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. ACCOUNTING POLICIES (continued)**

**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.

## **2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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

Critical accounting estimates and assumptions:

The Academy Trust 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 in the Balance sheet.

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 2020. 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**3. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>
Transfers on conversion	84,163	(882,000)	5,294,494	<b>4,496,657</b>
Donations	48,531	147,760	-	<b>196,291</b>
Capital Grants	-	-	527,057	<b>527,057</b>
	<u>132,694</u>	<u>(734,240)</u>	<u>5,821,551</u>	<u><b>5,220,005</b></u>

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Restricted fixed asset funds 2019 £</b>	<b>Total funds 2019 £</b>
Donations	25,351	82,310	45,350	153,011
Capital Grants	-	-	93,465	93,465
	<u>25,351</u>	<u>82,310</u>	<u>138,815</u>	<u>246,476</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Education	186,915	5,953,796	<b>6,140,711</b>
Nursery	189,362	-	<b>189,362</b>
<b>TOTAL 2020</b>	<u>376,277</u>	<u>5,953,796</u>	<u><b>6,330,073</b></u>

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Education	200,808	3,774,796	3,975,604
Nursery	173,072	-	173,072
<b>TOTAL 2019</b>	<u>373,880</u>	<u>3,774,796</u>	<u>4,148,676</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
<b>DFE/ESFA GRANTS</b>			
General Annual Grant	-	5,039,526	<b>5,039,526</b>
Other DfE/ESFA grants	-	591,469	<b>591,469</b>
	-	5,630,995	<b>5,630,995</b>
<b>OTHER GOVERNMENT GRANTS</b>			
High Needs	-	118,738	<b>118,738</b>
Other government grants non capital	-	204,063	<b>204,063</b>
	-	322,801	<b>322,801</b>
<b>OTHER</b>			
Internal catering income	82,460	-	<b>82,460</b>
Sales to students	2,935	-	<b>2,935</b>
Other	101,520	-	<b>101,520</b>
	186,915	-	<b>186,915</b>
	186,915	5,953,796	<b>6,140,711</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION (CONTINUED)**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
<b>DFE/ESFA GRANTS</b>			
General Annual Grant	-	3,241,574	3,241,574
Start up Grants	-	75,000	75,000
Other DfE/ESFA grants	-	426,008	426,008
	-	3,742,582	3,742,582
<b>OTHER GOVERNMENT GRANTS</b>			
High Needs	-	22,656	22,656
Other government grants non capital	-	9,558	9,558
	-	32,214	32,214
<b>OTHER</b>			
Internal catering income	74,614	-	74,614
Sales to students	3,994	-	3,994
Other	122,200	-	122,200
	200,808	-	200,808
	200,808	3,774,796	3,975,604

**6. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	605	605	7,235
School clubs	26,994	26,994	31,834
<b>TOTAL 2020</b>	27,599	27,599	39,069

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**7. INVESTMENT INCOME**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Bank interest	530	<b>530</b>	581

**8. EXPENDITURE**

	<b>Staff Costs 2020 £</b>	<b>Premises 2020 £</b>	<b>Other 2020 £</b>	<b>Total 2020 £</b>
EDUCATION:				
Direct costs	4,204,500	226,359	369,210	<b>4,800,069</b>
Allocated support costs	688,886	537,825	741,143	<b>1,967,854</b>
NURSERY:				
Direct costs	219,666	4,187	-	<b>223,853</b>
Allocated support costs	-	7,895	7,328	<b>15,223</b>
	<b>5,113,052</b>	<b>776,266</b>	<b>1,117,681</b>	<b>7,006,999</b>
	<b>Staff Costs 2019 £</b>	<b>Premises 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>
EDUCATION:				
Direct costs	2,563,526	120,001	270,101	2,953,628
Allocated support costs	455,915	477,913	463,875	1,397,703
NURSERY:				
Direct costs	119,168	-	1,480	120,648
Allocated support costs	-	7,658	7,541	15,199
	<b>3,138,609</b>	<b>605,572</b>	<b>742,997</b>	<b>4,487,178</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>
Education	4,800,069	1,967,854	<b>6,767,923</b>
Nursery	223,853	15,223	<b>239,076</b>
	<u>5,023,922</u>	<u>1,983,077</u>	<u><b>7,006,999</b></u>

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>
Education	2,953,628	1,397,703	4,351,331
Nursery	120,648	15,199	135,847
	<u>3,074,276</u>	<u>1,412,902</u>	<u>4,487,178</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs**

	<b>Education 2020 £</b>	<b>Nursery 2020 £</b>	<b>Total funds 2020 £</b>
Pension finance cost	6,000	-	<b>6,000</b>
Staff costs	688,886	-	<b>688,886</b>
Depreciation	142,218	-	<b>142,218</b>
Recruitment and support	9,760	-	<b>9,760</b>
Maintenance of premises and equipment	78,896	1,766	<b>80,662</b>
Cleaning	138,937	2,322	<b>141,259</b>
Rent and rates	169,772	1,565	<b>171,337</b>
Energy costs	96,400	2,243	<b>98,643</b>
Insurance	29,344	326	<b>29,670</b>
Security and transport	33,400	-	<b>33,400</b>
Catering	219,751	4,303	<b>224,054</b>
Technology costs	139,755	-	<b>139,755</b>
Office overheads	39,807	2,698	<b>42,505</b>
Legal and professional	81,374	-	<b>81,374</b>
Bank interest and charges	906	-	<b>906</b>
Governance costs	92,648	-	<b>92,648</b>
	<b>1,967,854</b>	<b>15,223</b>	<b>1,983,077</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs (continued)**

	Education 2019 £	Nursery 2019 £	Total funds 2019 £
Pension income	9,000	-	9,000
Staff costs	455,915	-	455,915
Depreciation	143,515	-	143,515
Recruitment and support	8,531	-	8,531
Maintenance of premises and equipment	44,243	368	44,611
Cleaning	99,908	2,481	102,389
Rent and rates	107,267	3,553	110,820
Energy costs	45,103	1,256	46,359
Insurance	18,204	491	18,695
Security and transport	30,219	-	30,219
Catering	230,006	6,151	236,157
Technology costs	86,961	-	86,961
Office overheads	40,688	899	41,587
Legal and professional	49,995	-	49,995
Bank interest and charges	497	-	497
Governance costs	27,651	-	27,651
	<b>1,397,703</b>	<b>15,199</b>	<b>1,412,902</b>

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) for the year includes:

	<b>2020</b> £	2019 £
Operating lease rentals	<b>12,003</b>	5,490
Depreciation of tangible fixed assets	<b>368,577</b>	263,516
Fees paid to auditors for:		
- audit	<b>17,410</b>	9,500
- other services	<b>11,250</b>	15,610

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**11. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Wages and salaries	<b>3,732,427</b>	2,368,755
Social security costs	<b>297,095</b>	210,619
Pension costs	<b>1,064,598</b>	551,025
	<b>5,094,120</b>	3,130,399
Agency staff costs	<b>8,955</b>	310
Other supply teacher costs	<b>9,977</b>	7,900
	<b>5,113,052</b>	3,138,609

**b. STAFF NUMBERS**

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

	<b>2020</b>	2019
	<b>No.</b>	<b>No.</b>
Teachers	<b>85</b>	57
Educational Support	<b>91</b>	66
Administration and Clerical	<b>21</b>	15
Management	<b>2</b>	2
	<b>199</b>	140

**c. HIGHER PAID STAFF**

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	<b>2020</b>	2019
	<b>No.</b>	<b>No.</b>
In the band £90,001 - £100,000	<b>1</b>	1

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £205,366 (2019: £189,274).

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**12. CENTRAL SERVICES**

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

- HR & Payroll
- Administration Support
- Legal
- Estate Management
- IT Support
- School Improvement
- Management
- H&S

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.

The actual amounts charged during the year were as follows:

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Bearnes Voluntary Primary School	<b>48,832</b>	65,679
Broadhempston Village Primary School	<b>35,664</b>	-
Cheriton Bishop Primary School	<b>49,930</b>	60,679
Diptford C of E Primary School	<b>34,018</b>	54,344
Drake's C of E Primary School	<b>24,248</b>	-
Harbertonford Primary School	<b>48,284</b>	67,013
Hennock Community Primary School	<b>26,885</b>	27,671
Ilsington C of E Primary School	<b>30,100</b>	-
Landscope C of E Primary School	<b>49,381</b>	62,345
Moretonhampstead Primary School	<b>56,020</b>	-
Otterton C of E Primary School	<b>24,248</b>	-
Stoke Gabriel Primary School	<b>57,063</b>	72,348
Tedburn St Mary Primary School	<b>47,735</b>	60,013
Widecombe-in-the-Moor Primary	<b>30,101</b>	-
Yeoford Primary School	<b>21,947</b>	24,672
<b>TOTAL</b>	<b>584,456</b>	494,764

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**12. CENTRAL SERVICES (CONTINUED)**

The growth of the Trust has continued in 2019/20 with an additional six schools joining and the Central Business team has expanded slightly to support these schools, with the addition of a part time finance assistant and the appointment of a one day per week Income Generation Officer. A key focus of the Trust's Improvement Plan has been ICT, increasingly prevalent during these times of Covid-19, and the Trust has continued to ensure every school has the latest interactive screen technology available in the classroom. The Trust now holds ICT equipment (laptops/iPads) equivalent to 1 per every 4 pupils and interactive screens in 84pc of classrooms.

The Central Business team is continually looking at ways in which to provide savings or generate income and whose good practices were featured heavily in a research paper by the Department for Education called 'Running small rural primary schools efficiently – March 2019'. Other successes included the award of £185,606 Trust Capacity Fund (TCaF) and the generation of £68,000 from charitable funding.

Procurement efficiencies are a continual driver for the team, with a central contracts register in place for 2019-20 and the Trust Business Manager in discussion with other schools, Academies and Multi Academy Trusts over the opportunity for collaborative purchasing whilst continuing his work with the DfE's Network Leaders group and Schools Commercial Team. Other improvements without a specific value include:

- Reputational improvement of the Trust with further growth expected in 2020-21.
- RSC actively engaging with the Trust for future growth.
- Increased public profile – CEO attendance at Diocese CEO meetings, Involvement with SW CEO Pilot - working with four MATs in SW, substitute member of Devon Educational Forum.
- Trust Business Manager chairs the Coast & Moors School Business Leaders network group, part of DfE's School Business Professionals network & part of two DfE User Groups.
- Successful award of three Condition Improvement Fund (CIF) projects at Broadhempston (M&E), Tedburn St Mary (M&E) and Yeoford (Roof) primary schools with £363,876 grant funding.
- Increased the catering operations of the Trust with greater reliance upon in-house solutions.
- Future aim to engage with more businesses.
- Increased media profile, including LinkedIn receiving 85,000 cumulative views per month.
- Use of social media to increase stakeholder engagement.
- Working with Fundraisers to establish Community 'farm' project at Stoke Gabriel.
- Working with Teaching Schools Alliance - including SWTSA, All Saints and Crediton Learning Community.
- The Link Academy Inclusion Hub working with all schools across the Newton Abbot Learning Community and Teignbridge, supporting other schools with a range of issues around Inclusion, including SENDCo annual conferences and offering therapy placement projects for pupils with challenging behaviours.

**13. 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 £95,000 - £100,000 (2019: £90,000 - £95,000), Employer's pension contributions £20,000 - £25,000 (2019: £10,000 - £15,000).

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

During the year, retirement benefits were accruing to 1 Trustee (2019 - 1) in respect of defined benefit pension schemes.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**13. TRUSTEES' REMUNERATION AND EXPENSES (CONTINUED)**

During the year ended 31 August 2020, expenses totalling £2,990 were reimbursed or paid directly to 2 Trustees (2019 - £5,033 to 2 Trustees). The nature of these expenses were mileage claims.

**14. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. For the year ended 31 August 2020 the cover was provided through the Education & Skills Funding Agency's Risk Protection Arrangement. Accordingly, the cost of the Trustee indemnity element is not separately identifiable.

**15. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>COST OR VALUATION</b>					
At 1 September 2019	6,945,369	270,216	221,674	29,825	7,467,084
Additions	5,410,197	68,956	83,858	2,000	5,565,011
At 31 August 2020	12,355,566	339,172	305,532	31,825	13,032,095
<b>DEPRECIATION</b>					
At 1 September 2019	391,107	182,212	123,311	7,456	704,086
Charge for the year	216,883	59,446	84,292	7,956	368,577
At 31 August 2020	607,990	241,658	207,603	15,412	1,072,663
<b>NET BOOK VALUE</b>					
At 31 August 2020	11,747,576	97,514	97,929	16,413	11,959,432
At 31 August 2019	6,554,262	88,004	98,363	22,369	6,762,998

The Academy Trust's transactions relating to land and buildings included the six new schools joining the Trust, totalling £5,185,112.

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**FOR THE YEAR ENDED 31 AUGUST 2020**

**16. DEBTORS**

	2020 £	2019 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	41,661	273
VAT recoverable	54,110	25,248
Prepayments and accrued income	446,250	80,249
	<u>542,021</u>	<u>105,770</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade creditors	133,501	3,143
Other taxation and social security	73,765	44,464
Other creditors	96,349	84,100
Accruals and deferred income	153,277	84,442
	<u>456,892</u>	<u>216,149</u>

	2020 £	2019 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2019	72,441	65,225
Resources deferred during the year	134,776	72,441
Amounts released from previous periods	(72,441)	(65,225)
<b>Deferred income at 31 August 2020</b>	<u>134,776</u>	<u>72,441</u>

Deferred income relates to grant funding received in advance for the 2020-21 accounting year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. STATEMENT OF FUNDS**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>						
<b>DESIGNATED FUNDS</b>						
MAT Growth and Development	120,000	-	(50,000)	50,000	-	120,000
<b>GENERAL FUNDS</b>						
General Funds	114,035	526,911	(307,480)	(86,181)	-	247,285
PTFA	8,736	10,189	(9,476)	-	-	9,449
	122,771	537,100	(316,956)	(86,181)	-	256,734
<b>TOTAL UNRESTRICTED FUNDS</b>	242,771	537,100	(366,956)	(36,181)	-	376,734
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	362,126	5,039,527	(4,886,959)	(67,549)	-	447,145
Pupil Premium	461	230,665	(199,132)	(31,994)	-	-
Academy Conversion Grants	99,679	182,656	(233,588)	63,808	-	112,555
Higher Needs	1,438	118,738	(120,070)	2,964	-	3,070
UIFSM	-	155,333	(155,333)	-	-	-
Inclusion Hub	-	-	(32,359)	32,359	-	-
G&T Programme	20,000	-	(6,504)	-	-	13,496
Donated rent on Diocese buildings	-	129,122	(129,122)	-	-	-
PE Sports Grant	30,935	205,471	(178,166)	-	-	58,240
Other	-	40,044	(39,709)	1,064	-	1,399
Pension reserve	(1,120,000)	(882,000)	(300,000)	-	(447,000)	(2,749,000)
	(605,361)	5,219,556	(6,280,942)	652	(447,000)	(2,113,095)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed Assets transferred on conversion	6,107,777	5,280,111	(243,646)	-	-	11,144,242
DfE/ESFA Capital grants	156,730	121,983	(20,932)	10,948	-	268,729
Condition Improvement Fund	415,898	323,595	(19,889)	(4,480)	-	715,124
Awards for All	16,209	-	(8,183)	-	-	8,026
Other Restricted	213,751	95,862	(66,451)	29,061	-	272,223
	<u>6,910,365</u>	<u>5,821,551</u>	<u>(359,101)</u>	<u>35,529</u>	<u>-</u>	<u>12,408,344</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>6,305,004</u>	<u>11,041,107</u>	<u>(6,640,043)</u>	<u>36,181</u>	<u>(447,000)</u>	<u>10,295,249</u>
<b>TOTAL FUNDS</b>	<u>6,547,775</u>	<u>11,578,207</u>	<u>(7,006,999)</u>	<u>-</u>	<u>(447,000)</u>	<u>10,671,983</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. In 2019-20, the Trust grew by six academies all of which required some form of revenue and/or capital investment. A total of £50,000 was expended across these schools with improvements being made to classroom resources, building improvements and upgrading of IT infrastructure. Additional costs were also incurred, as staff needed to be fully inducted and CPD provided to bring them up to the standards expected in the Trust.

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.

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

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.

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

Foyles - This represents a donation from a charitable trust to encourage children to read widely from an early age to provide a major boost to improving literacy levels, which is a current key educational objective.

MDIF - This represents MAT Development and Improvement Funding awarded to the Trust from the Department for Education.

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 for projects at Broadhempston, Tedburn St Mary and Yeoford.

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.

Awards for All - This represents funding obtained to build outdoor learning space.

**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 2020.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. STATEMENT OF FUNDS (CONTINUED)**

**Total funds analysis by academy**

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Bearnes Voluntary Primary School	237,276	252,121
Broadhempston Village Primary School	83,458	-
Cheriton Bishop Primary School	73,148	44,813
Diptford C of E Primary School	20,882	12,566
Drake's C of E Primary School	14,035	-
Harbertonford C of E Primary School	130,264	108,444
Hennock Community Primary School	14,724	32,095
Illesington C of E Primary School	62,881	-
Landscope C of E Primary School	11,086	1,323
Moretonhampstead Primary School	(22,348)	-
Ottertun C of E Primary School	13,127	-
Stoke Gabriel Community Primary School	159,275	124,830
Tedburn St Mary Primary School	(3,833)	(2,931)
Widcombe-in-the-Moor Primary School	25,281	-
Yeoford Primary School	11,846	9,943
Central Function (including start up grants)	181,537	174,206
Total before fixed asset funds and pension reserve	1,012,639	757,410
Restricted fixed asset fund	12,408,344	6,910,365
Pension reserve	(2,749,000)	(1,120,000)
<b>TOTAL</b>	<b>10,671,983</b>	<b>6,547,775</b>

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Tedburn St Mary Primary School	(3,833)
Moretonhampstead Primary School	(22,348)

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

The deficit at Tedburn St Mary is a result of the school's 20pc contribution to the M&E work, 80pc of which was funded through the Condition Improvement Fund grant. The Trust has prioritised Moretonhampstead to reduce its deficit through staffing changes introduced in 2020-21 and marketing the school to attract more pupils.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. 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 and pension adjustments £	Total 2020 £
Bearnes Voluntary Primary School	409,018	38,763	34,237	103,124	<b>585,142</b>
Broadhempston Village Primary School	226,868	31,047	12,501	50,511	<b>320,927</b>
Cheriton Bishop Primary School	324,377	32,793	31,737	70,382	<b>459,289</b>
Diptford C of E Primary School	237,200	20,973	23,611	91,119	<b>372,903</b>
Drake's C of E Primary School	197,699	26,800	5,725	59,878	<b>290,102</b>
Harbertonford C of E Primary School	342,970	20,989	28,762	102,641	<b>495,362</b>
Hennock Community Primary School	259,757	49,466	23,871	41,201	<b>374,295</b>
Ilstington C of E Primary School	170,660	18,049	6,322	36,175	<b>231,206</b>
Landscope C of E Primary School	308,029	59,889	22,400	84,103	<b>474,421</b>
Moretonhampstead Primary School	276,817	27,865	16,570	36,667	<b>357,919</b>
Ottertton C of E Primary School	185,484	22,473	6,217	80,227	<b>294,401</b>
Stoke Gabriel Community Primary School	304,110	25,614	37,580	69,004	<b>436,308</b>
Tedburn St Mary Primary School	298,164	24,157	14,709	81,352	<b>418,382</b>
Widecombe-in-the-Moor Primary School	145,817	13,503	5,525	32,377	<b>197,222</b>
Yeoford Primary School	210,037	35,130	15,401	48,981	<b>309,549</b>
Central services	310,159	200,135	58,042	152,658	<b>720,994</b>
<b>ACADEMY TRUST</b>	<b>4,207,166</b>	<b>647,646</b>	<b>343,210</b>	<b>1,140,400</b>	<b>6,338,422</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. 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 2019 £
Bearnes Voluntary Primary School	276,128	30,526	30,898	81,760	419,312
Cheriton Bishop Primary School	275,579	26,414	30,398	83,890	416,281
Diptford C of E Primary School	261,358	23,096	31,794	94,039	410,287
Harbertonford C of E Primary School	311,756	21,341	32,254	97,872	463,223
Hennock Community Primary School	205,957	37,068	27,072	44,886	314,983
Landscope C of E Primary School	296,203	38,044	24,045	97,198	455,490
Stoke Gabriel Community Primary School	262,105	20,094	18,384	73,433	374,016
Tedburn St Mary Primary School	299,630	21,815	24,429	73,608	419,482
Yeoford Primary School	199,602	30,029	21,715	50,324	301,670
Central services	226,751	160,019	20,216	98,932	505,918
<b>ACADEMY TRUST</b>	<b>2,615,069</b>	<b>408,446</b>	<b>261,205</b>	<b>795,942</b>	<b>4,080,662</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>						
<b>DESIGNATED FUNDS</b>						
MAT Growth and Development	120,000	-	-	-	-	120,000
<b>GENERAL FUNDS</b>						
General Funds	144,588	438,881	(432,845)	(36,589)	-	114,035
PTFA	20,356	-	(8,721)	(2,899)	-	8,736
	164,944	438,881	(441,566)	(39,488)	-	122,771
<b>TOTAL UNRESTRICTED FUNDS</b>	284,944	438,881	(441,566)	(39,488)	-	242,771
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	288,698	3,241,573	(3,030,853)	(137,292)	-	362,126
Pupil Premium	-	156,576	(156,115)	-	-	461
Academy Conversion Grants	24,679	75,000	-	-	-	99,679
Higher Needs	-	22,656	(21,218)	-	-	1,438
UIFSM	-	119,342	(119,342)	-	-	-
G&T Programme	25,000	-	(5,000)	-	-	20,000
Donated rent on Diocese buildings	-	78,210	(78,210)	-	-	-
MDIF	81,765	-	(81,765)	-	-	-
PE Sports Grant	22,500	163,749	(155,314)	-	-	30,935
Pension reserve	(762,000)	-	(143,000)	-	(215,000)	(1,120,000)
	(319,358)	3,857,106	(3,790,817)	(137,292)	(215,000)	(605,361)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed Assets transferred on conversion	6,255,859	-	(148,082)	-	-	6,107,777
DfE/ESFA Capital grants	116,256	93,465	(52,991)	-	-	156,730
Condition Improvement Fund	433,802	-	(17,904)	-	-	415,898
Awards for All	24,392	-	(8,183)	-	-	16,209
Other Restricted	19,256	45,350	(27,635)	176,780	-	213,751
	<u>6,849,565</u>	<u>138,815</u>	<u>(254,795)</u>	<u>176,780</u>	<u>-</u>	<u>6,910,365</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>6,530,207</u>	<u>3,995,921</u>	<u>(4,045,612)</u>	<u>39,488</u>	<u>(215,000)</u>	<u>6,305,004</u>
<b>TOTAL FUNDS</b>	<u>6,815,151</u>	<u>4,434,802</u>	<u>(4,487,178)</u>	<u>-</u>	<u>(215,000)</u>	<u>6,547,775</u>

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	9,449	-	11,949,983	<b>11,959,432</b>
Current assets	375,613	967,491	575,339	<b>1,918,443</b>
Creditors due within one year	(8,328)	(331,586)	(116,978)	<b>(456,892)</b>
Provisions for liabilities and charges	-	(2,749,000)	-	<b>(2,749,000)</b>
<b>TOTAL</b>	<u>376,734</u>	<u>(2,113,095)</u>	<u>12,408,344</u>	<u><b>10,671,983</b></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	8,737	-	6,754,261	6,762,998
Current assets	234,034	730,788	156,104	1,120,926
Creditors due within one year	-	(216,149)	-	(216,149)
Provisions for liabilities and charges	-	(1,120,000)	-	(1,120,000)
<b>TOTAL</b>	<b>242,771</b>	<b>(605,361)</b>	<b>6,910,365</b>	<b>6,547,775</b>

**20. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2020</b> £	2019 £
Net income/(expenditure) for the period (as per Statement of Financial Activities)	<b>4,571,208</b>	(52,376)
<b>ADJUSTMENTS FOR:</b>		
Depreciation	<b>368,577</b>	263,516
Capital grants from DfE and other capital income	<b>(527,057)</b>	(16,686)
Dividends, interest and rents from investments	<b>(530)</b>	(581)
Defined benefit pension scheme cost less contributions payable	<b>268,000</b>	124,000
Defined benefit pension scheme finance cost	<b>32,000</b>	19,000
(Increase)/decrease in debtors	<b>(56,794)</b>	89,433
Increase/(decrease) in creditors	<b>124,336</b>	(335,682)
Assets and liabilities from local authority on conversion	<b>(5,378,658)</b>	-
Pension liability transferred in from existing Academies joining the Trust	<b>592,000</b>	-
Pension liability transferred in from conversion to an Academy Trust	<b>290,000</b>	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>283,082</b>	90,624

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**21. CASH FLOWS FROM INVESTING ACTIVITIES**

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	<b>530</b>	581
Purchase of tangible fixed assets	<b>(168,493)</b>	(258,274)
Capital grants from DfE Group	<b>147,600</b>	16,686
Cash transferred on conversion from the local authority	<b>98,547</b>	-
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	<b>78,184</b>	(241,007)

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>1,376,422</b>	1,015,156

**23. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 September 2019 £</b>	<b>Cash flows £</b>	<b>At 31 August 2020 £</b>
Cash at bank and in hand	<b>1,015,156</b>	<b>361,266</b>	<b>1,376,422</b>
	<b>1,015,156</b>	<b>361,266</b>	<b>1,376,422</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**24. CONVERSION TO AN ACADEMY TRUST**

On 01/10/2019 Broadhempston Village Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Link Academy Trust from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>TANGIBLE FIXED ASSETS</b>				
Leasehold land and buildings	-	-	1,050,500	<b>1,050,500</b>
Other tangible fixed assets	-	-	28,500	<b>28,500</b>
<b>CURRENT ASSETS</b>				
Cash - representing budget surplus on LA funds	68,335	-	-	<b>68,335</b>
Cash - representing budget surplus on capital funds	-	-	14,383	<b>14,383</b>
<b>NON-CURRENT LIABILITIES</b>				
Pension liability	-	(111,000)	-	<b>(111,000)</b>
<b>NET ASSETS/(LIABILITIES)</b>	<b>68,335</b>	<b>(111,000)</b>	<b>1,093,383</b>	<b>1,050,718</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**24. CONVERSION TO AN ACADEMY TRUST (CONTINUED)**

On 01/12/2019 Drake's C of E Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Link Academy Trust from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>TANGIBLE FIXED ASSETS</b>				
Other tangible fixed assets	-	-	26,500	<b>26,500</b>
<b>CURRENT ASSETS</b>				
Cash - representing budget surplus on LA funds	7,914	-	-	<b>7,914</b>
<b>NON-CURRENT LIABILITIES</b>				
Pension liability	-	(54,000)	-	<b>(54,000)</b>
<b>NET ASSETS/(LIABILITIES)</b>	<u>7,914</u>	<u>(54,000)</u>	<u>26,500</u>	<u><b>(19,586)</b></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**24. CONVERSION TO AN ACADEMY TRUST (CONTINUED)**

On 01/12/2019 Otterton C of E Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Link Academy Trust from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>TANGIBLE FIXED ASSETS</b>				
Other tangible fixed assets	-	-	26,500	<b>26,500</b>
<b>CURRENT ASSETS</b>				
Cash - representing budget surplus on LA funds	7,914	-	-	<b>7,914</b>
<b>NON-CURRENT LIABILITIES</b>				
Pension liability	-	(125,000)	-	<b>(125,000)</b>
<b>NET ASSETS/(LIABILITIES)</b>	<u>7,914</u>	<u>(125,000)</u>	<u>26,500</u>	<u><b>(90,586)</b></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**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 2016.

Contributions amounting to £96,292 were payable to the schemes at 31 August 2020 (2019 - £46,626) 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.

**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 £578,729 (2019 - £264,424).

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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**25. PENSION COMMITMENTS (CONTINUED)**

**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 2020 was £285,472 (2019 - £158,620), of which employer's contributions totalled £217,869 (2019 - £115,805) and employees' contributions totalled £ 67,903 (2019 - £42,815). The agreed contribution rates for future years are 15.4% per cent for employers and 5.5-12.5% per cent for employees.

As described in note 24 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.

**Principal actuarial assumptions**

	<b>2020</b>	2019
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.25</b>	3.70
Rate of increase for pensions in payment/inflation	<b>2.25</b>	2.20
Discount rate for scheme liabilities	<b>1.60</b>	1.90

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

	<b>2020</b>	2019
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	<b>22.9</b>	22.5
Females	<b>24.1</b>	24.4
<i>Retiring in 20 years</i>		
Males	<b>24.3</b>	24.2
Females	<b>25.5</b>	26.2

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**25. PENSION COMMITMENTS (CONTINUED)**

**Sensitivity analysis**

	<b>2020</b> <b>£000</b>	2019 £000
Discount rate +0.1%	<b>119</b>	54
Discount rate -0.1%	<b>123</b>	56
Mortality assumption - 1 year increase	<b>167</b>	79
Mortality assumption - 1 year decrease	<b>161</b>	77
CPI rate +0.1%	<b>118</b>	52
CPI rate -0.1%	<b>115</b>	50

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

	<b>2020</b> <b>£</b>	2019 £
Equities	<b>1,184,000</b>	632,000
Bonds	<b>163,000</b>	199,000
Property	<b>158,000</b>	89,000
Cash and other liquid assets	<b>23,000</b>	14,000
Other	<b>456,000</b>	93,000
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>1,984,000</b>	1,027,000

The actual return on scheme assets was £(6,000) (2019 - £39,000).

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

	<b>2020</b> <b>£</b>	2019 £
Current service cost	<b>(485,000)</b>	(274,000)
Past service cost	-	(20,000)
Interest income	<b>31,000</b>	23,000
Interest cost	<b>(62,000)</b>	(42,000)
Gain/(loss) on Academies joining the Trust	<b>(882,000)</b>	-
Administrative expenses	<b>(1,000)</b>	-
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>(1,399,000)</b>	(313,000)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**25. PENSION COMMITMENTS (CONTINUED)**

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

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
<b>AT 1 SEPTEMBER</b>	<b>2,147,000</b>	1,552,000
Conversion of Academy Trusts	<b>550,000</b>	-
Transferred in on existing Academies joining the Trust	<b>1,137,000</b>	-
Current service cost	<b>485,000</b>	274,000
Interest cost	<b>62,000</b>	42,000
Employee contributions	<b>68,000</b>	43,000
Actuarial losses/(gains)	<b>369,000</b>	230,000
Benefits paid	<b>(85,000)</b>	(14,000)
Past service costs	-	20,000
<b>AT 31 AUGUST</b>	<b>4,733,000</b>	2,147,000

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

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
<b>AT 1 SEPTEMBER</b>	<b>1,027,000</b>	790,000
Conversion of Academy Trusts	<b>260,000</b>	-
Transferred in on existing Academies joining the Trust	<b>545,000</b>	-
Interest income	<b>31,000</b>	24,000
Actuarial gains	<b>(78,000)</b>	15,000
Employer contributions	<b>217,000</b>	170,000
Employee contributions	<b>68,000</b>	43,000
Benefits paid	<b>(85,000)</b>	(14,000)
Administration expense	<b>(1,000)</b>	(1,000)
<b>AT 31 AUGUST</b>	<b>1,984,000</b>	1,027,000

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**26. OPERATING LEASE COMMITMENTS**

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
<b>AMOUNTS PAYABLE</b>		
Not later than 1 year	<b>6,470</b>	3,197
Later than 1 year and not later than 5 years	<b>11,981</b>	2,931
Later than 5 years	<b>569</b>	-
<b>Total</b>	<b>19,020</b>	6,128

**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 Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the period:

The Academy Trust procured services amounting to £nil (2019: £4,683) from Michelmores LLP. A previous Trustee's husband was a member of Michelmores LLP. A balance of £nil (2019: £nil) is included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**29. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST**

On the 1 February 2020 the three schools below transferred into the Trust from South Dartmoor Multi Academy Trust. Land and buildings were transferred, but no revenue funds were transferred as part of the agreement.

**Ilington C of E Primary School**

	Value reported by transferring trust £	Transfer in recognised £
<b>TANGIBLE FIXED ASSETS</b>		
Long-term leasehold property	83,077	83,077
Computer equipment	630	630
<b>PENSIONS</b>		
Pensions - pension scheme assets	187,000	187,000
Pensions - pension scheme liabilities	(389,000)	(389,000)
<b>NET LIABILITIES</b>	<u>(118,293)</u>	<u>(118,293)</u>

**Moretonhampstead Primary School**

	Value reported by transferring trust £	Transfer in recognised £
<b>TANGIBLE FIXED ASSETS</b>		
Long-term leasehold property	3,168,688	3,168,688
Furniture and equipment	1,290	1,290
Computer equipment	3,606	3,606
<b>PENSIONS</b>		
Pensions - pension scheme assets	256,000	256,000
Pensions - pension scheme liabilities	(535,000)	(535,000)
<b>NET ASSETS</b>	<u>2,894,584</u>	<u>2,894,584</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020

29. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST (CONTINUED)

Widcombe-in-the-Moor Primary

	Value reported by transferring trust £	Transfer in recognised £
<b>TANGIBLE FIXED ASSETS</b>		
Long-term leasehold property	882,847	<b>882,847</b>
Furniture and equipment	3,131	<b>3,131</b>
Computer equipment	4,842	<b>4,842</b>
<b>PENSIONS</b>		
Pensions - pension scheme assets	102,000	<b>102,000</b>
Pensions - pension scheme liabilities	(213,000)	<b>(213,000)</b>
<b>NET ASSETS</b>	<u>779,820</u>	<u><b>779,820</b></u>