

Company Registration Number: 10049068 (England & Wales)

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3
Statement of Trustees' Responsibilities	26
Independent Auditors' Report on the Financial Statements	27 - 30
Independent Reporting Accountant's Report on Regularity	31 - 32
Statement of Financial Activities Incorporating Income and Expenditure Account	33 - 34
Balance Sheet	35
Statement of Cash Flows	36
Notes to the Financial Statements	37 - 75

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Gill Golder YMCA, Exeter Peter Bethel Isabel Cherrett Exeter Diocesan Education Network (EDEN) Paul Reischbach Gary Kinchin Douglas Dettmer
Trustees	Nicola Dunford, CEO ^{1,2,3,4} Katherine Evans ³ Christopher Norman ² Fiona Walters (Resigned 27 March 2023) ³ Dominic Course ¹ Paul Baillie Waterworth ^{2,4} Graeme Scott ^{1,3} Cheryl Mathieson, Chair of Trustees ^{2,3,4} Sarah Cox ¹ Benjamin Thorne ^{2,4} ¹ Audit Committee ² Finance and General Purposes Committee ³ Standards and Curriculum Committee ⁴ Remuneration Committee
Company registered number	10049068
Company name	Link Academy Trust
Principal and registered office	Landscope C of E Primary School Landscape Ashburton Newton Abbot TQ13 7LY
Corporate secretary	Matt Matthew
Chief executive officer	Nicola Dunford
Senior management team	Nicola Dunford, CEO & Accounting Officer Matt Matthew, Deputy CEO Elizabeth Lethbridge, Director of Education
Independent auditors	Bishop Fleming LLP Chartered Accountants Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Bankers	Lloyds Bank plc Chapel Hill 11 Treyew Road Truro Cornwall TR1 3AN
----------------	--

Solicitors	Wolferstans 60-66 North Hill Plymouth Devon PL4 8EP
-------------------	---

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2023. The annual report serves the purpose of both a Trustees' report and a Directors' report under company law.

The Trust now operates seventeen primary academies in the Totnes, Newton Abbot & Teign Valley region, Woodleigh, near Crediton, Budleigh Salterton and Otterton in East Devon and three former South Dartmoor Trust academies, Ilsington, Widecombe in the Moor and Moretonhampstead. Over the last year Sparkwell All Saints Primary Academy joined the Trust on 1 August 2023. Wolborough CofE Primary in Newton Abbot has continued to work in Management Partnership with the Trust from March 2022 with a conversion date agreed in the Autumn 2023 term. Honiton Primary School has entered into an Associate Partnership Agreement with the Trust and both parties are exploring the benefits of collaborative working. Our reputation is that we provide well for small schools and consequently we are a trust of choice for many small community schools.

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

The Executive Improvement Team (EIT) now consists of:

- 1.0FTE Director of Education who was seconded into the role which proved highly successful and so remains in place. She is also an Ofsted Inspector.
- 0.6FTE Director of School Improvement who ensures the curriculum and strategic planning is effective through scrutiny and actions.
- 0.6FTE Director of Data, Standards & Outcomes, who also leads a single school and is responsible for tracking and supporting improved outcomes.
- 0.2FTE Safeguarding lead who leads a single school and has support from an assistant Safeguarding Lead and the Trustee for Safeguarding who is highly knowledgeable and proactive.
- The Inclusion and Improvement Hub (IIH), which provides intervention from EP, therapeutic training and courses, to counselling, as well as SEND monitoring. It is the intention that following Sparkwell's integration into the Trust the Head of this setting will become the Director of Inclusion and add some overall leadership to Inclusion in general as well as to the work of the IIH.

The EIT holds fortnightly meetings to review academies and build supportive programmes and plan/provide INSET, as well as monitoring the impact of their work according to the performance of individual academies. This information is held on a Dashboard that the Senior Management Team (SMT) have access to and a Tier 1 to Tier 3 support programme has been designed in order to provide specific provision where it is most needed.

Recruitment and retention were significant factors last year which we have continued to monitor and while retention has been improved there still remains a significant percentage of personnel that have left their roles throughout this year. This has led to some instabilities in specific academies that we have had to address robustly. Throughout the year the Workforce Strategy group (Chair of Trustees, CEO & HR Lead) have focussed on improvements to our People Strategy. We continue to offer additional training to the Early Career Teachers that remain with us to ensure they are well supported. The appointment of teaching assistants still remains difficult, and this can have a significant impact on our small academies, however, we continue to pursue every need as effectively as we can. Academies with major staff changes are under particular scrutiny by the EIT as we aim to ensure a stable effective staffing structure in every academy.

Our Director for School Improvement has started a focussed scrutiny of all pre-school provision across the Trust as we continue to develop our Early Years facilities in as many of our academies as possible, providing exciting and consistent learning experiences. Having established a number of new facilities last year we are now focussed on embedding high quality provision across all our Early Years in order to ensure pupils get a head start prior to entering statutory education.

We continue to improve the learning environments in our academies and this year saw a record 5 Condition Improvement Fund (CIF) bids awarded to Hennock, Widecombe, Stoke Gabriel and Morchard Bishop. Stoke

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

Gabriel will benefit from improved fire safety, Morchard Bishop a new heating system powered by an air source heat pump, Widecombe new roofs and Hennock improved fire safety along with new roofs and windows. Two new replacement classrooms have been built at Diptford following the award of an Urgent Capital Support loan whilst Trust reserves are being utilised to provide a new classroom space at Widecombe.

There have been six Ofsted visits over the 2022-23 academic year. Moretonhampstead was inspected in the autumn term and was judged to continue to be a Good school. In the spring term, Widecombe in the Moor and Ilington were inspected and also received a Good judgement. Drakes CofE primary, East Budleigh was inspected on 25 May 2023 and received a judgement that the academy could be better than Good and therefore a Section 5 Inspection will follow in the next 18 months. Otterton (8 June 2023) and Morchard Bishop (6 July 2023) were also judged to be Good academies. Last year (May 2022) Cheriton Bishop received a Section 8 Inspection which judged it to be requiring improvement to be a Good school and this was followed up 13 months later with a Section 5 Inspection and the academy at this point was judged to be Requires Improvement. Actions that had been set in place following the initial visit were still being completed and an experienced Academy Head and an effective Early Years teacher will be in place from the start of the next academic year. A detailed Improvement Plan with set milestones is also in place.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

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 Trustee.

Trustees' Indemnities

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

Method of recruitment and appointment or election of Trustees

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

Over the current Academic Year, the Board has remained relatively stable with one resignation and no new appointments.

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

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

Trustees are appointed for a four year period, except that this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected. The Diocese of Exeter is empowered under Articles 48-49 to appoint Trustees.

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but will always include a tour of the Trust and a chance to meet staff and pupils. All Trustees are provided with access to copies of the newly expanded and updated Handbook, policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there is normally only a small number of new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other quality external bodies, including the Confederation of School Trusts (CST). The Governance Professional ensures that all documentation is made available, and any support is well-organised.

The Trust has in place robust appointment procedures which take account of ongoing skills auditing. Four candidates for the vacant Trustee positions have been identified and the recruitment process will take place early in the 2023-24 academic year.

Organisational Structure

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

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

Admissions Committee - the Trust is its own admissions authority. The Committee meets each week to consider applications and related issues. Its main responsibility is to consider all matters relating to the admission of pupils to the academies within the Trust. This includes reviewing the admission arrangements/oversubscription criteria contained within the draft admission policies of each academy in accordance with the School Admission Code, consulting as appropriate with other admission authorities on any non-statutory changes. The Committee also considers and decides on applications for admission which occur throughout the course of the school year ensuring that appropriate consultation on the admission arrangements takes place in accordance with each academy's published admissions policy and criteria.

Finance and General Purposes Committee - this meets at least six 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. While the preference is to meet in person, a hybrid meeting is offered where necessary.

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 policies related to Standards and Curriculum. It monitors pupil performance data and the Trust Strategic Improvement Plan. It also links with Local Advisory Boards (LACs) regarding the day-to-day operation of the academies as LACs report to the Standards and Curriculum Committee and are tasked with areas to learn, challenge and support their academies to inform this Committee. The Committee also monitors the Trust website to ensure it complies with statutory requirements. Checking school attendance and all aspects of safeguarding also fall within its duties. The Director of Education and various members of the

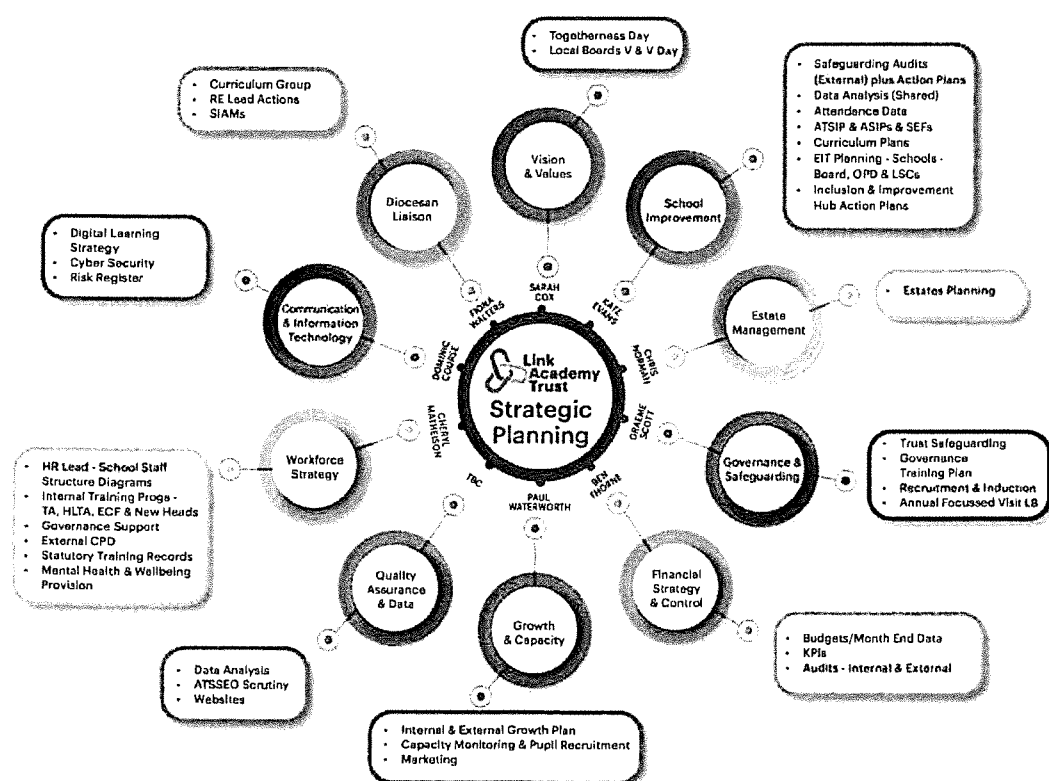
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

EIT attend by invitation to provide further insight for the group. This committee met 5 times during the year.

Remuneration Committee – this meets at least 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 Trustees, in accordance with the Trust's Financial Regulations, funding bodies and other legal requirements. These duties include the detailed employment arrangements of the Senior Management Team; the Committee appoints a panel to conduct the appraisal of the CEO; pay awards for the Senior Management Team are subject to the approval of the full Board. The Committee is responsible for all HR Policies.

Audit Committee – this meets at least three times a year and is authorised to approve expenditure within the levels agreed by the Board of Trustees, in accordance with the Trust's Financial Regulations, funding bodies and other legal requirements. Its duties include the appointment of the Internal Audit Service to be approved by Members, setting the annual programme of reviews and receiving reports thereon and ensuring the timely completion of any recommendations. The Committee meets with the External Audit Service at the conclusion of the annual audit to discuss its findings prior to presentation to the Board and monitors 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.

We continued to refine the Business Strategy Plan (BSP) for which Trustees are responsible by ensuring each Trustee had the responsibility for an area of the BSP which was pertinent to their particular skills and experience. The BSP established 2-3 action priorities for each Trustee to develop over the year and this ensured additional impact for the Trust. Trustees worked with the documents and personnel within the Trust most relevant to support their work and on review the impact of this arrangement was very positive.



LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

Communication and Reporting Procedures

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

Clerking Arrangements

The Governance Professional, appointed at the start of the year, is the Clerk to the Board of Trustees and its Committees. The Governance Professional also provides more in-depth governance support across the Trust, which includes providing support to the clerks to the LACs.

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

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academies and Trust by the use of budgets and other data, and making major decisions about the direction of the academies and Trust, 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, the Deputy CEO, and Director of Education through the Trust EIT, in collaboration with Executive/Academy Heads.

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

The Trust comprises seventeen primary schools, Bearnes, Broadhempston, Cheriton Bishop, Diptford, Drake's in East Budleigh, Harbertonford, Hennock, Ilsington, Landscope, Morchard Bishop, Moretonhampstead, Otterton, Sparkwell All Saints, Stoke Gabriel, Tedburn St Mary, Widecombe in the Moor and Yeoford which are grouped in Hubs based on previous Federations, with a Local Advisory Committee (LAC) of governors. These Hubs are: Totnes (Broadhempston, Diptford, Harbertonford, Landscope, Sparkwell All Saints and Stoke Gabriel), Woodleigh (Cheriton Bishop, Morchard Bishop, Tedburn St Mary and Yeoford), Raleigh (Drakes, East Budleigh and Otterton) and the Moorland Hub (Bearnes, - Newton Abbot, Hennock, Ilsington, Moretonhampstead and Widecombe in the Moor). Wolborough CofE primary is expected to join the Trust in Autumn 2023 and will further strengthen the Moorland hub.

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

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

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

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

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

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

The Chief Executive Officer is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel.

All roles on the Trust Board are unpaid. The remuneration of the CEO and the other key management personnel is determined through the Trust's performance management process supported by an experienced external advisor. This is presented to the Trust Board via its Remuneration Committee for approval.

Trade union facility time

There were no relevant union officials during the year.

Related Parties and other Connected Charities and Organisations

The Trust has strong collaborative links across the seventeen primary academies, as well as with any academies in partnership with the Trust, at this time Wolborough CofE and Honiton Primary Schools.

There are no related parties which either control or significantly influence the decisions and operations of the Trust.

Engagement with employees (including disabled persons)

The Trust is committed to involve all employees in the performance and development of the Trust. Employees are encouraged to discuss with management matters of interest to the employee and subjects affecting day to day operations of the Trust. The Trust also encourages staff involvement on the Local Advisory Committees.

The Trust publishes a termly Health and Wellbeing bulletin where staff related issues are published. It encourages staff to manage work/life balances, informs them of resources available to support mental health issues they might be facing and reminds staff of the employees assistance programme. In addition, an annual employee engagement survey is conducted allowing staff to actively contribute to the success of the Trust.

The Trust has a Joint Consultation Committee which is formalised via a Trade Union Recognition Agreement.

In accordance with the Trust's Equality, Diversity and Inclusion Policy, the Trust has long established fair employment practices in recruitment, selection, retention and training of disabled staff. The Trust is committed to interviewing applicants with a disability who meet the essential criteria of the person specification and will make reasonable adjustments to help a person with a disability through the application and selection process and, if successful, to assist them in carrying out the duties of his/her job. As a result of becoming disabled the Trust's normal approach would be to involve Occupational Health and/or appropriate external agencies to advise on reasonable adjustments to assist the employee to continue in role. This may include training.

The appraisal process provides an opportunity for discussion on career development and readiness for advancement for all employees.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust is keenly aware of the value of fostering good relationships with its suppliers, customers and other community stakeholders. All of its schools maintain regular communication with key stakeholders such as parents through newsletters, social media, forums and open evenings. The coronavirus pandemic meant that positive engagement with its suppliers and other business relations become even more important. The Trust encourages all of its suppliers to ensure an appropriate purchase order number is obtained before goods or services to any Link school and to email invoices to a central address to facilitate prompt payment. On the rare occasion when there is a query or dispute about goods or services received, the Trust endeavours to secure a satisfactory resolution as quickly as possible.

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

The aims of the Trust during the 1 September 2022 to 31 August 2023 financial year are summarised below:

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

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

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

Objectives, Strategies and Activities

The Academy Trust Strategic Improvement Plan (ATSIP) identified a number of priorities that each academy interpreted according to its own needs under each of the main identified headings- with an Action Plan known as the Academy Strategic Improvement Plan (ASIP). The Key Priorities for the period from 1 September 2022 to 31 August 2023 are set out as:

A People Strategy- with a focus on:

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

Curriculum

- An agreed Curriculum Model was constructed during the summer term 2021, embedded across 2021-22 and continues to be improved with a view to recorded impact. Curriculum Hub groups will continue to develop in every subject to the highest standard. Each academy will identify specific subjects to focus on to ensure subjects are delivered to the highest standard.
- Trust Subject foci: PSHE/ SRE and Personal Development, DT, Computing and MFL.

Global Awareness

- Developing our pupils' awareness and understanding of global issues has become a priority for the Trust. An approach that ensures children gain a picture of world culture/events/challenges (including climate change) will support our pupils to be outward facing and develop attitudes of 'global generosity'- to support this every academy has access to Lyfta, an online learning platform that accesses global stories and experiences.

Development of IiH to include:

- Review of the capacity within the IiH and the leadership roles, ensuring that it remains able to support all academies with their SEND and Inclusion needs.
- Rationale: Future thinking, what are the challenges for our IiH looking forward and ensuring expertise is in place to deliver against these challenges
- Outcomes for PP: reviewing practice and developing improved approaches.
- Mental health of our pupils and families: Reflect on the current picture post pandemic
- Behaviour (relational policy): Delivering support and training to ensure a consistent approach that has fidelity to the policy.

Writing

Writing has suffered significantly during the pandemic lockdown in all academies and progress in this area requires continued immediate, thorough, and relentless attention. Academies will focus on the highest quality delivery of English teaching using forensic analysis to determine the needs of the writers in their individual academy and what they need to ensure progress is rapid and sustained. At the same time, we will seek to foster a love of, and passion for writing, so that pupils write accurately, with purpose and with flair. The

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

English Hub will support with research-based thinking that reflects on Trust wide approaches in teaching and learning, assessment and monitoring that will ensure lasting improvement is achieved for all children. Talk for Writing and Oracy will continue to be drivers for improvement.

Vocabulary

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

Public Benefit

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

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

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

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

National Tests were reinstated last year when testing resumed in primary schools and this year we are able to compare with those.

Our educational outcomes, as reflected in the SATs results, have been less consistent than in the past and even in comparison to last year. Four academies have had very disappointing, although not unexpected, poor results which has had a significant impact on the overall Trust Data. Academies with a high percentage of children with additional needs and disadvantaged pupils have still not returned to pre pandemic levels, and outcomes are not keeping pace with improvements seen for these pupils nationally. One academy remains significantly below National outcomes, as significant staffing changes were experienced again this year, as a result the EIT have delivered an intense support programme but there will need to be fundamental changes to increase the rapidity of improvement in the coming year. The EIT will continue to monitor and support regularly and closely.

KS2 Reading outcomes in the majority of academies was above national outcomes, with 3 of the 16 marginally below as a result of the large percentages a single child represents. The overall Trust position is that 75% reached expected standards, nationally it was 73%

KS2 Trust-level writing outcomes were below the national figure of 71% at 64% and were very disappointing, the achievement of a Greater Depth judgment was also low. Whilst there are a number of pupils who continue to be impacted by the pandemic, their outcomes are not recovering in Writing as well as

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

in other subjects, nor in line with national averages. This will be a Trust priority over the coming year and the EIT will be responsible for the significant improvement required.

KS2 Maths outcomes were below the national figure of 73%, at 69%, there are considerable inconsistencies between academies which will be addressed and those performing well will lead improvement. Greater depth outcomes were more consistent.

Overall outcomes were 59% nationally and 56% within the Trust.

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

The IIH, established from the inauguration of the Trust, has continued to extend its remit particularly as impact of the pandemic continues to affect both pupils and staff. Training programmes continue and support for SENCOs, teachers and teaching assistants across all academies, continues to develop their effectiveness to support vulnerable and challenging pupils. Therapeutic courses remain in place for challenging pupils, involving their families, which have been highly successful in supporting effective integration of these children into the classroom environment. It also supports academies with Disadvantaged Pupils, identifying their barriers to learning and ensuring their progress is a foremost consideration in every academy.

All academies within the Trust were judged to be Good or Outstanding by Ofsted, until the recent inspection of Cheriton Bishop which was judged to be Requires Improvement. There is a detailed Improvement plan in place for this academy, and an experienced and highly successful Academy Head who has proven ability within the Trust to turn schools around is now in place. A new Early Years teacher will also join at the start of the next academic year. The EIT is supporting the academy with the implementation of a specific milestones plan and 'expertise' from across the Trust is scheduled to support each focus to ensure systematic improvement that is able to be embedded.

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

The Trust was successful with five of its CIF bids during the year which has been a major boost to the position of our Estates which were far from satisfactory up until this point.

- Hennock Primary has had a new roof and windows, as well as a Emergency Fire and Lighting project- which has included compartmentalisation. This also enabled the Trust to invest in small classroom alterations that have helped to provide more effective teaching spaces.
- Morchard Bishop had their heating system replaced with a sustainable air-source heat pump system
- Stoke Gabriel had Emergency Fire and Lighting improvements completed.
- Widecombe in the Moor have received a new roof and again the Trust invested in some classroom alterations that helped to accommodate growing numbers at the school.

Diptford primary school has had a very difficult year with property issues resulting from Storm Eunice in February 2021, leading to a significant and unsatisfactory period of the children having to walk down to the village hall every day for lessons. Following a lengthy process and an unsuccessful application to the Schools Rebuilding programme, a loan was finally agreed under the Urgent Capital Fund and the rebuild commenced on 1 April 2022 with a completion date expected to be in the first half of the autumn term 2023. The new building is expected to be a significant improvement on the two original very old mobile classrooms that had been in use way beyond their intended life span.

The Trust has continued to work with a number of individual schools and small federations to promote the ethos and vision that drives the Trust and expects to develop further links with schools in the geographical area and focus on collaborating with federations of small schools. It was through this work that we started to discuss partnership working with Wolborough CofE Primary and All Saints primary, Sparkwell (SAT) and have

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

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

made further contacts, setting up an Associate Partnership working agreement with Honiton Primary. This will be ongoing.

Key Performance Indicators

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

Going Concern

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

FINANCIAL REVIEW

The large majority of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 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 2023, the Trust received total income of £12,759,885 and incurred total expenditure of £11,607,240. The net income for the year was £1,152,645 (before actuarial gains). These figures however include a number of items that distort the financial performance of the Trust, including one off capital grants, depreciation, funds inherited on a new school joining the Trust, and the expenditure effect of the defined benefit pension scheme. The adjusted income and expenditure for the year excluding these items was total income of £9,733,656 and total expenditure £10,564,207. The Trust also reinvested £244,825 of funds into capital works although due to the nature of church schools not all are accounted for as fixed assets. The over decrease in revenue funds (before transfers in) for the year was therefore £585,726. This was intentional by the Trust, and is clearly demonstrated by the investment in Dipford mentioned below.

The Trust has performed financially well for the year, however Trust management and the Trustees are very aware that the success of the Trust is not defined by its financial performance. The deficit on revenue reserves for the year has been managed by careful financial management, ensuring that value for money is achieved wherever possible. As also noted throughout this report, there have been a significant number of staff changes. This naturally has resulted at times when expenditure has been below the expected levels. The overall Trust performance is also affected by the timing of work. A large amount of the surplus generated in the year has been used as contributions to capital projects. In particular the loan towards the Diptford CofE project has meant significant expenditure has been incurred this year and we will be required to make payments of approximately £787,439 ongoing for 7 years in total until the loan is repaid. As is often the case, there are also one-off income streams that were not foreseeably budgeted or expected at the start of the financial year. The Trust has been prudent and where additional funds have been received (and particularly when future funding is not certain), the Trust will only move to use these funds when value for money and optimal educational outcomes can be demonstrated. The Trust is also very conscious not to use one-off pots of money to create new staffing posts that could put additional budgetary pressures in future years if the funding is not renewed.

At 31 August 2023 the net book value of fixed assets was £13,6484,664 and movements in tangible fixed assets are shown in note 17 to the financial statements. The assets were used exclusively for providing

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

education and the associated support services to the pupils of the Trust. These assets are represented in the reserves note in the restricted fixed asset fund, and a small value in unrestricted funds.

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

The balance of the Sparkwell schools' budget share (£186,190) was transferred across on conversion and is shown as Unrestricted Funds.

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

Reserves Policy

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

The current level of reserves is £15,743,617, and this is represented by funds tied up in fixed assets (or grants required to be spent on fixed assets) of £14,254,995, restricted funds to be spent on specific items of £14,460 a pension reserve of negative £114,000. Of the remaining funds there are designated funds of £800,000 and free reserves (GAG and unrestricted revenue funds and Diptford loan commitments) of £788,162.

Currently the Trust sets a free reserve level of approximately four weeks operating costs (staffing and other expenditure) +10% at £850,000. The Trust is marginally below the target at present due to strategic planning of the use of the reserves. These designated funds have been allocated to allow the Trust to support every child within the Trust, and to allow the Trust to continue to grow. Finances will be closely monitored, and should it be necessary, funds will be release from designated funds as part of a strategic plan.

Full consideration for all buildings within the Trust has been completed with condition survey reports completed for all academies and therefore consideration of the most urgent actions is also part of the designated spending position. The Trust had sought an experienced Estates Manager for a number of months and will see this post filled at the start of the 23/24 academic year. The Trust's Environmental Strategy also planned to utilise designated funds into the future. For more details see the note 21. After this designation, the free reserves of the Trust are now £788,162, broadly in line with our Trust policy.

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

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

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Due to the nature and timing of receipt of funding, the Trust may at

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

times hold cash balances surplus to its short-term requirements. Historically the Trust has not invested additional funds as the interest rates did not generate sufficient return given the time required. With increasing interest rates the Trustees authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates and in 2023-24 cash balances not required in the short term will be invested in fixed term accounts. No other form of investment is authorised.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 80% 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 and use such external agencies as the National Governance Association to 'test' their robustness.

Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed. Following Ofsted Inspections of five academies within the Trust, four remain Good or Outstanding, however the situation with Cheriton Bishop is a concern that the Trust has put rapid mitigation actions in place to rectify and will monitor in the coming year. Educational outcomes are part of the academy-based risks that are vital and are reviewed initially by the EIT to inform school improvement planning and then scrutinised extensively by the Standards and Curriculum Committee.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. Throughout the pandemic robust safeguarding procedures were developed to ensure the Trust had full awareness of pupils' wellbeing and these procedures have continued to ensure a high level of consideration is given to all aspects of safeguarding. Extensive and detailed Risk Assessments are undertaken for each academy and scrutinised by the CEO, Trustees and Local governors to ensure they are as successful as possible. There is a senior leader responsible for Safeguarding at all levels - governance, Trust and academy-based. The Director for Safeguarding works closely with the Designated Trustee responsible for Safeguarding as additional reporting has been devised. Monthly Safeguarding focus presentations are delivered to every academy on a specific area of safeguarding and this attention to all aspects of safeguarding has been commented on in a number of Ofsted Reports, particularly that of Moretonhampstead Primary.

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, alongside talent management. To mitigate the current picture of difficulty with recruitment and retention across the sector, a full review was carried out by the Workforce Strategy Group and actions put in place to ensure staff well-being and workload is constantly being considered and incremental improvement assured. The EIT completed an in-depth People Strategy and have set out a progression pathway to ensure staff understand the varied progression options open to them, while the Trust Talent spotting procedures have been extended so Academy Heads work alongside governance to identify available talent and CPD is then tailored to support the development of all staff.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

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

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. During the summer break of 2022, the risk register was moved to an online system, which has been refined during the course of the 2022-23 year. Every committee focuses on an area of risk at each meeting and a robust system sees the individual academy risks reviewed by the DCEO and CEO, then checked by the Trustees. Risk Management is a major part of the work of the Audit Committee and they 'test' identified aspects regularly throughout the year.

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

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

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

Whilst the Trust continues to be well subscribed, with an excellent reputation in the communities it serves and stability in capacity during 2022-23, risks to revenue funding from a falling roll are low. However, the Government's position on the overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight and difficult to manage in coming years. At the beginning of the year there appeared to be obvious issues arising around salary increases which at that time appeared to be unfunded and significant increases in energy costs with inflation growing, all of which were projected to adversely impact our small schools substantially. However, the impact and funding support has been less negative than expected, although still creating difficulties requiring more stringent financial management and putting real pressure on academy operation. Through competent management of funds the Trust holds an ongoing good level of reserves which has enabled it to maintain a good operational structure throughout the year.

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 and 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.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 28 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.

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

FUNDRAISING

The role of Income Generation Officer remained vacant in 2022-23 whilst the excellent works of the PTFAs continued unabated supporting their schools very well.

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide outstanding education and improve the levels of performance of all its stakeholders at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. The 2023-24 priorities for the Trust are now set out in the Academy Trust School Improvement Plan, alongside the individual academy Improvement plans which contribute to overall Trust Improvement, these are monitored by the EIT led by the Director of Education with Local Advisory Committees on an annual cycle and reports are shared with the Standards and Curriculum Committee half termly.

The Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community and fulfil our civic duty by increasing involvement in the communities of our academies. We intend to continue to be part of groups such as the Southwest Disadvantage Forum, The Small Schools Strategy group led by our CEO and using our expertise in the management of small schools to support other trusts and organisations. Our CEO is now on the Diocese Board of Education and their Resources group and has been involved with the national promotion of the new Diocese National Flourishing document being launched early next year.

The EIT, under the Director of Education, will continue to scrutinise all academies to provide a professional development programme for every academy which supports learning at all levels, encourages, challenges and supports all staff, embracing opportunities for collaboration within and beyond individual academies. The Trust's EIT which has evolved and strengthened over the last year scrutinises all academies to create a Dashboard where academies are categorised as Tier 1 to Tier 3 and receive the level of support according to their need. Additional curriculum lead experts have broadened the expertise available to academies this year which supports specific needs in terms of curriculum planning and delivery. These curriculum leads provide expanded career opportunities for middle leaders across the Trust and allow us to expand the capacity of the EIT as the Trust grows. This is the most important aspect of provision for schools seeking to join the Trust.

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

Our intention in 2023-24 is to:

- Continue to grow the Trust remaining true to our USP, that we serve small schools and their communities, with real consideration for our civic duty. We hope that the school currently working in Associate partnership with the Trust, will decide to join the organisation and we anticipate that we will be supporting a further school that is currently in Special Measures early next year. We hope that East Devon will become a geographical area that allows the Trust to continue to develop and expand.
- Extend the school improvement capacity and CPD offer to ensure we can deliver great outcomes.
- Continue to support other trusts with our expertise in managing small schools effectively.
- Deliver the planned spending for this year, while being aware of the current financial position
- Continue to focus heavily on the disadvantaged pupils in our Trust by building a strong approach to oracy, relational behaviour principles and developing further visual learning and the approach we use to feeding back to pupils.
- Have a strong focus on improving outcomes to ensure every academy delivers best quality provision and every child attains well and progresses consistently, thereby ensuring a better Trust picture at the end of the year.
- Develop our interactions with parents and support them to support their children.
- Continue to have real consideration for our staff wellbeing and workload in order to be a Trust of choice when recruiting and retaining staff.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

The Trust has clearly proven that it has a wealth of expertise and capacity in delivering school improvement rapidly and successfully and is in a position to support schools which may be experiencing difficulties. We look forward in 2023-24 to extend the Trust to welcome more small schools into the Trust and to give them the stability and expertise to grow and provide the very best education for pupils.

A Capacity and Growth Plan is in place, linked with a Succession Plan to ensure the Trust continues to expand in order to continue to provide efficient, highly skilled and effective services thereby ensuring high quality education is viable for the small academies we serve. We wish to remain a viable Trust that will continue into the future with the reputation we currently hold.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITOR

In so far as the Trustees are aware:

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

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 11 December 2023 and signed on its behalf by:



Cheryl Mathieson
Chair of Trustees

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

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer (CEO), as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between the Link Academy Trust (the 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 six times between 1 September 2022 and 31 August 2023. One resignation was received from Fiona Walters on 27 March 2023

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

Trustee	Meetings attended	Out of a possible
Dominic Course	6	6
Nicola Dunford	6	6
Fiona Walters	3	4
Sarah Cox	4	6
Paul Waterworth	6	6
Cheryl Mathieson	6	6
Kate Evans	3	6
Graeme Scott	5	6
Christopher Norman	6	6
Ben Thorne	6	6

The Annual General Meeting held on 11 January 2023 was attended by six out of the ten Trustees, together with four of the Members. A further General Meeting was held on 17 July 2023 and attended by seven of the nine Trustees, together with four of the Members.

During 2022-23, the Board spent significant time on the following:

- Following a thorough overhaul of the format and content of the Trust-wide risk register, this document continued to be regularly discussed and this year significant adjustments were made in line with advice from the Internal Auditors around the owners of risk. It continues to be an agenda item at every committee meeting.
- The Scheme of Delegation was reviewed alongside the Constitution and Terms of Reference of the Board's Committees during the year. Significant consultation work continued to be undertaken throughout 2022-23, particularly on the role of the governors within the Local Boards, now known as Local Advisory Committees (LACs). Each Board was refined to ensure effective and knowledgeable support continues to be available to Academy Heads and a conduit of communication continues through to Trustees via the Standards and Curriculum committee. The makeup of each LAC now includes a parent representative from each academy, at least one Foundation Member, two members of staff, to include a senior leader and three Trustee-appointed governors to enable the balance of skills to be addressed. .

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

- The “Dashboard” assesses the financial position of individual academies as well as the Trust as a whole in terms of adherence to the approved Budget and continues to be a highly effective means of comparative analysis which has ensured the scrutiny and ongoing adjustments of budget figures at all levels.
- The Trust-wide data analysis system, Power Bi, which is linked to SIMS is now bespoke to the Trust's needs and its full impact is beginning to be appreciated following a period of ineffective data as a result of the pandemic. Internal comparisons are allowing for more productive analysis and this will continue to be scrutinised and drive school improvement foci.
- The experienced Executive School Improvement Team (EIT) lead strategic school improvement:
 - The Academy Trust School Standards and Educational Outcomes Lead (ATSSEOL) FTE1.0 with no Academy Head commitment has been promoted into the newly established Director of Education role and is responsible for leading the EIT and directing EIT personnel. This role was seconded from the Spring term until the end of the academic year to ensure it was successful and thereafter was made permanent for the start of 2023-24.
 - The Academy Trust Strategic Improvement Lead (ATSIL) FTE0.6, now Director of School Improvement, with no Academy Head commitment, continues to lead School improvement through the Academy Trust Strategic Improvement plan (ATSIP) and monitors actions within individual academies feeding into the EIT positioning of academies across the Trust.
 - The Academy Trust Safeguarding and SEND Lead (ATSSL) FTE0.2, now Director of Safeguarding, is also an Executive Academy Head. This role, previously linked with the Inclusion & Improvement Hub, no longer has responsibility for SEND, focusing instead on Safeguarding, linking with the Safeguarding Trustee.
 - The Academy Trust Data and Standards Lead (ATDSL), now Director of Data, Standards & Outcomes, is also an Academy Head. This role has increased to FTE0.6 and continues to have responsibility for individual academy data and Trust-wide standards and outcomes.
 - A recent appointment, the Director of Inclusion FTE 0.4, now oversees the Inclusion and Improvement Hub (IIH) and is also an Academy Head.

The EIT consider every academy and prioritise the level of support and scrutiny they receive dependent on critical factors which impact on the quality of provision. They deliver 'Learn, Support & Challenge' days, which involve local governors, Ofsted Preparation sessions, training and specific mentoring and coaching activities, as well as leading Trust-wide INSET days and supporting staff development. A RAG rated dashboard reflects the position of each academy in terms of performance against critical factors and this is scrutinised and adjusted regularly with either core-offer support or a specific programme of support.

- The Central Business Unit (CBU) has been extended to provide capacity for growth and now includes: a Finance Manager, a Data Protection Officer, a Health and Safety Lead and a Maintenance worker as well as specific supplementary roles given to School Administrators including an Attendance Officer and three Seniors to line manage less experienced and new Administrators. The development of these roles over the year has led to improved support for all academies. All academies, except 2 in East Devon are now receiving catering in-house, resulting in the majority of Trust academies providing nutritious, meals using locally grown produce for their pupils.
- Sparkwell All Saints Primary joined the Trust on 1 August 2023.
- The Trust IIH provision has returned to supporting inclusivity in our academies following a period of outreach in response to the pandemic. The diversity of support continues to develop, and a SEND specialist has been seconded from Wolborough Primary in order to provide wider opportunity across the Trust and relieve financial pressures on the school. Skills and expertise within the delivery team have expanded over the year and all challenging and vulnerable children are supported to remain within the Trust for their provision. Therapeutic support is now a strength of the IIH. Plymouth Safeguarding Team (MAST) provide a diverse range of additional support through a Service Level Agreement.
- In July the Trust underwent an External Review by a DfE appointed School's Resource Management Advisor and the resultant report was positive in the fact that the Trust had explored savings effectively and operated specifically to benefit the context of a Small School Trust.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

- The Link Academy Trust growth is set to continue with Wolborough CofE primary joining later in 2023 (anticipated 1st November) following a thorough and recently reviewed and updated due diligence process.

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

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

During the period to 31 August 2023 attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Nicola Dunford	6	6
Cheryl Mathieson	6	6
Paul Waterworth	3	6
Christopher Norman	5	6
Ben Thorne (Chair)	6	6

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.

Trustee	Meetings attended	Out of a possible
Dominic Course (Chair)	3	3
Sarah Cox	3	3
Nicola Dunford (attending as an officer)	3	3
Graeme Scott	3	3

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

- Staffing structures within academies and their viability, staffing needs & staffing budget
- The approval of pay progression for teaching staff, subject to satisfactory completion of their objectives set for the previous year
- Appraisal arrangements of the CEO and making recommendations to the non-Executive Trustees on the CEO's remuneration and conditions of service.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

- All HR and Employment Policies and update in accordance with a published timetable for submission to the Board for formal approval

During the period to 31 August 2023 attendance was as follows:

Trustee	Meetings attended	Out of a possible	
Nicola Dunford (attending as an Officer)	4	4	
Cheryl Mathieson (Chair)	4	4	
Paul Waterworth	2	4	
Ben Thorne	3	4	
Christopher Norman	2	2	Co-opted

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

REVIEW FOR VALUE FOR MONEY

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

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

- Continued consideration of 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 academy when combined and the fixing of energy costs prior to the significant increases being experienced currently.
- The Trust is committed to continuing as an employer of choice, developing our staff to take on more senior roles through a comprehensive investment in training and continuous professional development. This minimises disruption for our pupils, avoids high staff turnover and associated recruitment costs and enhances our staff retention. This applies to non-teaching as well as teaching staff and middle managers. Our CPD annual provision model is now clearly set out and staff are encouraged to participate through the staff appraisal process. A talent management approach involving Trustees has also supported successful employment. Opportunities have been created for Middle Leadership through Trust-wide subject leadership and talent management is a development instigated by Executive Improvement Leaders as part of their NPQEL CPD courses. NPQs as high-quality external provision is now funded and therefore staff have been encouraged to use these programmes to develop their skills.
- The formation of the EIT 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 academies and provides career and pay progression for those able to demonstrate an appropriate level of leadership. This in turn released two experienced Academy Heads to take on the EIT role leading school improvement across the Trust. A Career Progression document illustrates the extended opportunities now available for staff joining the Trust and this is available on our website.
- Upper Pay Scale teachers continue to contribute effectively across the Trust, particularly in subject specific expertise, this not only shares best practice but also provides sound evidence to support their own career progression and is cost effective use of 'experts'.
- Staff recognise that as the Trust expands opportunities to progress are available by moving academies within the Trust for a period or permanently to gain experience with new responsibilities

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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. No member of staff is expected to move unless they agree with the proposal.

- The CBU continues to expand in terms of personnel, roles and expertise. There has been considerable development of their effectiveness to negate the need for external, costly support.
- Catering has been brought 'in house' in a planned, phased manner in order to make significant savings and improve food quality, more than 83% of Trust academies are now in-house, using locally sourced healthy food to provide quality meals.
- School cleaning has been overhauled and has reduced costs and improved outcomes. This has been supplemented by improved caretaking actions provided by a full time handyman.
- Schools joining the Trust have had induction to support them to follow Trust practice, including shared and supportive working practices, which ensures they explore all the established avenues of cost cutting currently in place across the Trust.
- Staffing structures in new joining schools continue to be scrutinised to ensure staffing levels are appropriate and where they are not measures have been put into place to reduce costs or provide higher-level responsibilities to reflect incoming salary level in order to maintain equity across the Trust. Additional staff wellbeing and mental health support was put in place following the period of the pandemic to enable staff to continue to manage the situation effectively thereby reducing absence. Subsequently consideration for staff has been extended further to ensure our staff have access to an external supervision service and the Give-Back day is always well-received by every staff member.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks, the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that have been in place for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees. This year Trust internal auditors have focussed on the management of risk and some improvements have been put in place, including a system programme.

THE RISK AND CONTROL FRAMEWORK

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. 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 CBU.
- Regular reviews by the F&GP Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes, prior to which regular meetings with the Chair of F&GP ensure scrutiny throughout the process.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

- Setting targets to measure financial and other performance and using KPIs to make appropriate judgements
- Clearly defined purchasing (assets purchase or capital investment) guidelines and systems, which are regularly monitored and checked
- Delegation of authority and segregation of duties
- Identification and management of risks through robust systems and checks by experienced personnel

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

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. An agreed programme of checks for the financial year 2022-23 was completed and included:

- Review of management accounts and budgeting including testing of payroll and purchase systems
- Review of succession planning, recruitment, workload allocation and workforce wellbeing
- Review of Risk Management policy and process

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

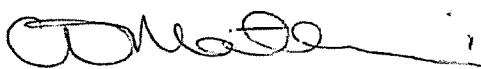
REVIEW OF EFFECTIVENESS

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

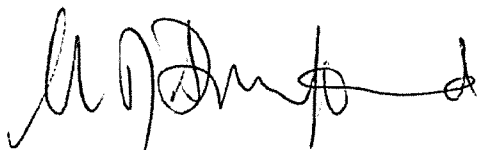
- The work of the internal auditor
- The work of the external auditor
- The assurance report provided by the Trust's accountants and its consistently early completion with few recommendations for improvement.
- The work of the Deputy CEO to the Board who has daily responsibility for the development and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

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

Approved by order of the members of the Board of Trustees 11 December 2023 and signed on their behalf by:



Cheryl Mathieson
Chair of Trustees



Nicola Dunford
Accounting Officer

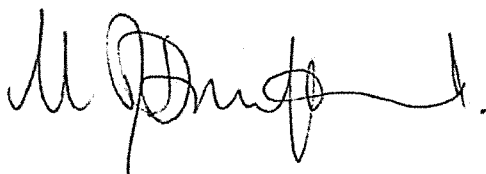
**LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Link Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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

A handwritten signature in black ink, appearing to read 'Nicola Dunford', with a stylized flourish at the end.

Nicola Dunford
Accounting Officer
Date: 11 December 2023

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

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

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 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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



Cheryl Mathieson
Chair of Trustees

Date: 11 December 2023

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

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

OPINION

We have audited the financial statements of Link Academy Trust (the 'Academy Trust') for the year ended 31 August 2023 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 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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

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

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial

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

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

statements;

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

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

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



Nathan Coughlin FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Plymouth

Date: *18 December 2023*

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

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

In accordance with the terms of our engagement letter dated 27 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, 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 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Link Academy Trust's funding agreement with the Secretary of State for Education dated 29 March 2016 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**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)**

APPROACH

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

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

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

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

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

Date: *18 December 2023*

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants:	3					
Transfers in on academies joining the Trust		186,190	(4,000)	1,586,984	1,769,174	(323,273)
Other donations and capital grants		23,158	174,013	1,257,055	1,454,226	608,537
Other trading activities	6	119,601	38,621	-	158,222	110,640
Investments	7	24,652	-	-	24,652	256
Charitable activities	4	786,542	8,567,069	-	9,353,611	9,041,361
Total income		1,140,143	8,775,703	2,844,039	12,759,885	9,437,521
Expenditure on:						
Charitable activities	9	340,191	9,466,498	934,033	10,740,722	9,991,856
Other expenditure	10	-	866,518	-	866,518	-
Total expenditure		340,191	10,333,016	934,033	11,607,240	9,991,856
Net income / (expenditure)		799,952	(1,557,313)	1,910,006	1,152,645	(554,335)
Transfers between funds	21	(263,650)	508,475	(244,825)	-	-
Net movement in funds before other recognised gains/(losses)		536,302	(1,048,838)	1,665,181	1,152,645	(554,335)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	28	-	999,000	-	999,000	3,837,000
Net movement in funds		536,302	(49,838)	1,665,181	2,151,645	3,282,665

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Reconciliation of funds:					
Total funds brought forward	771,926	230,232	12,589,814	13,591,972	10,309,307
Net movement in funds	536,302	(49,838)	1,665,181	2,151,645	3,282,665
Total funds carried forward	1,308,228	180,394	14,254,995	15,743,617	13,591,972

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

The notes on pages 37 to 75 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	17	13,684,664	12,464,696
		<u>13,684,664</u>	<u>12,464,696</u>
Current assets			
Debtors	18	1,335,697	614,601
Cash at bank and in hand	26	2,395,288	2,278,406
		<u>3,730,985</u>	<u>2,893,007</u>
Creditors: amounts falling due within one year	19	(946,745)	(765,731)
Net current assets		<u>2,784,240</u>	<u>2,127,276</u>
Creditors: amounts falling due after more than one year	20	(611,287)	-
Net assets excluding pension liability		<u>15,857,617</u>	<u>14,591,972</u>
Defined benefit pension scheme reserve	28	(114,000)	(1,000,000)
Total net assets		<u><u>15,743,617</u></u>	<u><u>13,591,972</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	21	14,254,995	12,589,814
Restricted income funds	21	294,394	1,230,232
		<u>14,549,389</u>	<u>13,820,046</u>
Restricted funds excluding pension liability	21	14,549,389	13,820,046
Pension reserve	21	(114,000)	(1,000,000)
Total restricted funds	21	<u>14,435,389</u>	<u>12,820,046</u>
Unrestricted income funds	21	<u>1,308,228</u>	<u>771,926</u>
Total funds		<u><u>15,743,617</u></u>	<u><u>13,591,972</u></u>

The financial statements on pages 33 to 75 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Cheryl Mathieson
Chair of Trustees
Date: 11 December 2023



Nicola Dunford
Accounting Officer

The notes on pages 37 to 75 form part of these financial statements.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	23	(564,593)	674,278
Cash flows from investing activities	25	38,968	(277,361)
Cash flows from financing activities	24	642,507	-
Change in cash and cash equivalents in the year		116,882	396,917
Cash and cash equivalents at the beginning of the year		2,278,406	1,881,489
Cash and cash equivalents at the end of the year	26, 27	2,395,288	2,278,406

The notes on pages 37 to 75 form part of these financial statements

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

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

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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 GOING CONCERN

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

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

- **Grants**

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

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

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

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

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

1.4 EXPENDITURE

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

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE (CONTINUED)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

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

1.6 TANGIBLE FIXED ASSETS

Assets costing £5,000 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:

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.

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

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

1. ACCOUNTING POLICIES (continued)

1.7 DEBTORS

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

1.8 CASH AT BANK AND IN HAND

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

1.9 LIABILITIES

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

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. 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 notes 19 and 20. 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.

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

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

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.

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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 2023

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Transfers from existing academies joining the Trust	186,190	(4,000)	1,586,984	1,769,174
Donations	23,158	174,013	-	197,171
Capital Grants	-	-	1,257,055	1,257,055
	<u>209,348</u>	<u>170,013</u>	<u>2,844,039</u>	<u>3,223,400</u>

Restricted donations include £174,013 (2022: £115,771) of notional rental income for the use of the Trust land and buildings controlled by the Diocese. An equivalent amount is included in expenditure.

See note 33 for details of transfers from existing academies joining the Trust.

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

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Education	<u>786,542</u>	<u>8,567,069</u>	<u>9,353,611</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Education	<u>833,957</u>	<u>8,207,404</u>	<u>9,041,361</u>

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
EDUCATION			
DFE/ESFA GRANTS			
General Annual Grant	-	7,070,956	7,070,956
OTHER DFE/ESFA GRANTS			
Pupil Premium	-	292,455	292,455
Universal Infant Free School Meals	-	188,219	188,219
PE and Sports Premium	-	266,630	266,630
Supplementary Grant	-	200,444	200,444
Other	-	128,294	128,294
	-	8,146,998	8,146,998
OTHER GOVERNMENT GRANTS			
High Needs	-	300,527	300,527
Early Years funding	433,731	-	433,731
Other	-	119,544	119,544
	433,731	420,071	853,802
Other income from the Academy Trust's education	352,811	-	352,811
	786,542	8,567,069	9,353,611

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
EDUCATION			
DFE/ESFA GRANTS			
General Annual Grant	-	6,883,875	6,883,875
OTHER DFE/ESFA GRANTS			
Pupil Premium	-	272,459	272,459
Universal Infant Free School Meals	-	156,366	156,366
PE and Sports Premium	-	267,960	267,960
Other government grants non capital	-	81,169	81,169
Other	-	112,534	112,534
	-	7,774,363	7,774,363
OTHER GOVERNMENT GRANTS			
High Needs	-	273,561	273,561
Early Years funding	460,927	-	460,927
Other	-	159,480	159,480
	460,927	433,041	893,968
Other income from the Academy Trust's education	373,030	-	373,030
	833,957	8,207,404	9,041,361

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Insurance income	-	38,621	38,621
School clubs	119,601	-	119,601
	<u>119,601</u>	<u>38,621</u>	<u>158,222</u>

All prior year amounts relate to unrestricted income.

	Unrestricted funds 2022 £	Total funds 2022 £
School clubs	110,640	110,640
	<u>110,640</u>	<u>110,640</u>

7. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	24,652	24,652	256
	<u>24,652</u>	<u>24,652</u>	<u>256</u>

All prior year amounts relate to unrestricted income.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

8. EXPENDITURE

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
EDUCATION:				
Direct costs	6,209,221	737,641	517,892	7,464,754
Allocated support costs	1,557,144	188,195	1,530,629	3,275,968
Other expenditure	-	866,518	-	866,518
	<u>7,766,365</u>	<u>1,792,354</u>	<u>2,048,521</u>	<u>11,607,240</u>
	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
EDUCATION:				
Direct costs	6,162,717	236,379	529,065	6,928,161
Allocated support costs	1,457,234	811,396	795,065	3,063,695
	<u>7,619,951</u>	<u>1,047,775</u>	<u>1,324,130</u>	<u>9,991,856</u>

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Education	<u>340,191</u>	<u>10,400,531</u>	<u>10,740,722</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Education	<u>862,576</u>	<u>9,129,280</u>	<u>9,991,856</u>

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

10. OTHER EXPENDITURE

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Improvements to diocesan property occupied by the Trust	866,518	866,518	-

11. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Education	7,464,754	3,275,968	10,740,722

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

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

11. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	16,000	25,000
Staff costs	1,557,144	1,457,234
Depreciation	188,195	180,451
Recruitment and support	33,986	44,348
Maintenance of premises and equipment	45,815	84,366
Cleaning	267,085	244,496
Rent and rates	265,183	202,969
Energy costs	136,323	124,420
Insurance	38,402	37,378
Security and transport	77,516	53,136
Catering	236,726	216,429
Technology costs	152,495	178,315
Office overheads	24,551	73,586
Legal and professional	197,493	94,286
Bank interest and charges	4,005	3,877
Governance costs	35,049	43,404
TOTAL 2023	3,275,968	3,063,695

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	7,793	11,232
Depreciation of tangible fixed assets	441,707	416,831
Impairment of tangible fixed assets	513,606	-
Fees paid to auditors for:		
- audit	20,950	17,100
- other services	3,650	4,535

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

13. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	5,854,633	5,214,098
Social security costs	492,828	430,610
Pension costs	1,342,158	1,931,351
	<u>7,689,619</u>	<u>7,576,059</u>
Agency staff costs	76,746	43,892
	<u><u>7,766,365</u></u>	<u><u>7,619,951</u></u>

b. STAFF NUMBERS

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

	2023 No.	2022 No.
Teachers	109	106
Educational Support	144	148
Administration and Clerical	33	33
Management	3	2
	<u>289</u>	<u>289</u>

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

13. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

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

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £419,753 (2022: £350,280).

14. CENTRAL SERVICES

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

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

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:

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

14. CENTRAL SERVICES (CONTINUED)

School	IIH		CAT		SP	
	2023	2022	2023	2022	2023	2022
Bearnes Voluntary Primary School	27,846	8,186	37,975	10,972	10,461	8,949
Broadhempston Village Primary School	3,164	7,281	22,785	10,972	6,277	8,949
Cheriton Bishop Primary School	6,329	7,885	42,772	-	11,782	8,949
Diptford C of E Primary School	1,867	7,492	29,981	10,972	8,259	8,949
Drake's C of E Primary School	5,063	7,039	-	-	5,310	8,949
Harbertonford Primary School	8,227	8,277	43,172	10,972	11,892	8,949
Hennock Community Primary School	633	7,371	27,582	10,972	7,598	8,949
Illesington C of E Primary School	5,063	7,311	31,580	10,972	8,699	8,949
Landscope C of E Primary School	5,696	8,247	36,776	10,972	10,131	8,949
Morchard Bishop C of E Primary School	12,657	8,579	49,968	10,972	13,764	-
Moretonhampstead Primary School	8,227	8,881	49,568	10,972	13,654	8,949
Ottertton C of E Primary School	6,993	6,707	-	-	5,310	8,949
Stoke Gabriel Primary School	13,290	8,337	41,573	10,972	11,452	8,949
Tedburn St Mary Primary School	7,594	8,398	38,775	-	10,681	8,949
Widcombe-in-the-Moor Primary School	3,164	7,734	28,781	10,972	7,928	8,949
Yeoford Primary School	3,797	7,522	24,384	-	6,717	8,949
	119,610	125,247	505,673	120,692	149,916	134,235

School	CBU		SI		TOTAL	
	2023	2022	2023	2022	2023	2022
Bearnes Voluntary Primary School	48,697	38,002	19,275	12,850	144,254	78,959
Broadhempston Village Primary School	36,130	34,427	18,288	12,192	86,644	73,821
Cheriton Bishop Primary School	27,476	36,810	18,947	12,631	107,306	66,275
Diptford C of E Primary School	35,597	35,261	18,519	12,346	94,222	75,020
Drake's C of E Primary School	1,448	33,473	15,126	12,016	26,948	61,477
Harbertonford Primary School	52,239	38,359	19,374	12,916	134,905	79,473
Hennock Community Primary School	36,379	34,784	18,387	12,258	90,579	74,334
Illesington C of E Primary School	23,741	34,546	18,321	12,214	87,403	73,992
Landscope C of E Primary School	58,831	38,240	19,341	12,894	130,774	79,302
Morchard Bishop C of E Primary School	53,588	39,551	19,703	13,135	149,680	72,237
Moretonhampstead Primary School	70,763	40,742	20,033	13,355	162,245	82,899
Ottertton C of E Primary School	1,104	32,162	8,832	11,776	22,240	59,594
Stoke Gabriel Primary School	56,748	38,597	19,440	12,960	142,503	79,815
Tedburn St Mary Primary School	51,474	38,836	19,506	13,004	128,030	69,187
Widcombe-in-the-Moor Primary School	48,217	36,214	18,782	12,521	106,872	76,390
Yeoford Primary School	39,227	35,380	18,552	12,368	92,677	64,219
	641,659	585,384	290,424	201,436	1,707,282	1,166,994

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

14. CENTRAL SERVICES (CONTINUED)

The Central Services offer was further expanded during 2022-23 as capacity within both business and school improvement sectors was restricting the trust ability to successfully develop school support. The expansion of the Trust during the year was also a factor contributing to increased costs. You can see from the table provided that the Central Services offer covers 5 distinct areas, they are:

School Improvement (SI)

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

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

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

Continuing issues and difficulties faced by schools with recruitment and supply cover it was decided that there would be 3 members of staff available to all schools in a 'floating' teacher role. These staff were fully engaged at all times and were an additional annual cost of £134,672.

Sports Provision (SP)

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

Inclusion and Improvement Hub (IIH)

The IIH provide SEN expertise across the Trust including a small team offering therapeutic courses for families to meet a growing demand. This year saw the provision increased such is the demand on this service with an additional experienced SENDCo seconded from another school. This area is funded by contributions from Pupil Premium.

Central Business Unit (CBU)

Consolidation of the services provided by Central Business Unit continued to take effect in 22/23 with the last recruitment taking place at the very end of the academic year into the Estates Manager role. A strength of the Trust has been its financial management and this continues to be a priority for the Trust that will see a new Finance Manager in place for the next academic year.

Catering (CAT)

In previous years the cost of each school's catering provision sat at the individual school budget level but in 22/23 the Trust moved all in house catering to a centrally financed model that saw greater economies of scale gained and extensive improvements in the quality of meals provided has increased up-take of school meals and families are now getting a much improved service. This area is funded by UIFSM and catering paid income.

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

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

14. CENTRAL SERVICES (CONTINUED)

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

15. 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 £120,000 - £125,000 (2022: £110,000 - £115,000), Employer's pension contributions £20,000 - £25,000 (2022: £15,000 - £20,000).

Other related party transactions involving the Trustees are set out in note 31.

During the year, retirement benefits were accruing to 1 Trustees (2022 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2023, expenses totalling £1,400 were reimbursed or paid directly to 1 Trustee (2022 - £1,745 to 4 Trustees). The nature of these expenses were mileage claims.

16. TRUSTEES' AND OFFICERS' INSURANCE

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

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

17. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST					
At 1 September 2022	13,330,379	439,937	556,474	35,325	14,362,115
Additions	510,713	33,205	19,849	3,250	567,017
Acquired on conversion	1,572,407	4,096	10,481	-	1,586,984
At 31 August 2023	15,413,499	477,238	586,804	38,575	16,516,116
DEPRECIATION					
At 1 September 2022	1,071,050	360,004	433,290	33,075	1,897,419
Charge for the year	232,232	54,479	131,528	2,188	420,427
Impairment charge	513,606	-	-	-	513,606
At 31 August 2023	1,816,888	414,483	564,818	35,263	2,831,452
NET BOOK VALUE					
At 31 August 2023	13,596,611	62,755	21,986	3,312	13,684,664
At 31 August 2022	12,259,329	79,933	123,184	2,250	12,464,696

18. DEBTORS

	2023 £	2022 £
DUE WITHIN ONE YEAR		
Trade debtors	3,406	44,484
VAT recoverable	113,782	144,183
Prepayments and accrued income	1,218,509	425,934
	1,335,697	614,601

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Urgent Capital Scheme Loan	31,220	-
Trade creditors	152,491	236,816
Other taxation and social security	122,958	103,655
Other creditors	154,491	125,014
Accruals and deferred income	485,585	300,246
	<u>946,745</u>	<u>765,731</u>
	2023 £	2022 £
DEFERRED INCOME		
Deferred income at 1 September 2022	109,299	138,834
Resources deferred during the year	118,622	109,299
Amounts released from previous periods	(109,299)	(138,834)
Deferred income at 31 August 2023	<u>118,622</u>	<u>109,299</u>

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

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Urgent Capital Support Loan	611,287	-

Included in creditors is an Urgent Capital Support loan from the DfE. The balance is repayable over 7 years, starting April 2024 and has an interest rate of 5.36%. The amount due on more than five years is £260,675.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
School improvement	-	-	-	200,000	-	200,000
Future growth	-	-	-	200,000	-	200,000
Staffing	-	-	-	200,000	-	200,000
Capital and sustainability	-	-	-	200,000	-	200,000
	-	-	-	800,000	-	800,000
GENERAL FUNDS						
General Funds	753,807	1,134,425	(317,173)	(1,063,650)	-	507,409
PTFA	18,119	5,718	(23,018)	-	-	819
	771,926	1,140,143	(340,191)	(1,063,650)	-	508,228
TOTAL UNRESTRICTED FUNDS	771,926	1,140,143	(340,191)	(263,650)	-	1,308,228

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	200,685	7,070,956	(7,723,338)	1,374,140	-	922,443
Pupil Premium	-	292,455	(292,455)	-	-	-
Academy Conversion Grants	10,500	-	-	-	-	10,500
Higher Needs	-	300,527	(300,527)	-	-	-
UIFSM	-	188,219	(188,219)	-	-	-
NNDR	-	29,408	(29,408)	-	-	-
G&T Programme	8,496	-	(8,496)	-	-	-
Donated rent on Diocese buildings	-	174,013	(174,013)	-	-	-
PE Sports Grant	-	266,630	(262,820)	-	-	3,810
School Capital Program	1,000,000	-	(776,844)	(223,156)	-	-
LA Income	-	119,544	(119,544)	-	-	-
Schools Supplementary Grant	-	200,444	(200,444)	-	-	-
Mainstream Schools Additional Grant	-	98,886	(98,886)	-	-	-
UCS Loan	-	-	-	(642,509)	-	(642,509)
Other	10,551	38,621	(49,022)	-	-	150
Pension reserve	(1,000,000)	(4,000)	(109,000)	-	999,000	(114,000)
	230,232	8,775,703	(10,333,016)	508,475	999,000	180,394

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
RESTRICTED FIXED ASSET FUNDS						
Fixed Assets transferred on conversion	10,673,164	1,586,984	(316,219)	(244,825)	-	11,699,104
DfE/ESFA Capital grants	575,204	270,613	(424,173)	-	-	421,644
Condition Improvement Fund	1,025,108	930,148	(152,932)	-	-	1,802,324
Other Restricted	316,338	56,294	(40,709)	-	-	331,923
	<u>12,589,814</u>	<u>2,844,039</u>	<u>(934,033)</u>	<u>(244,825)</u>	<u>-</u>	<u>14,254,995</u>
TOTAL RESTRICTED FUNDS	<u>12,820,046</u>	<u>11,619,742</u>	<u>(11,267,049)</u>	<u>263,650</u>	<u>999,000</u>	<u>14,435,389</u>
TOTAL FUNDS	<u>13,591,972</u>	<u>12,759,885</u>	<u>(11,607,240)</u>	<u>-</u>	<u>999,000</u>	<u>15,743,617</u>

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

Designated Funds

School improvement - Funds have been set aside to be used to drive school improvement.

Future Growth- The Trust has aspirations to help more students in small rural schools using our expertise to benefit as many pupils as possible. To help achieve this the Trustees have set aside funds to be able allow the Trust to have the resources available to support schools joining the Trust. Timing of this expenditure is varied and will depend on the speed and which schools join the Trust.

Staffing - As with many Trusts, staffing has been an issue in the year and recruitment has been a challenge. The Trustees have designated £200,000 towards new staff recruitment. This will include backfilling existing roles where there are vacancies, but also will help to support school improvement and driving educational standards across the board.

School Capital Programme - Funds have been set aside for the continued investment in the Trust state. A condition survey was undertaken in 2022 that identifies over £3,000,000 of capital maintenance works to be completed over the next three to five years. While some of this work may be covered by ESFA capital grants, this is not guaranteed. Additionally, where capital grant bids are successful, there is an expectation that the Trust will be required to contribute funding towards any project. The Trust will look to obtain as much government grants as possible toward meeting the capital needs, however this is uncertain, and the Trust must consider how it can fund capital projects itself. During the year we were successful in a number of CIF projects, and funding designated in previous years has been used towards these projects. As a

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

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

21. STATEMENT OF FUNDS (CONTINUED)

result of the significant future costs, the Trustees have designated £200,000 of funds to be used towards these projects.

Restricted Funds

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.

UIFSM - Funding for all pupils in reception, year 1 and year 2 for the provision of free school meals.

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

Other - This represents all other funding from restricted sources.

School Capital Programme - Funds have been set aside for the continued investment in the Trust estate. A condition survey has recently been undertaken that identifies over £3,000,000 of capital maintenance works to be completed over the next three to five years. While some of this work may be covered by ESFA capital grants, this is not guaranteed. Additionally where capital grant bids are successful, there is an expectation that the Trust will be required to contribute funding towards any project. As a result of the significant future costs, the Trustees have designated these funds to be used towards these projects.

Urgent Capital Support loan - this represents the balance of the DfE loan for urgent capital works at the Trust.

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.

Restricted Fixed Asset Funds

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 represents the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

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

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

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

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

21. STATEMENT OF FUNDS (CONTINUED)

maintenance projects.

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

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 2023.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
School improvement	16,189	-	(16,189)	-	-	-
GENERAL FUNDS						
General Funds	611,875	1,043,318	(835,537)	(65,849)	-	753,807
PTFA	10,374	18,595	(10,850)	-	-	18,119
	622,249	1,061,913	(846,387)	(65,849)	-	771,926
TOTAL UNRESTRICTED FUNDS	638,438	1,061,913	(862,576)	(65,849)	-	771,926

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	719,916	6,883,874	(6,380,480)	(1,022,625)	-	200,685
Pupil Premium	-	272,459	(272,459)	-	-	-
Academy Conversion Grants	10,500	16,715	(16,715)	-	-	10,500
Higher Needs	-	273,561	(273,561)	-	-	-
UFSM	-	156,366	(156,366)	-	-	-
G&T Programme	8,496	-	-	-	-	8,496
Donated rent on Diocese buildings	-	115,771	(115,771)	-	-	-
PE Sports Grant	79,097	267,960	(297,630)	(49,427)	-	-
School Capital Program	-	-	-	1,000,000	-	1,000,000
Other	1,400	336,469	(327,318)	-	-	10,551
Pension reserve	(3,564,000)	(390,000)	(883,000)	-	3,837,000	(1,000,000)
	<u>(2,744,591)</u>	<u>7,933,175</u>	<u>(8,723,300)</u>	<u>(72,052)</u>	<u>3,837,000</u>	<u>230,232</u>

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS (CONTINUED)

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

Total funds analysis by academy

Fund balances for each academy at 31 August 2023 and 31 August 2022 were zero, hence a breakdown by academy is not included in these accounts.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

21. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £
Beames Voluntary Primary School	408,711	58,653	32,013	10,771	510,148
Broadhempston Village Primary School	284,650	36,917	28,029	42,088	391,684
Cheriton Bishop Primary School	313,669	31,401	29,698	62,842	437,610
Diptford C of E Primary School	330,284	31,388	33,536	836,199	1,231,407
Drake's C of E Primary School	255,859	34,820	17,287	41,924	349,890
Harbertonford C of E Primary School	409,313	42,786	30,279	48,438	530,816
Hennock Community Primary School	308,561	34,166	20,764	90,541	454,032
Ilslington C of E Primary School	339,019	37,403	19,205	53,788	449,415
Landscape C of E Primary School	345,247	31,068	24,792	40,552	441,659
Morchard Bishop C of E Primary School	435,354	50,388	27,052	332,698	845,492
Moretonhampstead Primary School	494,895	41,412	37,799	80,854	654,960
Ottertton C of E Primary School	233,125	49,353	14,857	55,067	352,402
Sparkwell All Saints Primary School	36,769	3,023	-	(2,996)	36,796
Stoke Gabriel Community Primary School	390,228	36,048	59,935	71,840	558,051
Tedburn St Mary Primary School	360,302	41,950	19,893	62,067	484,212
Widecombe-in-the-Moor Primary School	296,172	30,291	34,422	74,994	435,879
Yeoford Primary School	288,609	32,754	18,080	40,061	379,504
Central services	637,454	933,309	44,054	376,198	1,991,015
ACADEMY TRUST	6,168,221	1,557,130	491,695	2,317,926	10,534,972

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

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

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	13,684,664	13,684,664
Current assets	1,308,228	1,852,426	570,331	3,730,985
Creditors due within one year	-	(946,745)	-	(946,745)
Creditors due in more than one year	-	(611,287)	-	(611,287)
Provisions for liabilities and charges	-	(114,000)	-	(114,000)
TOTAL	1,308,228	180,394	14,254,995	15,743,617

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

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

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

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

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	1,152,645	(554,335)
ADJUSTMENTS FOR:		
Impairment of fixed assets	513,606	-
Depreciation	420,427	416,831
Capital grants from DfE and other capital income	(1,257,055)	(442,433)
Bank interest	(24,652)	(256)
Defined benefit pension scheme cost less contributions payable	75,000	819,000
Defined benefit pension scheme finance cost	34,000	64,000
(Increase)/decrease in debtors	149,380	(118,114)
Increase in creditors	141,230	166,312
Assets and liabilities from local authority on conversion	(1,769,174)	323,273
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(564,593)	674,278

24. CASH FLOWS FROM FINANCING ACTIVITIES

	2023 £	2022 £
Cash inflows from new borrowing	642,507	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	642,507	-

25. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £	2022 £
Bank interest	24,652	256
Purchase of tangible fixed assets	(558,453)	(539,104)
Capital grants from DfE Group	572,769	194,760
Cash transferred on conversion from the local authority	-	66,727
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	38,968	(277,361)

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at bank and in hand	2,395,288	2,278,406

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,278,406	116,882	2,395,288
Debt due within 1 year	-	(31,220)	(31,220)
Debt due after 1 year	-	(611,287)	(611,287)
	2,278,406	(525,625)	1,752,781

28. 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 2020 and of the LGPS 31 March 2019.

Contributions amounting to £153,842 were payable to the schemes at 31 August 2023 (2022 - £124,747) 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.

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

28. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 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 2020 valuation result is due to be implemented from 1 April 2023/2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £754,000 (2022 - £729,000).

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>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £620,000 (2022 - £508,000), of which employer's contributions totalled £479,000 (2022 - £390,000) and employees' contributions totalled £ 141,000 (2022 - £118,000). The agreed contribution rates for future years are 21.9 per cent for employers and 5.5 to 12.5 per cent for employees.

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

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

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

28. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25
Inflation assumption (CPI)	2.90	2.95

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

	2023	2022
	Years	Years
Retiring today		
Males	21.4	21.7
Females	22.6	22.9
Retiring in 20 years		
Males	22.7	23.0
Females	24.0	24.3

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Discount rate +0.1%	(89)	110
Discount rate -0.1%	(92)	113
Mortality assumption - 1 year increase	118	127
Mortality assumption - 1 year decrease	115	124
CPI rate +0.1%	91	112
CPI rate -0.1%	89	109

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

28. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	2,365,000	1,847,000
Bonds	965,000	692,000
Property	374,000	347,000
Cash and other liquid assets	59,000	50,000
Other	673,000	548,000
TOTAL MARKET VALUE OF ASSETS	4,436,000	3,484,000

The actual return on scheme assets was £265,000 (2022 - £-1,217,000).

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

	2023 £	2022 £
Current service cost	(554,000)	(1,209,000)
Interest income	158,000	52,000
Interest cost	(192,000)	(116,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(588,000)	(1,273,000)

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

	2023 £	2022 £
AT 1 SEPTEMBER	4,484,000	6,357,000
Conversion of Academy Trusts	158,000	669,000
Current service cost	554,000	1,209,000
Interest cost	192,000	116,000
Employee contributions	141,000	118,000
Actuarial losses/(gains)	(894,000)	(4,003,000)
Benefits paid	(85,000)	18,000
AT 31 AUGUST	4,550,000	4,484,000

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

28. PENSION COMMITMENTS (CONTINUED)

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

	2023 £	2022 £
AT 1 SEPTEMBER	3,484,000	2,793,000
Conversion of Academy Trusts	154,000	279,000
Interest income	160,000	54,000
Actuarial gains	105,000	(166,000)
Employer contributions	479,000	390,000
Employee contributions	141,000	118,000
Benefits paid	(85,000)	18,000
Administration expense	(2,000)	(2,000)
AT 31 AUGUST	4,436,000	3,484,000

29. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
AMOUNTS PAYABLE		
Not later than 1 year	7,698	3,899
Later than 1 year and not later than 5 years	7,129	5,259
Total	14,827	9,158

30. 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.

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

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

31. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period.

32. POST BALANCE SHEET EVENTS

Wolborough Church of England Nursery and Primary School joined the Trust on the 1 November 2023.

LINK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

33. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST

On the 1 August 2023 Sparkwell All Saints transferred into the Trust. The pension liability, fixed assets and net current assets were transferred as part of the agreement.

Sparkwell All Saints Primary School

	Value reported by transferring trust £	Transfer in recognised £
TANGIBLE FIXED ASSETS		
Long-term leasehold property	1,572,407	1,572,407
Furniture and equipment	4,096	4,096
Computer equipment	10,481	10,481
CURRENT ASSETS		
Net current assets	186,190	186,190
PENSIONS		
Pensions - pension scheme assets	154,000	154,000
Pensions - pension scheme liabilities	(158,000)	(158,000)
NET ASSETS	<u>1,769,174</u>	<u>1,769,174</u>

