

Company Registration Number: 07561306 (England and Wales)

LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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LIPSON CO-OPERATIVE ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	D Macleod J Clamp M Ashurst P Lewis-Cole L Taylor (Resigned 20 January 2021)
Trustees	K Bishop, Chair of Trustees ¹ M Brook, Head Teacher ^{1,2} T Cook, Trustee (Appointed 23 November 2020) ¹ L Garland, Trustee ² D Hobbs, Chair of Resources & Audit Committee ¹ S Koehler-Lewis, Trustee (Appointed 23 November 2020) ² K Lyon, Trustee ² I Marshall, Trustee (Appointed 23 November 2020) ¹ H Morris, Chair of Education Committee ² C Orchard, Trustee (Resigned 3 January 2021) ² C Southby-Tailyour, Trustee (Resigned 16 December 2020) ¹ R Askew, Staff Trustee (Resigned 16 December 2020) A Hodgess, Staff Trustee (Resigned 16 December 2020) G Comber, Staff Trustee (Resigned 16 December 2020) ² ¹ Resource & Audit Committee ² Education Committee
Company registered number	07561306
Company name	Lipson Co-operative Academy Trust
Principal and Registered office	Lipson Co-operative Academy Trust Bernice Terrace Plymouth Devon PL4 7PG
Company secretary	S Hunter
Accounting Officer	M Brook
Senior Management Team	M Brook, Head Teacher T Ashton, Deputy Head Teacher P Boyes, Deputy Head Teacher N Dyke, Deputy Head Teacher T Goodman, Deputy Head Teacher K Lewis-Ward, Deputy Head Teacher S Hunter, Business Manager

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

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

Bankers NatWest
12 - 16 Old Town Street
Plymouth
Devon
PL4 1DG

Lloyds Bank
8 Royal Parade
Plymouth
Devon
PL1 1HB

Virgin Money
Jubilee House
Gosforth
Newcastle Upon Tyne
NE3 4PL

Solicitors Browne Jacobson
Mowbray House Castle
Meadow Road
Nottingham
NG2 1BJ

**LIPSON CO-OPERATIVE ACADEMY TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a secondary academy for pupils aged 11 to 19 in Plymouth. It has a pupil capacity of 1377 and had a roll of 1100 in the school census in October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Lipson Cooperative Academy are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Lipson Co-operative Academy

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details.

Trustees' Liability

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

Trustees' Indemnities

From September 2017 Lipson Co-operative Academy Trust joined the DfE Risk Protection Arrangement (RPA) for academy trusts which provides cover for governors' liability subject to a maximum £10,000,000 in any one Membership Year.

Method of recruitment and appointment or election of Trustees

The Academy's Board of Trustees comprises the Head Teacher, a minimum of 2 Parent Trustees, member trustees and community trustees and is not subject to any maximum.

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

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

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 includes a tour of the Academy, a chance to meet staff and pupils, an introductory meeting with the Head Teacher and Chair of Trustees as well as the opportunity to attend the academy whole staff INSET days. There is also access to a suite of courses for Trustees from an external provider who delivers Trustee training across the city which takes place at Lipson.

All Trustees are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are usually only a small number of new Trustees each year, induction tends to be undertaken informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies including training on the use of Raise Online and also accredited safeguarding training. Trustees are also provided with in-house training on specific topics e.g. understanding and reviewing academic data.

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

There have been 3 new trustees this year. The staff trustees all stood down from their positions during the year, along with 2 other Trustee resignations, Ms C Orchard and Ms C Southby, we are very grateful for their contribution and commitment to the academy during their term.

Organisational Structure

The full Board of Trustees has met 6 times this year, at least once per term. The full Board of Trustees oversees all aspects of the academy's operations including Curriculum, Inclusion, Finance/Premises/Health & Safety as well as staff personnel. The Finance Committee was repurposed as the Resources and Audit Committee and has met 4 times, in addition to the full Board meetings. During 2020/21 the Education Committee has met 3 times. The Board may, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are also the responsibility of the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Head Teacher and Clerk to the Trustees, to approve the Academy Improvement Plan and budget. The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Head Teacher and Senior Leadership Team (SLT). The SLT comprised the Head Teacher, Deputy Headteachers and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Head Teacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The pay of key management personnel is reviewed annually by the Resources and Audit Committee who determine any salary progression of the senior leadership team as a result of the annual appraisal reviews.

All trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1%-50%	2
51%-99%	
100%	

LIPSON CO-OPERATIVE ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£1,136
Provide the total pay bill	£113,569
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	1%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	0%
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Related Parties and other Connected Charities and Organisations

The Academy has operated as part of a 6th form consortium (PLE) with Sir John Hunt Community College Tor Bridge High School, through a memorandum of understanding. The Academy has also been a member of Greater Devon Co-operative Schools (GDCS), Plymouth Training School Alliance (PTSA), Plymouth Learning Partnership (PLP), Plymouth Learning Trust (PLT), Whole Education, PiXL and Specialist Schools & Academies Trust (SSAT).

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum for pupils of different abilities, with a strong emphasis on the Co-operative Values as set out in the Statement on the Co-operative Identity of the International Co-operative Alliance; self-help, self-responsibility, democracy, equality, equity, solidarity, honesty openness, social responsibility and caring for others.

Objectives, Strategies and Activities

Key priorities for the 2020/21 academic year were contained in the Academy Improvement Plan. Improvement focuses identified for 2020/21 year included:

1. To overhaul and improve targeted provision for disadvantaged students leading to accelerated progress, positive achievement and consistent profile raising.
2. To ensure a consistent approach to teaching and learning to raise the level of challenge across all key stages and subjects leading to increased engagement and progress of all groups of students.

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

3. To continue development following the full curriculum review, providing recovery plans for every subject area, ensuring that it is financially viable and compliant moving forward and providing students with appropriate courses to ensure progression routes.
4. To maintain focus on a sustainable sixth form model leading to enhanced progress in all measures.
5. To ensure that student safety and well-being is at the heart of everything we do, maintaining adherence to DfE guidance and facilitating a positive and kin culture to welcome students back to school.

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 Academy's aims and objectives and in planning its future activities.

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 Academy's aims and objectives and in planning its future activities.

The Academy 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.

STRATEGIC REPORT

Achievements and Performance

The Academy was last inspected by OFSTED in September 2019 and was judged to be 'Requires Improvement'. During 20/21 we have had 2 Section 2 monitoring visits which have been extremely favourable. We are expecting a Section 5 visit during the autumn term of 2021.

Key Performance Indicators

Key Stage 4

Key Headlines

Progress 8 Score: 0.65 (-0.14 2019)
Attainment 8 Score: 48.97 (40.33 2019)
E-Bacc 5 and above: 15%

Prior Attainment

Progress for LPA: 0.80
Progress for MPA: 0.66
Progress for HPA: 0.57

Pillars:

English progress: -0.02 (Bucket 1)
Maths progress: 0.38 (Bucket 1)
E-Bacc progress: 0.71 (Bucket 2)
Open progress: 1.23 (Bucket 3)

Disadvantaged

Progress for Disadvantaged: 0.56

Pillars Disadvantaged:

English progress: -0.13 (Bucket 1)
Maths progress: 0.32 (Bucket 1)

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

E-Bacc progress: 0.56 (Bucket 2)
Open progress: 1.18 (Bucket 3)

Key Stage 5 2019 Headlines

A-Level cohort and results

Average point score per A-Level entry expressed as a grade: C+
Average point score per A-Level entry: 34.03 (24.38 2019)
Disadvantaged grade: C
Disadvantaged APS: 28.62 (21.36 2019)

Academic cohort and results

Average point score per A-Level entry expressed as a grade: C+
Average point score per A-Level entry: 34.03
Disadvantaged grade: C
Disadvantaged APS: 28.64

Applied general cohort and results

Average point score per A-Level entry expressed as a grade: Distinction-
Average point score per A-Level entry: 30.29
Disadvantaged grade: Merit+
Disadvantaged APS: 29.67

Tech level cohort and results

Average point score per A-Level entry expressed as a grade: Merit+
Average point score per A-Level entry: 29.09

English and Maths progress measure

Average progress made in English: -0.31
Average progress made in Maths: -0.63

Going Concern

It is expected that all assets, liabilities and activities of the Trust will be transferred to Ted Wragg Multi Academy Trust on 1 January 2021. From that date, this Academy Trust will cease all activities. Accordingly, the accounts are prepared on a basis other than going concern as noted in the going concern policy.

FINANCIAL REVIEW

The Academy's income is obtained, in the majority, 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 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy further 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 Academy's accounting policies.

During the year ended 31 August 2021, total expenditure was £7.95M and recurrent grant funding from the DfE, together with other incoming resources was £7.55M. The excess of expenditure over income for the year was which was funded from reserves.

At 31 August 2021 the net book value of fixed assets was £17.71M and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in notes to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy (March 2021) which lays out the framework for financial management, including financial responsibilities of the Governors, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

Reserves Policy

The Trustees review the reserves policy annually and have determined that the appropriate level of free reserves should be 1 - 2 months of academy expenditure. This ensures sufficient working capital to cover delays between spending and receipt of grants to ensure payroll obligations can be met and unexpected emergencies such as urgent maintenance can be dealt with. Designated reserves of £159k are being held as a sinking fund to ensure that adequate funds are available when the astro surfaces reach the end of their life expectancy and £20k of reserves for replacement of canteen equipment.

The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £1,013k.

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

Investment Policy

Trustees have adopted an investment policy which is regularly reviewed. Funds surplus to immediate requirements are invested to optimal effect. Where cash flow allows, sums are invested in notice accounts to achieve higher rates of interest. Interest rates on deposits have continued to fall dramatically during this financial year due to the Coronavirus Pandemic.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Cash not required for operating expenses is placed on deposit at the most favourable rate available from agreed banks, currently Lloyds Bank, Virgin Money and Nat West (for School Fund). Day to day management of the surplus funds is delegated to the Head Teacher and Business Manager in accordance with Trustees instruction.

Principal Risks and Uncertainties

The Board of Trustees reviews the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. Where significant financial risk exists they have ensured they have adequate RPA and insurance cover.

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

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 95.4% of the Academy's incoming resources was ultimately Government funded and, 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 effectively manage the Academy'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. Trustees have appointed an Internal Audit firm, Thomas Westcott, to carry out checks on financial systems and records as required by the Academy Financial Handbook. During the year, the Trustees received 3 reports from the Thomas Westcott which contained no matters of significance. All finance staff

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

receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Reputational - the continuing success of the Academy 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. Year 7 pupil numbers at the academy are beginning to increase after several years of falling rolls across the city in recent years. Year 12 enrolments are crucial to improving this reputational improvement.

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.

Staffing - the success of the Academy is reliant on 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.

Financial and Risk Management Objectives and Policies

The academy continues to review staffing and curriculum requirements, to ensure appropriate levels of expenditure, despite ever increasing pressures on the budget. A deficit budget was planned in 2020/21, due to previous years falling Year 7 pupil numbers. Academy reserves were used to fund this one year position, and increased pupil numbers from 2019/20 onwards enable a balanced budget to be forecast for 2021/22 onward. There are no guarantees for the future Government's overall education budget, and with the Covid pandemic, along with Brexit and increasing employment costs, this is unlikely to change in the medium term and requires the Trustees and Accounting Officer to remain diligent in the use of public funds.

The Trustees received Management Accounts monthly. They examined the financial health of the academy formally every term, reviewing performance, and overall expenditure by means of regular update reports at Trustees' meetings. The Trustees also regularly reviewed cash flow and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

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

FUNDRAISING

Lipson Co-operative Academy raises funds for a number of registered charities. These funds have been raised through various activities including Mufti Days, Coffee Mornings and Cake Bakes; there has been no obligation for any child/parent to donate. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds and all funds/donations collected are given to the relevant charity in a timely manner.

STREAMLINED ENERGY AND CARBON REPORTING

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

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

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

As the trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

PLANS FOR FUTURE PERIODS

The key objectives for 2021/22 Academy Improvement Plan are:

1. A relentless emphasis on increasing the quality of teaching; embedding literacy within our core teaching and learning principles
2. To ensure excellent, reflective and continuously improving teaching and learning of a challenging, knowledge and culturally rich curriculum with well-structured content leading to positive progress for all pupils; a focus on the progress on students included in DL, SEND & HPA
3. To continue the consistent application of the behaviour policy and pastoral support leading to disruption free classrooms, high attendance and minimised exclusions; further develop the culture ensuring positive student attitudes and well being
4. Excellent Post 16 provision to ensure that Lipson is an 11-18 School in every way
5. Kind, respectful and culturally and socially aware pupils who regularly engage in enriching activities, supporting the positive attitudes and well-being

The Academy continues to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy continues to work with partner schools to improve the educational opportunities for students in the wider community.

Following a period of work alongside the ESFA and other school partners, the Academy will be joining the Ted Wragg Multi Academy Trust during the 2021/22 year. We are very excited about the opportunities that this will bring and feel that the Ted Wragg Multi Academy Trust is very much in line with our ethos and values.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

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

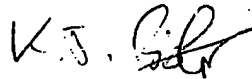
AUDITOR

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on *13/12/2021* and signed on the board's behalf by:



Kevin Bishop
Chair of Trustees

**LIPSON CO-OPERATIVE ACADEMY TRUST
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that Lipson Co-operative 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 Head Teacher, 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 Lipson Co-operative Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Miss Rosalie Askew	2	2
Mr Kevin Bishop	6	6
Mr Martin Brook	6	6
Ms Gaynor Comber	2	2
Mrs Lucie Garland	6	6
Mr Darren Hobbs	3	6
Mr Adam Hodgess	2	2
Ms Kate Lyon	5	6
Mrs Helen Morris	5	6
Mrs Catherine Orchard	1	2
Mrs Clara Southby	2	2
Mrs Simon Hunter	6	6
Mr Tim Cook	3	5
Mr Stuart Koehler-Lewis	4	5
Mr Ian Marshall	1	5

- The Board has been increasingly effective during the last year. With the support of a National Leader of Governance they have developed a clear meeting plan distributed over the academic year, a cycle of policy review, a number of link Governors who are working with lead professionals in the school, a skills audit which is reviewed annually and a programme of Governor training events
- The board now hold the headteacher and other members of his team to account in a supportive but very challenging way. Questions are provided prior to and during meetings and every aspect of the school is closely scrutinised. This way of working led to Ofsted praising the progress made by the Trustees during a monitoring visit in May 21. Regular visits into school now take place alongside key staff being invited to present to the Board on a range of topics at Trustee meetings. The School Improvement Plan and Self Evaluation Form are regularly reviewed by the Board and are now cross-referenced with each other
- The Headteacher's Report to the Trustees is now provided in a common format as agreed with the Ted Wrapp Multi Academy Trust and contains regular updates and performance data on student outcomes, attendance, exclusions, participation, well-being and behaviour incidents. Data is also provided on staff performance, attendance and well-being.

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Governance Review

During the year the Trust Board has worked closely with a National Leader of Governance to strengthen their knowledge, effectiveness and to provide a level of external evaluation. This has included training sessions and attendance at board meetings. The outcome of this has been revised Terms of Reference, an annual board calendar and increasing effectiveness of the Trustees.

The Resources and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure the key financial, risk and audit issues are discussed and approved, ahead of presentation to and approval of, by the full Trust board. During the year there were no new members of the committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Darren Hobbs	4	4
Mr Martin Brook	3	3
Mr Kevin Bishop	4	4
Ms Clara Southby	1	2
Mr Tim Cook	4	4
Mr Ian Marshall	3	4
Mr Simon Hunter	4	4

The Education Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure the key educational issues are discussed and to relay this onward to the full Trust board. During the year there were no new members of the committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Helen Morris	3	3
Mr Martin Brook	3	3
Ms Gaynor Comber	1	1
Mrs Lucie Garland	2	3
Ms Kate Lyon	3	3
Mrs Catherine Orchard	0	1
Mr Stuart Koehler-Lewis	2	2

REVIEW OF VALUE FOR MONEY

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

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

The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Engaging the services of Denham Procurement Solutions to provide an overall review of all procurement, finding improved value for money in contract prices, evidenced in the Microsoft contract, Lightspeed filtering contract and Astro maintenance contracts to date.
- Tendering for our internal audit provider ensuring both value for money and improved service
- Use of Catch UP Premium to deliver key tutoring for English and Maths, largely for our disadvantaged students

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

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 Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Lipson Co-operative Academy Trust for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. This is in line with the Finance Policy and AFH.

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- To appoint Thomas Westcott as internal auditor

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

- Governance
- Risk Management
- Financial Controls

On a quarterly basis the auditor reports to the Board of Trustees, through the Resources and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal audit raised 2 medium risk recommendations, and 6 low risk. These have been discussed through the Committee and management action taken where appropriate. One of the medium risk items related to the newly launched risk register so these actions are being incorporated.

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

REVIEW OF EFFECTIVENESS

As Accounting Officer the Head Teacher 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 work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Trustees of the Board of Trustees on 13th December 2021 and signed on its behalf by:


Kevin Bishop
Trustee


Martin Brook
Accounting Officer

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Lipson Co-operative Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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 Academies Financial Handbook 2020.

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

M Brook
Accounting Officer

Date: 13/12/2021



**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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 . 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:

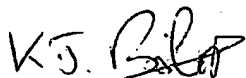
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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:



K Bishop

Chair of Trustees

Date: 13th December 2021

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIPSON
CO-OPERATIVE ACADEMY TRUST**

OPINION

We have audited the financial statements of Lipson Co-operative Academy Trust (the 'Academy Trust') for the year ended 31 August 2021 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 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (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.

**EMPHASIS OF MATTER - FINANCIAL STATEMENTS PREPARED ON A BASIS OTHER THAN
GOING CONCERN**

We draw attention to note 1.2 in the financial statements, which indicates that the Academy Trust's assets, liabilities and activities are expected to be transferred to Ted Wragg Multi Academy Trust on 1 January 2021. Upon this transfer, the Academy Trust will cease to operate. Accordingly, the accounts have been prepared on a basis other than going concern. No adjustments to the financial statements have been made as it is expected that the assets and liabilities of the Trust will be transferred at their book value. Our opinion is not modified in respect of this matter.

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIPSON
CO-OPERATIVE 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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.

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.

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIPSON
CO-OPERATIVE ACADEMY TRUST (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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.

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIPSON
CO-OPERATIVE ACADEMY TRUST (CONTINUED)**

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 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.

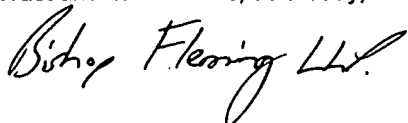
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 21/12/2021

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LIPSON CO-OPERATIVE ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 9 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lipson Co-operative Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Lipson Co-operative Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lipson Co-operative 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 Lipson Co-operative Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF LIPSON CO-OPERATIVE ACADEMY TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Lipson Co-operative Academy Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

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

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

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LIPSON CO-OPERATIVE ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

CONCLUSION

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



Nathan Coughlin FCA (Reporting Accountant)
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 21/12/2021

LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	909	-	230,035	230,944	22,934
Other trading activities		38,758	-	-	38,758	110,795
Investments	6	1,326	-	-	1,326	6,383
Charitable activities		219,504	7,062,437	-	7,281,941	6,696,837
Total income		260,497	7,062,437	230,035	7,552,969	6,836,949
Expenditure on:						
Raising funds		128,742	-	-	128,742	108,273
Charitable activities		219,899	7,677,346	407,036	8,304,281	7,450,988
Total expenditure		348,641	7,677,346	407,036	8,433,023	7,559,261
NET (EXPENDITURE)/ INCOME		(88,144)	(614,909)	(177,001)	(880,054)	(722,312)
Transfers between funds	17	(35,866)	35,866	-	-	-
Net movement in funds before other recognised gains/(losses)		(124,010)	(579,043)	(177,001)	(880,054)	(722,312)
Other recognised gains/(losses):						
Actuarial (losses)/gain on defined benefit pension schemes	23	(482,000)	-	-	(482,000)	(190,000)
Net movement in funds		(606,010)	(579,043)	(177,001)	(1,362,054)	(912,312)
Reconciliation of funds:						
Total funds brought forward		1,136,704	(5,589,173)	17,837,209	13,384,740	14,297,052
Net movement in funds		(606,010)	(579,043)	(177,001)	(1,362,054)	(912,312)
Total funds carried forward		530,694	(6,168,216)	17,660,208	12,022,686	13,384,740

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

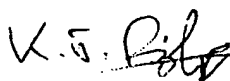
The notes on pages 27 to 54 form part of these financial statements.

LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07561306

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	17,711,185	17,935,341
Current assets			
Stocks	14	2,313	2,860
Debtors	15	416,033	181,734
Cash at bank and in hand	21	1,160,095	1,386,733
		<u>1,578,441</u>	<u>1,571,327</u>
Creditors: amounts falling due within one year	16	(576,940)	(399,928)
Net current assets		<u>1,001,501</u>	<u>1,171,399</u>
Total assets less current liabilities		<u>18,712,686</u>	<u>19,106,740</u>
Net assets excluding pension liability		<u>18,712,686</u>	<u>19,106,740</u>
Defined benefit pension scheme liability	23	(6,690,000)	(5,722,000)
Total net assets		<u>12,022,686</u>	<u>13,384,740</u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	17,660,208	17,837,209
Restricted income funds	17	39,784	132,827
		<u>17,699,992</u>	<u>17,970,036</u>
Restricted funds excluding pension liability	17	17,699,992	17,970,036
Pension reserve	17	(6,690,000)	(5,722,000)
Total restricted funds	17	<u>11,009,992</u>	<u>12,248,036</u>
Unrestricted income funds	17	<u>1,012,694</u>	<u>1,136,704</u>
Total funds		<u>12,022,686</u>	<u>13,384,740</u>

The financial statements on pages 24 to 54 were approved by the Trustees, and authorised for issue on 13th December 2021 and are signed on their behalf, by:



K Bishop
Chair of Trustees

The notes on pages 27 to 54 form part of these financial statements.

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(115,916)	28,473
Cash flows from investing activities	20	(110,722)	7,936
Change in cash and cash equivalents in the year		(226,638)	36,409
Cash and cash equivalents at the beginning of the year		1,386,733	1,350,324
Cash and cash equivalents at the end of the year	21, 22	<u>1,160,095</u>	<u>1,386,733</u>

The notes on pages 27 to 54 form part of these financial statements

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES

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

1.2 GOING CONCERN

On the 1 January 2021 all of the assets, liabilities and activities of the Trust are expected to be transferred to Ted Wragg Multi Academy Trust. From that date, this Academy Trust will cease all activities. Accordingly, these accounts are prepared on a basis other than going concern. However, given that the academy will be carried on by Ted Wragg Multi Academy Trust, no adjustments to, or reclassifications of, the amounts included in these financial statements have been required.

1.3 INCOME

All incoming resources are recognised when the Academy 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 period is deducted from income and recognised as a liability.

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

• **Sponsorship income**

Sponsorship income provided to the Academy 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.

**LIPSON CO-OPERATIVE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME (CONTINUED)

- **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 has provided the goods or services.

1.4 EXPENDITURE

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 TAXATION

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS

Assets costing £3,000 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 and assets under construction, at rates calculated to write off the cost of each asset, over their expected useful lives.

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:

Freehold property	- 12-50 years straight line
Furniture and equipment	- 5 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 25% reducing balance

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

1.7 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

1.8 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.

1.9 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.10 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.

1.11 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 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

1.12 OPERATING LEASES

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

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1. ACCOUNTING POLICIES (continued)

1.13 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.

1.14 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at the year end are disclosed in Note 28.

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1. ACCOUNTING POLICIES (continued)

1.15 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

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

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains used of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on a evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and regards of ownership of the assets and accordingly whether the lease requires an asset and liability to be recognised in the Statement of Financial Position.

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**NOTES TO THE FINANCIAL STATEMENTS
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3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	909	86,411	87,320
Capital Grants	-	143,624	143,624
TOTAL 2021	909	230,035	230,944

	Unrestricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	461	-	461
Capital Grants	-	22,473	22,473
TOTAL 2020	461	22,473	22,934

**LIPSON CO-OPERATIVE ACADEMY TRUST
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4. FUNDING FOR THE ACADEMY TRUST'S EDUCATION

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
DFE/ESFA GRANTS			
General Annual Grant	-	5,802,717	5,802,717
OTHER DFE/ESFA GRANTS			
Pupil Premium	-	452,183	452,183
Teachers Pension Grant	-	200,405	200,405
Teachers Pay Grant	-	70,921	70,921
Rates Relief	-	34,510	34,510
Others	-	177,244	177,244
	-	6,737,980	6,737,980
OTHER GOVERNMENT GRANTS			
High Needs - SEN	-	143,777	143,777
Staff Reimbursement - Exam Board	-	50,176	50,176
	-	193,953	193,953
Other income from the Academy Trust's education	219,504	-	219,504
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)			
Catch-up Premium	-	70,240	70,240
Other DfE/ESFA COVID-19 funding	-	60,264	60,264
	-	130,504	130,504
	219,504	7,062,437	7,281,941

**LIPSON CO-OPERATIVE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DFE/ESFA GRANTS			
General Annual Grant	-	5,682,474	5,682,474
OTHER DFE/ESFA GRANTS			
Pupil Premium	-	321,225	321,225
Teachers Pension Grant	-	204,860	204,860
Teachers Pay Grant	-	72,498	72,498
Rates Relief	-	21,014	21,014
Other	-	7,125	7,125
	-	6,309,196	6,309,196
OTHER GOVERNMENT GRANTS			
High Needs - SEN	-	126,081	126,081
Staff Reimbursement - Exam Board	-	19,621	19,621
	-	145,702	145,702
Other income from the Academy Trust's education	166,939	-	166,939
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)			
Other DfE/ESFA COVID-19 funding	-	75,000	75,000
	-	75,000	75,000
	166,939	6,529,898	6,696,837

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

LIPSON CO-OPERATIVE ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	22,732	22,732	75,273
External Catering	15,861	15,861	16,857
Copy Shop	165	165	181
Fees received	-	-	18,484
TOTAL 2021	38,758	38,758	110,795

All 2020 amounts relate to unrestricted funds.

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Bank interest	1,326	1,326	6,383
TOTAL 2021	1,326	1,326	6,383

All 2020 amounts relate to unrestricted funds.

7. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure on fundraising trading activities:				
Direct costs	59,732	2,158	66,852	128,742
Education:				
Direct costs	5,336,395	353,659	690,925	6,380,979
Allocated support costs	1,010,718	313,795	598,789	1,923,302
TOTAL 2021	6,406,845	669,612	1,356,566	8,433,023

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**NOTES TO THE FINANCIAL STATEMENTS
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7. EXPENDITURE (CONTINUED)

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Direct costs	61,092	6,358	40,823	108,273
Education:				
Direct costs	4,726,731	349,696	679,212	5,755,639
Allocated support costs	945,379	285,396	454,574	1,685,349
TOTAL 2020	5,733,202	641,450	1,174,609	7,549,261

Following clarification in the AAD, nursery activities which were previously separately identified as their own charitable activity have now been included with the Educational activities reported throughout the accounts. The prior year numbers have been reclassified.

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £
Education	6,380,979	1,923,302	8,304,281
	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £
Education	5,755,639	1,685,349	7,440,988

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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	39,000	44,000
Staff costs	996,624	926,663
Depreciation	62,305	65,131
Other costs	1,266	326
Agency support staff	892	10,716
Recruitment and support	12,298	28,573
Maintenance of premises and equipment	244,267	58,970
Cleaning	22,925	18,345
Rent and rates	48,382	42,104
Energy costs	107,237	101,903
Insurance	21,795	22,181
Security and transport	27,446	34,472
Catering	195,283	188,192
Technology costs	20,132	14,638
Office overheads	12,880	30,147
Legal and professional	96,657	84,129
Bank interest and charges	158	160
Governance	13,755	14,699
TOTAL 2021	1,923,302	1,685,349

9. NET EXPENDITURE

Net expenditure for the year includes:

	2021 £	2020 £
Operating lease rentals	6,960	7,205
Depreciation of tangible fixed assets	431,202	434,077
Internal audit costs	1,950	1,038
Fees paid to auditors for:		
- audit	7,270	7,270
- other services	3,430	3,480

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10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	4,509,938	4,149,253
Social security costs	414,989	377,088
Pension costs	1,375,956	1,151,703
	<u>6,300,883</u>	<u>5,678,044</u>
Agency staff costs	47,817	47,158
Staff restructuring costs	58,145	8,000
	<u>6,406,845</u>	<u>5,733,202</u>

Staff restructuring costs comprise: redundancy payments totalling £56,709 and Solicitors fees totalling £1,436.

	2021 £	2020 £
Redundancy payments	56,709	-
Severance payments	-	8,000
Other restructuring costs	1,436	-
	<u>58,145</u>	<u>8,000</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

There were no non-contractual severance payments included in restructuring costs (2020: £8,000).

c. STAFF NUMBERS

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

	2021 No.	2020 No.
Teaching	71	68
Educational support	50	53
Administration	20	31
Premises & catering	33	32
Management	7	7
	<u>181</u>	<u>191</u>

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10. STAFF (CONTINUED)

d. HIGHER PAID STAFF

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-

e. 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 £637,384 (2020: £655,099).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 10 has not been included in the total benefits received by key management personnel above.

11. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: M Brook: Remuneration £120,000 - £125,000 (2020: £110,000 - £115,000), Employer's pension contributions £25,000 - £30,000 (2020: £25,000 - £30,000).

During the year, retirement benefits were accruing to 1 Trustees (2020 - 4) in respect of defined benefit pension schemes.

During the year ended 31 August 2021, expenses totalling £1,462 were reimbursed or paid directly to 3 Trustees (2020 - £NIL to Trustee).

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

12. TRUSTEES' AND OFFICERS' INSURANCE

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

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13. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST					
At 1 September 2020	21,320,494	348,963	41,777	25,370	21,736,604
Additions	65,394	7,436	134,217	-	207,047
At 31 August 2021	21,385,888	356,399	175,994	25,370	21,943,651
DEPRECIATION					
At 1 September 2020	3,463,964	275,289	38,755	23,255	3,801,263
Charge for the year	413,391	14,261	3,022	529	431,203
At 31 August 2021	3,877,355	289,550	41,777	23,784	4,232,466
NET BOOK VALUE					
At 31 August 2021	17,508,533	66,849	134,217	1,586	17,711,185
At 31 August 2020	17,856,530	73,674	3,022	2,115	17,935,341

The value of land not depreciated included in the net book value of freehold property is £1,997,075 (2020: £1,997,075).

14. STOCKS

	2021 £	2020 £
Finished goods and goods for resale	2,313	2,860

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15. DEBTORS

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	8,067	6,273
Other debtors	3,021	36,730
Prepayments and accrued income	340,917	114,572
VAT recoverable	64,028	24,159
	<u>416,033</u>	<u>181,734</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	29,694	33,180
Other taxation and social security	103,929	109,734
Other creditors	152,810	103,833
Accruals and deferred income	290,507	153,181
	<u>576,940</u>	<u>399,928</u>

	2021 £	2020 £
DEFERRED INCOME		
Deferred income at the beginning of the period	29,734	-
Resources deferred during the year	24,223	54,037
Amounts released from previous periods	(29,734)	(24,303)
Deferred income at the end of the period	<u>24,223</u>	<u>29,734</u>

At the balance sheet date the Academy was holding funds of £13,997 of parent payments for trips, £6,045 of 21/22 Tranche payments, £1,200 for the Darwin placement, £600 for the Jerusalem Trust Grant and £2,380 of parent payments for 2020/21 Year 11 prom.

LIPSON CO-OPERATIVE ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Astro facilities	159,312	-	-	-	-	159,312
Catering	20,384	-	-	-	-	20,384
	<u>179,696</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,696</u>
GENERAL FUNDS						
General funds	674,288	260,497	(324,475)	(35,866)	-	574,444
Unrestricted capital funds	282,720	-	(24,166)	-	-	258,554
	<u>957,008</u>	<u>260,497</u>	<u>(348,641)</u>	<u>(35,866)</u>	<u>-</u>	<u>832,998</u>
TOTAL UNRESTRICTED FUNDS	<u>1,136,704</u>	<u>260,497</u>	<u>(348,641)</u>	<u>(35,866)</u>	<u>-</u>	<u>1,012,694</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	99,228	5,688,317	(5,823,411)	35,866	-	-
Other DfE/ESFA grants	-	721,799	(721,799)	-	-	-
High Needs	-	143,777	(143,777)	-	-	-
Pupil Premium	-	452,183	(452,183)	-	-	-
Other curriculum income	33,599	56,361	(50,176)	-	-	39,784
Pension reserve	(5,722,000)	-	(486,000)	-	(482,000)	(6,690,000)
	<u>(5,589,173)</u>	<u>7,062,437</u>	<u>(7,677,346)</u>	<u>35,866</u>	<u>(482,000)</u>	<u>(6,650,216)</u>

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	14,623,194	-	(311,151)	-	-	14,312,043
Fixed assets purchased from GAG and other restricted funds	621,114	-	(20,346)	-	-	600,768
Academies Capital Maintenance Fund grant	1,751,310	-	(39,317)	-	-	1,711,993
Devolved Formula Capital grant	448,949	21,910	(19,013)	-	-	451,846
Capital Improvement Fund grant	382,655	121,714	(16,748)	-	-	487,621
Other Capital Grants	9,987	86,411	(461)	-	-	95,937
	<u>17,837,209</u>	<u>230,035</u>	<u>(407,036)</u>	<u>-</u>	<u>-</u>	<u>17,660,208</u>
TOTAL RESTRICTED FUNDS	<u>12,248,036</u>	<u>7,292,472</u>	<u>(8,084,382)</u>	<u>35,866</u>	<u>(482,000)</u>	<u>11,009,992</u>
TOTAL FUNDS	<u>13,384,740</u>	<u>7,552,969</u>	<u>(8,433,023)</u>	<u>-</u>	<u>(482,000)</u>	<u>12,022,686</u>

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

Designated Funds

Astro facilities - This represents funds designated for the astro facilities maintenance and future replacement costs.

Catering - This represents funds designated for future replacement of catering equipment.

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.

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17. STATEMENT OF FUNDS (CONTINUED)

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

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

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. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Fixed Asset Funds

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the Academy Trust by the Local Authority on conversion to an academy.

Fixed assets purchased from GAG - This represents funds transferred from the restricted GAG fund to purchase fixed assets.

Academies Capital Maintenance Fund - These funds were received for direct expenditure on specific fixed asset projects. The balance at year end represents the net book value of assets and any unspent grant amounts.

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy Trust's assets. The balance at year end represents the net book value of assets and any unspent grant amounts.

Capital Improvement Fund - These funds were received for direct expenditure on specific fixed asset projects. The balance at year end represents the NBV of assets and any unspent grant amounts.

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 2021.

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17. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Astro facilities	159,312	-	-	-	-	159,312
Catering	20,384	-	-	-	-	20,384
	<u>179,696</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,696</u>
GENERAL FUNDS						
General funds	672,848	284,578	(317,774)	34,636	-	674,288
Unrestricted capital funds	301,828	-	(26,451)	7,343	-	282,720
	<u>974,676</u>	<u>284,578</u>	<u>(344,225)</u>	<u>41,979</u>	<u>-</u>	<u>957,008</u>
TOTAL UNRESTRICTED FUNDS	<u>1,154,372</u>	<u>284,578</u>	<u>(344,225)</u>	<u>41,979</u>	<u>-</u>	<u>1,136,704</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	50,446	5,682,474	(5,545,655)	(88,037)	-	99,228
Other DfE/ESFA grants	-	373,372	(373,372)	-	-	-
High Needs	-	126,081	(126,081)	-	-	-
Pupil Premium	4,397	321,225	(371,680)	46,058	-	-
Other curriculum income	26,475	26,746	(19,622)	-	-	33,599
Pension reserve	(5,161,000)	-	(371,000)	-	(190,000)	(5,722,000)
	<u>(5,079,682)</u>	<u>6,529,898</u>	<u>(6,807,410)</u>	<u>(41,979)</u>	<u>(190,000)</u>	<u>(5,589,173)</u>

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17. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	14,934,358	-	(311,164)	-	-	14,623,194
Fixed assets purchased from GAG and other restricted funds	643,669	-	(22,555)	-	-	621,114
Academies Capital Maintenance Fund grant	1,790,591	-	(39,281)	-	-	1,751,310
Devolved Formula Capital grant	445,489	22,473	(19,013)	-	-	448,949
Capital Improvement Fund grant	398,255	-	(15,600)	-	-	382,655
Other Capital Grants	10,000	-	(13)	-	-	9,987
	<u>18,222,362</u>	<u>22,473</u>	<u>(407,626)</u>	<u>-</u>	<u>-</u>	<u>17,837,209</u>
TOTAL RESTRICTED FUNDS	<u>13,142,680</u>	<u>6,552,371</u>	<u>(7,215,036)</u>	<u>(41,979)</u>	<u>(190,000)</u>	<u>12,248,036</u>
TOTAL FUNDS	<u><u>14,297,052</u></u>	<u><u>6,836,949</u></u>	<u><u>(7,559,261)</u></u>	<u><u>-</u></u>	<u><u>(190,000)</u></u>	<u><u>13,384,740</u></u>

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	265,227	-	17,445,958	17,711,185
Current assets	764,618	402,069	411,754	1,578,441
Creditors due within one year	(17,151)	(362,285)	(197,504)	(576,940)
Pension scheme liability	-	(6,690,000)	-	(6,690,000)
TOTAL	1,012,694	(6,650,216)	17,660,208	12,022,686

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	282,721	-	17,652,620	17,935,341
Current assets	873,549	513,189	184,589	1,571,327
Creditors due within one year	(19,566)	(380,362)	-	(399,928)
Pension scheme liability	-	(5,722,000)	-	(5,722,000)
TOTAL	1,136,704	(5,589,173)	17,837,209	13,384,740

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

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

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(880,054)	(722,312)
ADJUSTMENTS FOR:		
Depreciation	431,203	434,077
Capital grants from DfE and other capital income	(143,624)	(22,473)
Interest received	(1,326)	(6,383)
Defined benefit pension scheme cost less contributions payable	393,000	275,000
Defined benefit pension scheme finance cost	93,000	96,000
Decrease in stocks	547	1,020
(Increase)/decrease in debtors	(99,263)	14,347
Increase/(decrease) in creditors	177,012	(40,803)
Fixed Assets Donated	(86,411)	-
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(115,916)	28,473

20. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Interest received	1,326	6,383
Purchase of tangible fixed assets	(120,636)	(20,920)
Capital grants from DfE Group	8,588	22,473
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(110,722)	7,936

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank and in hand	1,160,095	1,386,733

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**NOTES TO THE FINANCIAL STATEMENTS
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22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,386,733	(226,638)	1,160,095
	<u>1,386,733</u>	<u>(226,638)</u>	<u>1,160,095</u>

23. 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 Peninsula Pensions. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £108,089 were payable to the schemes at 31 August 2021 (2020 - £99,889) 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £701,696 (2020 - £633,141).

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

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £352,000 (2020 - £317,000), of which employer's contributions totalled £274,000 (2020 - £245,000) and employees' contributions totalled £78,000 (2020 - £72,000). The agreed contribution rates for future years are 15.3 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

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23. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.25
Rate of increase for pensions in payment / inflation	2.90	2.25
Discount rate for scheme liabilities	1.65	1.60

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

	2021	2020
	Years	Years
Retiring today		
Males	22.7	22.9
Females	24.0	24.1
Retiring in 20 years		
Males	24.0	24.3
Females	25.4	25.5

SENSITIVITY ANALYSIS

	2021	2020
	£000	£000
Discount rate +0.1%	292	239
Discount rate -0.1%	299	245
Mortality assumption - 1 year increase	471	354
Mortality assumption - 1 year decrease	453	342
CPI rate +0.1%	264	216
CPI rate -0.1%	257	211

SHARE OF SCHEME ASSETS

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

	2021	2020
	£	£
Equities	3,366,000	2,494,000
Gilts	101,000	147,000
Property	429,000	332,000
Cash and other liquid assets	32,000	48,000
Other assets	1,449,000	1,157,000
Total market value of assets	5,377,000	4,178,000

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23. PENSION COMMITMENTS (CONTINUED)

The actual return on scheme assets was £872,000 (2020 - £18,000).

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

	2021 £	2020 £
Current service cost	(639,000)	(520,000)
Interest income	66,000	79,000
Interest cost	(159,000)	(175,000)
Total	(732,000)	(616,000)

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

	2021 £	2020 £
At 1 September	9,900,000	9,506,000
Current service cost	639,000	520,000
Interest cost	159,000	175,000
Employee contributions	78,000	72,000
Actuarial losses/(gains)	1,285,000	(187,000)
Benefits paid	(22,000)	(186,000)
Losses on curtailments	28,000	-
At 31 August	12,067,000	9,900,000

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

	2021 £	2020 £
At 1 September	4,178,000	4,345,000
Interest income	69,000	82,000
Actuarial gains/(losses)	803,000	(377,000)
Employer contributions	274,000	245,000
Employee contributions	78,000	72,000
Benefits paid	(22,000)	(186,000)
Administration expenses	(3,000)	(3,000)
At 31 August	5,377,000	4,178,000

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24. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	6,960	6,960
Later than 1 year and not later than 5 years	1,160	8,145
	<u>8,120</u>	<u>15,105</u>

25. 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.

26. GENERAL INFORMATION

Lipson Co-Operative Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Lipson Co-Operative Academy, Bernice Terrace, Plymouth, PL4 7PG.

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account other than certain Trustees' remuneration already disclosed in note 11.

28. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to Plymouth City Council to distribute onwards to students as an agent for ESFA. In the accounting period ended 31 August 2021 the Academy Trust received £27,196 and disbursed £26,652 from the fund. 2% of the funding was retained for administration.