

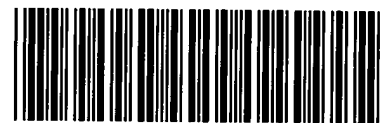
Lincolnshire Gateway Academies Trust

(A company limited by guarantee)

Annual Report and Financial Statements
for the Year Ended 31 August 2023

Forrester Boyd Chartered Accountants
26 South Saint Mary's Gate
Grimsby
DN31 1LW

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Lincolnshire Gateway Academies Trust

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Acronyms used in the Financial Statements For the year ended 31 August 2023

CA Cleethorpes Academy
CEO Chief Executive Officer
CFO Chief Financial Officer
DCEO Deputy CEO
DfE Department for Education
DP Development Plan
ESFA Education & Skills Funding Agency
FMO Facilities Management Officer
GA Governance Arrangements
HRO Human Resources Officer
ICO Information & Communications Officer
KD Key Deliverable
LA Louth Academy
LGAT Lincolnshire Gateway Academies Trust
MAT Trust
OfSTED Office for Standards in Education
PA Pilgrim Academy
PEP Primary Executive Principal
RA Reynolds Academy
RMP Risk Management Plan
SA Somercotes Academy
SAA Senior Academy Administrator
SEF Self-Evaluation Form
SLT Senior Leadership Team
TA Theddlethorpe Academy
WTBA Waltham Toll Bar Academy

Lincolnshire Gateway Academics Trust

Reference and administrative details

Members	<p>Mrs J Aukett</p> <p>Mr P Bond</p> <p>Mr M Chilvers</p> <p>Mr M Draper</p> <p>Mr G Morris</p>
Trustees (Directors)	<p>Mr P Bond, Chair</p> <p>Mrs J Aukett, Vice Chair</p> <p>Mr C Brook</p> <p>Mr M Brown, Chief Executive and Accounting Officer</p> <p>Mr P Cornford</p> <p>Mrs A Hardy</p> <p>Mrs A Manders</p> <p>Mr S Woolsey</p>
Company Secretary	Mr G Taylor
Senior Management Team	<p>Mr M Brown, CEO</p> <p>Ms K Davies, CFO</p> <p>Mrs A Davies, Human Resources Manager</p> <p>Mr K N Blake, Director of Estates and IT Services</p> <p>Mr M Shadbolt, Estates and Facilities Manager</p> <p>Mrs J Hornby, Executive Principal - Secondary</p> <p>Mr A Clark, Executive Principal - Primary</p>
Principal and Registered Office	<p>Gateway House</p> <p>North Holme Road</p> <p>Louth</p> <p>LN11 0HG</p>
Company Registration Number	08085503
Auditors	<p>Forrester Boyd Chartered Accountants</p> <p>26 South Saint Mary's Gate</p> <p>Grimsby</p> <p>DN31 1LW</p>
Bankers	<p>Lloyds Bank</p> <p>50 - 52 Victoria Street West</p> <p>Grimsby</p> <p>DN31 1BL</p>
Solicitors	<p>Wilkin Chapman</p> <p>Cartergate House</p> <p>26 Chantry Lane</p> <p>Grimsby</p> <p>DN31 2LJ</p>

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31/08/2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

Structure, governance and management

Constitution

The 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 Trust. The Trustees of Lincolnshire Gateway Academies Trust (LGAT) are also the directors of the charitable company for the purposes of company Law. The charitable company is known as the Tollbar Family of Academies and operates as Lincolnshire Gateway Academies Trust.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative details on the previous page.

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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they cease to be a member.

Trustees' indemnities

During the year the Multi Academy Trust had in place third party indemnity provisions for the benefit of the Multi Academy Trust's Members and Trustees.

Method of recruitment and appointment or election of Trustees

Members of the company, trustees and governors of the constituent academies are appointed as set out in the articles of association and Governance Arrangements (this includes both non-executive and executive schemes of delegation).

Policies and procedures adopted for the induction and training of Trustees

The vice-chair of the Trust has responsibility for trustee induction and training.

Organisational structure

The constitution of the Board of trustees, and of constituent academies, is set out in the articles of association and in the Governance Arrangements, a document that sets out in clear terms the schemes of delegation and how decisions are made. Trustees appoint a Chief Executive to assure the strategic intentions of the Trust. Trustees appoint Principals to take responsibility for the day-to-day management of constituent academies. Trustees appoint a secretary to the Board and a clerk to each of the governing bodies of constituent academies.

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Arrangements for setting pay and remuneration of key management personnel

Arrangements are set out in the Trust's Governance Arrangements. See extract below.

Pay and Performance

Quorum

At least three trustees.

Constitution

Any trustee may be a member.

The Chair of the Finance Committee should normally be a member.

Terms of reference

To formulate and keep under review a pay policy that observes all statutory and contractual obligations, and which meets the needs of recruitment, retention and development of staff.

To receive reports from the CEO on the performance and pay of all staff in accordance with the Performance Management Policy and Procedures.

To receive reports from the CEO in relation to the performance of Principals of constituent academies and members of the Senior Executive Team.

Senior Staff Remuneration

Quorum

Three trustees

Constitution

The Chair of the Board, Chair of Finance and Chair of Audit.

Any other trustees.

The CEO should attend to advise on all matters other than his own remuneration.

Terms of reference

To receive reports from the CEO in relation to the performance of Principals of constituent academies and members of the Senior Executive Team.

To receive recommendations from the CEO in relation to the remuneration of Principals of constituent academies and members of the Senior Executive Team (other than the CEO).

To determine the remuneration of Principals of constituent academies and members of the Senior Executive Team.

To take evidence from the CEO in relation to his own performance.

To determine the remuneration of the CEO in the light of his performance, benchmark comparisons with similarly sized trusts, and the median level of pay across all other salaried staff in the Lincolnshire Gateway Academies Trust.

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
8	7

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Percentage of time spent on facility time	Number of employees
Provide the total cost of facility time	24,363,163
Provide the total bill	532
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.002%

Paid trade union activities

Percentage of time spent on facility time	Number of employees
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	100%

Trustees should refer to Statutory Instrument 2017 No. 328, The Trade Union Facility Time Publication Requirements Regulations 2017 for calculation details.

Connected organisations, including related party relationships

The Trust currently has a contract with IT@Spectrum Limited, in relation to printing services for three of the academies and central services within the Trust. This is a company in which Mr S Woolsey, a Trustee, is an employee. The contract was procured through a competitive tendering policy with value for money taken into consideration, and Mr S Woolsey was not involved in the decision making process and shall not be going forward. Mr S Woolsey does not personally benefit from this transaction and is neither a shareholder nor part of management for IT@Spectrum Limited.

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Engagement with employees (including disabled persons)

The Board of Trustees consider the Trust's employees to be integral to its continued success. The Board of Trustees makes use of the Senior Leadership Teams throughout the Trust to ensure that all employees are kept up to date with key and relevant information which may concern them as employees. Each academy location consults its employees as necessary when making material decisions which may affect them. Employees are encouraged to have an interest in the performance and success of the Trust. The Trust invests heavily in training to allow staff members to meet the needs of the Trust and deliver on its obligations to the UK educational sector and the Secretary of state for Education.

The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust supports this by adapting the physical environment wherever possible, by making support resources available and through training and career development. New buildings and improvements to existing buildings all recognise the need to be fully DDA compliant.

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

The Board of Trustees continually consider key stakeholder relationships and develop them through the Senior Leadership Team. The Trust considers relationships with customers and suppliers on a local and national scale and maintains strong relationships at a local and national level.

Objectives and activities

Objects and aims

The company operates for charitable purposes to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools which offer a broad and balanced curriculum.

Objectives, strategies and activities

Details of the Trust objectives, strategies and activities are included below within the Strategic Plan section of this report and can be found in the Strategic Plan 2020-2025 adopted by Trustees in November 2020.

Public benefit

The Multi Academy Trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the out in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance provided by the Charity Commission for England and Wales.

Given the activities in the Multi Academy Trust and the student population that it services, the Trustees consider that the Trust's aims are demonstrably to the public benefit.

Lincolnshire Gateway Academics Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Strategic Report

Achievements and performance

Below is a summary of our Key Performance Indicators for 2022-2023.

OFSTED INSPECTIONS

School	Ofsted status before joining Trust	Current Ofsted
Waltham Toll Bar Academy (secondary)	Outstanding (April 2018)	Good (Nov 2018)
	Inadequate (2010)	Good (May 2016 and 2020)
Somercotes Academy (secondary)	Inadequate (2015)	Good (Nov 2018)
	Inadequate (2017)	Good (Feb 2022)
Reynolds Academy (primary)		Good (10/12/15 and 10/12/19)
	Inadequate (2016)	Good (May 2021)
Pilgrim Academy (primary)		Good (Jan 2020)

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

RESULTS DATASecondary

Overview of GCSE Outcomes for all LGAT Secondary Academies

	Cleethorpes	Louth	Somercotes	Waltham Toll Bar
Average KS2 Score on entry	105.2	101.7	102.9	105.3
Attainment 8 – average per student	39.45	42.39	43.43	46.63
Progress 8	-0.76	0.10	0.06	-0.05
Students Achieving 9-5 in English and Maths %	28	24.7	30.7	37
Students Achieving 9-4 in English and Maths %	59.6	50	56.3	64.5
Students achieving 5 Standard Passes inc EM %	51.6	49.3	55.7	62.7
Students achieving 5 Strong Passes inc EM %	24.2	24	28.4	36.1

PrimaryAttainment

% reaching at least the expected standard	Pilgrim Academy	Reynolds Academy	Theddlethorpe Academy*	National 2023
KS2 Reading, Writing and Maths (combined)	63%	36%	36%	59%
KS2 Reading	72%	57%	55%	73%
KS2 Writing	76%	44%	55%	71%
KS2 Mathematics	76%	55%	55%	73%
KS2 Grammar, Punctuation & Spelling	85%	66%	55%	72%

Progress

	Pilgrim Academy	Reynolds Academy	Theddlethorpe Academy*	National 2023
KS2 Reading	-1.3	-3.9	-0.7	0
KS2 Writing	+1.0	-4.8	-1.64	0
KS2 Mathematics	+0.9	-4.3	-3.98	0

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

PUPIL ATTENDANCE DATASummary - Attendance 2022/23

	Waltham Toll Bar	Cleethorpes	Somercotes	Louth	Reynold's	Theddlethorpe	Pilgrim
Attendance	91.08%	90.16%	90.99%	90.12%	93.39%	95.41%	93.02%
Authorised	6.73%	7.60%	6.99%	6.12%	4.79%	4.00%	5.79%
Unauthorised	2.17%	2.24%	2.02%	3.76%	1.82%	0.59%	1.19%
Persistent Absence >=10%	411	236	123	202	72	8	56
AEA	1.79%	0.91%	0.79%	1.20%	0.23%	0.83%	1.09%
Present	89.29%	89.25%	90.20%	88.92%	93.16%	94.58%	91.93%
Lates	1.35%	6.65%	0.90%	1.56%	0.99%	0.12%	0.54%

2022-2023 Development Plan - Operational Report and Key Performance Indicators

1. Enable learning students

What we mean by this

Whilst teaching skills and imparting knowledge are necessary drivers of learning, they are not sufficient. Creating the climate in which students develop positive attitudes to, and habits of learning are other important drivers. We intend to focus this year on developing that learning climate by reaffirming our expected behaviours in ways that reward those who comply and deal quickly with those who do not in order to prevent escalation to the point where learning is interrupted or compromised. Another strand of our classroom climate improvement is to help our students take more control and responsibility for their own learning. A language of lesson "delivery" risks students becoming mere recipients. We intend to shift from student recipient to student participant and put in place a programme of mutual teacher evaluation to make sure it happens. We will continue with our efforts to keep our curriculum under review, ensuring it is fit for the purpose of preparing our students for life in the 21st century, and that it is accessible to all learners in all the academies across our trust.

	How	MAT-level success indicators
1.1	Implement and embed a new behaviour policy	<ul style="list-style-type: none"> Reduction in the number of permanent exclusions (Achieved)
1.2	Develop the school improvement function	<ul style="list-style-type: none"> At least one SI person appointed to the central team (Achieved)
1.3	Ensure our quality assurance is evidence based and benefits students' learning	<ul style="list-style-type: none"> Improved results across primary, secondary & 6th form (Achieved)
1.4	Ensure all can access a curriculum that benefits their whole development	<ul style="list-style-type: none"> Improved attendance (Achieved)

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

2. Enable learning staff

What we mean by this

This priority flows from the one above. Teachers are best placed to model attitudes to, and habits of learning when they, themselves are learning teachers. We intend that teachers become more critical and evaluative of their own classroom practices, and we see this being effected through collaborative enquiry. Teachers coming together to discuss, observe and evaluate their teaching is fundamental to educational improvement. We will lead on this by formalising the process of establishing and monitoring a number of quality improvement initiatives, some of which will be cross phase, and a small number in partnership with schools outside our trust. To recognise their learning, we intend that our staff benefit from the ever-increasing number of professional qualification pathways offered by nationally-registered education training providers – an area where we fell behind targets last year. Our ambition to enable learning staff extends beyond our teaching force to those who support teachers in their classrooms to those who provide the critical back-office functions.

	How	MAT-level success indicators
2.1	Develop staff by supporting collaborative quality improvement initiatives both within the Trust and externally	<ul style="list-style-type: none"> At least 10 collaborative QI initiatives across the trust (Achieved) At least 5 collaborative QI initiatives with other trusts/schools (Achieved)
2.2	Encourage CPD using local and wider models	<ul style="list-style-type: none"> At least 20 staff on NPQ routes or other nationally recognised professional qualifications (Achieved)
2.3	Ensure quality assurance is evidence based and benefits staff development	<ul style="list-style-type: none"> Q44 on staff satisfaction survey has over 65% positive response (Partially achieved)
2.4	Identify and share best practice	<ul style="list-style-type: none"> Reports of 3 examples of best practice sharing in each phase presented to the Board/LGBs. (Achieved)

3. Build a learning organisation

What we mean by this

Clearly, the above two priority areas are necessary to building a learning organisation. To make this happen we intend to create that culture and climate that befits an organisation whose core purpose is learning. The MAT top team will expand to signal that culture change, not least by appointing a lead school standards officer and a lead operations officer, freeing time for the CEO to focus on promoting the new culture across the trust and beyond. Better connectivity between each academy and the community it serves, through active local governing bodies, will give confidence to the parents of our students to act as co-educators, working in partnership with the academy their child attends. To make the learning organisation "visible", we intend to make educational research and development easily available to staff so that they have access to evidence-based best practice from around the world. Learning hubs for staff in each academy will act as a resource library. Moving the central corporate team away from the site of one of our academies to a bespoke administrative and learning centre will also act as a clear sign of what we stand for.

	How	MAT-level success indicators
3.1	Increase capacity to improve effectiveness and enable growth of the Trust	<ul style="list-style-type: none"> A corporate services lead is appointed A director of school improvement is appointed (Achieved)
3.2	Reconfigure and develop governance at all levels to enhance local accountability	<ul style="list-style-type: none"> Each academy has an LGB with clearly stated terms of reference (Achieved)
3.3	Clarify the corporate function of the trust	<ul style="list-style-type: none"> Complementary responsibilities of academies & the corporate centre are clearly defined. (Partially achieved)
3.4	Relocate the corporate centre	<ul style="list-style-type: none"> The corporate centre is no longer sited on the Tollbar Academy site (Achieved)

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

4. Lead a learning community

What we mean by this

We understand that one of the purposes of a strong MAT is to bring benefits to the community we serve, and we interpret this as our civic leadership responsibility. These benefits can only be realized through the vehicle of trusting relationships. The history of our trust thus far has been "taking in" or "taking over" struggling schools; and sometimes doing this without the full cooperation of the predecessor school or the community it serves. Though these relationships have now mostly been restored, not least because the academies are performing well, we no longer intend to pursue a policy of "forced adoption". We see the future as partnership construction with schools and communities beyond our trust. This lies at the heart of our vision. Partnership construction and development will bring benefits to both parties. Just as we have resources and expertise to share, so we have much to learn from the many successful schools across the sub region. We see these partnerships developing in different ways: for example, at one level it may be the buy in to some of our services, at another level it may be a learning collaborative, and at the deepest level it may be the voluntary incorporation of a neighbouring school into our trust.

	How	MAT-level success indicators
4.1	Project the LGAT vision into the wider community	<ul style="list-style-type: none"> Independent impact assessment shows high levels of community awareness and support (Achieved)
4.2	Develop close relationships with all neighbouring schools, local communities and local authorities	<ul style="list-style-type: none"> Increased level of activity between trust and neighbouring schools and their communities (Achieved)
4.3	Clarify the mutual offer to interested schools/academies	<ul style="list-style-type: none"> Due diligence undertaken on possible incoming schools (Achieved) The "pitch" to possible incomers is clear and inviting (Achieved) At least one school has joined the trust (Achieved)
4.4	Develop our role within the community	<ul style="list-style-type: none"> More trust employees are governors at other schools outside the trust (Achieved) Increased community use of LGAT resources which benefit LGAT pupils (Achieved)

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Going concern

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

Promoting the success of the academy

The Board of Trustees have considered the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing their duty to promote the success of the Trust.

The Board of Trustees continue to ensure that any business decisions consider the long-term impact on all key stakeholders. During the period there has been a strong focus on the continued integration with all academies within the Trust to ensure that the Trust continues to function in a single consistent manner going forward.

This integration promotes employee development and allows supplier and customer relationships to be elevated to a MAT level.

Environmental issues continue to be a major focus of the Trust and are a key consideration as the Board compiles its strategy. The Board of Trustees encourage sharing of best practices between all academies within the Trust to ensure it operates at the highest possible standard and endeavours for all members to be treated fairly.

The Board of Trustees meet regularly to oversee implementation of the Trust's strategy. This includes, but is not limited to, reviewing the performance against forecasts, authorising and monitoring capital investment, assessing compliance with regulations and maintaining a high level of active training to promote a safe working environment, all of which contribute directly to the long term success of the Trust.

In addition, the Board of Trustees consider the Trust's employees, suppliers and customers to be integral to its continued success. The Trustees have reported on engagement with suppliers, customers and others within the Structure, Governance and Management section of this report.

Financial review

Most of the Multi Academy Trust's income is obtained from the Department for Education in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the year ending 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. Expenditure of this fund has supported the key objectives of the Multi Academy Trust as set out in the Objectives and Activities section of the Report of the Trustees.

The Multi Academy Trust also receives grants for Devolved Formula Capital for the purchase of fixed assets from the Department for Education. In accordance with the Statement of Recommended Practice applicable to charities preparing their accounts, such grants 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 expected useful life of the assets concerned.

The in-period deficit for the restricted general funds plus the unrestricted funds is £972,000 (2022: £1,691,000 deficit) and the total reserves (restricted funds excluding pension reserves, plus unrestricted funds) are £9,846,000 at 31 August 2023 (2022: £10,818,000). The fixed asset reserves total £104,472,000 (2022: £107,456,000) of which £285,518 (2022: £898,000) is capital funding in reserve for future capital projects.

Under Accounting Standard FRS102, it is necessary to charge projected deficits or surpluses on the Local Government Pension Scheme, which are provided for support staff, to the restricted fund. This resulted in the pension fund showing a asset of £610,000 (2022: £498,000 liability). The pension fund asset/ liability has therefore seen a decrease of £1,108,000 on 2022. Despite the pension scheme being an asset, it is not considered to impact on the Trust and is not recoverable.

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Reserves policy

The Trustees have reviewed the reserves of the Trust. This review encompassed the nature of income and expenditure streams, the need to align them with commitments, possible future cost increases and the nature of reserves.

When considering an appropriate level of reserves, the trustees considered:

- The risk of unforeseen emergency or other unexpected need for funds
- Covering unforeseen day-to-day operational costs, for example employing temporary staff to cover long term sickness absence or a large unexpected repair bill
- Potential falls in income such as due to projected pupil numbers
- A potential unfunded increase in staffing costs due to market factors or Government policy
- Planned commitments that cannot be met by future income alone, for example, plans for a major capital project or IT investment
- The need to fund potential deficits in a cash budget, for example money may need to be spent before a funding grant is received

The Trustees have reviewed the policy of reserves that should be held. It was agreed that the target level of free reserves should be set between 8% and 12% of GAG funding for each academy. The financial risks identified determine the amount of reserves the academy aims to hold. The Trust may request this amount to be higher or lower for individual academies depending on their risks.

Current reserves held by the Central Trust are £1,615,000. Reserves held by each academy are as follows:

- Waltham Tollbar Academy reserves held are £3,402,000 .
- Cleethorpes Academy reserves held are £1,773,000.
- Louth Academy reserves held are £1,887,000.
- Somercotes Academy reserves held are £293,000.
- Pilgrim Academy reserves held are £133,000.
- Reynolds Academy reserves held are £504,000.
- Theddlethorpe Academy reserves held are £239,000.

The Trust is carrying significant reserves. A proportion arose during Covid years when spend on IT investments were strategically delayed. The Trust is now moving forward with these IT capital investments. There is a great deal of financial uncertainty, in funding due to changes in the NFF, in staff costs and other general expenditure due to the cost of living crisis. The Trust therefore consider it sensible to try and maintain healthy reserves as contingency.

Investment policy

Lincolnshire Gateway Academies Trust does not hold any long-term investments. Cash surpluses have been invested in short term deposits to attract a higher level of interest whilst ensuring the Trusts current bank account maintains an even cash flow across the year. The Trust's investment policy is to maximise income but from a low risk strategy.

Principal risks and uncertainties

The risks and strategies for their mitigation over the period 2022-2023 have been reviewed (see below) and a revised risk management plan for the period 2023-2024 has been completed.

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Risk management plan

Each academy sets an annual development plan which is informed by a detailed evaluation of its current position and its future intentions. For each area of activity these academy plans propose measurable outcomes, known as key deliverables, and identifies possible threats to their achievement.

To enable and support academies in their work, the MAT executive team, at the centre of the organisation, sets its own development plan, with its own key deliverables and specifies possible threats to their achievement, and takes into account those identified at academy level.

The MAT priorities for 2022-2023 were:

1. Enable learning students
2. Enable learning staff
3. Build a learning organisation
4. Lead a learning community

Three key deliverables for each priority area were agreed by the Board, who held the Executive to account for their achievement.

Set out below are the possible threats, their likelihood of occurrence, their impact, their calculated priority and the measures for mitigation. Together these form our risk register, risk matrix and risk management plan.

Principal Risks

Risk Log and Mitigation Strategies

1 Generic Principal Risks	L	I	R	Mitigation
Business Interruption	3	4	12	see business interruption plan
IT Failure	3	5	15	see IT rescue plan
Breaches of security / confidentiality or data control	3	4	12	see data security policy
Theft or fraud	2	4	8	see internal audit schedule
Conflicts of interest undeclared	1	4	4	see CoI policy
Undetected accounting errors	2	5	10	see internal audit schedule
Changes to the pattern of national & regional education provision	2	4	8	CEO involvement in networks
Pupil numbers fall	3	4	12	Three-year forward financial plan and rebrand
A serious incident damages the reputation of the MAT	2	4	8	see communications & PR policy
Key staff leave with no replacement available	3	4	12	see retention & recruitment policy

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

2 Overall risks to delivering our annual plan for 2022-23	L	I	R	Mitigation
Little, or only cosmetic changes to the image and culture of the former Tollbar Multi Academy Trust will continue to inhibit innovation and partnership building, which is the key intention of this year's plan.	3	4	12	<p>It is clear that a high-profile launch of the new LGAT brand with wide and deep community penetration will signal:</p> <ul style="list-style-type: none"> A transformed an open relationship with each of the communities served by our academies New, open, and mutually beneficial relationships with neighbouring schools Permissions to work differently within the organisation <p>This is critical to the achievement of all the success measures in the plan above</p>
3 Risks to achieving MAT1 success indicators	L	I	R	Refs to mitigation
Incorporating a new weak school into the MAT brings down MAT-wide end-of-year performance measures	3	3	9	Alter reporting arrangements to factor in length of time academy has been within trust
Failure to recruit & appoint schools' standards lead to the central team	3	4	12	Temporarily appoint from existing principal pool and back fill
Delays to curriculum & pedagogical changes caused by lack of staff confidence	3	3	9	Include these expectations in internal messaging related to the rebrand
4 Risks to achieving MAT2 success indicators	L	I	R	Refs to mitigation
Teachers lack the confidence to undertake school-based research	2	4	8	Buy in external expertise to model exemplar school-based research
Low take up on NPQ and other professional qualification pathways	3	3	9	Tie in staff development to expectations for appraisal and career progression
Delays in establishing external research partnerships	3	3	9	Include these expectations in external & internal messaging related to the rebrand
5 Risks to achieving MAT3 success indicators	L	I	R	Refs to mitigation
Failure or delays in recruiting & appointing schools' corporate services lead to the central team	2	4	8	Consider temporary "agency" appointment & use external recruitment services
Delays to fully functioning LGBs for each academy	4	4	16	Include these expectations in external & internal messaging related to the rebrand
Delays to relocation of corporate centre (HQ)	3	3	9	Direct discussions with LCC to clear all planning hurdles & consider early decant of selected services where feasible.
6 Risks to achieving MAT4 key deliverables	L	I	R	Refs to mitigation
"Damp squib" rebrand launch has little impact	2	4	8	See (2) above
Other schools show little interest in collaboration or partnership	3	3	9	Ensure robust "pitch" documentation

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Fundraising

The Multi Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
Energy consumption used to calculate emissions (kWh)	5,999,408	6,642,096
Energy consumption break down (kWh)		
Gas	3,494,796	4,096,194
Oil	325,058	311,987
Electricity	2,008,153	2,143,067
Transport fuel	-	90,847
Scope 1 emissions in metric tonnes CO₂e		
Gas consumption	629.06	737.31
Oil consumption	83.92	80.32
Owned transport - fleet vehicles	40.91	21.64
Total scope 1	753.89	839.27
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	388.34	414.43
Scope 3 emissions in metric tonnes CO₂e		
Business travel in employee-owned vehicles	0.57	0.38
Total gross emissions in metric tonnes CO₂e	1142.80	1254.08
Intensity ratio		
Tonnes CO ₂ e per pupil	0.23	0.25

Quantification and Reporting Methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines.

We have also used the Green House Gas (GHG) Reporting Protocol - Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

Continued installation of LED lighting upgrades across all Academies

Continued installation of automatic lighting controls across all Academies

Continued lowering of ceilings in classrooms and circulation areas across all Academies

Continued upgrades to radiators and thermostatic controls across all Academies

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Plans for future periods

The core purpose of Lincolnshire Gateway Academies Trust is continually to improve provision and learner outcomes across the Trust. This annual Development Plan (2023 – 2024) (see below) sets out how this core purpose will be achieved. It is an enabling plan – enabling constituent academies to focus and deliver on their responsibility to improve educational standards.

It is informed by:

- Our vision
- The Trusts's key deliverables and the targets of the constituent academies (WTBA, CA, SA, RA, TA, PA & LA)
- The self-evaluations of the constituent academies (WTBA, CA, SA, RA, TA, PA & LA)
- Recommendations made in external reviews and inspections of the constituent academies (WTBA, CA, SA, RA, TA, PA & LA)
- The evaluation of the previous annual plan

This plan (2023 – 2024) describes actions we will take in 4 priority areas:

- 1.Develop our school improvement function with a focus on student progress
- 2.Broaden governance to secure wider community representation
- 3.Define clear responsibilities for our central services
- 4.Develop leadership with a focus on line management

Within each priority area we will specify:

- The reasons for choosing this particular priority
- The key areas of activity for focus
- The key end-of-year deliverables, preceded by the current position
- The risks to the achievement of the KD's

This plan will inform:

- The performance objectives for the CEO and top tier Executive Team
- The risk management plan
- The detailed plans of the Trust Executive Team and Academy Principals

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

1 Develop our school improvement function with a focus on student progress

What we mean by this and why we are doing it

Since the appointment of a Director of School Improvement in January 2023 the Trust has been formalising its approach to school improvement. Our approach is that improvements to all aspects of teaching and learning across the trust should be focused on student progress. This priority seeks to ensure that staff at all levels are responsible for student progress and are accountable for progress outcomes.

	Strategy	IMAT-level success indicators
1.1	<u>Ensure there is a common understanding across the Trust for student progress</u>	Primary <ul style="list-style-type: none"> Improved KS2 progress data compared to 2022/23 across Academies Secondary <ul style="list-style-type: none"> Improved Progress 8 data compared to 2022/23 across Academies
1.2	<u>Introduce Trust-wide templates and systems for monitoring Academy student progress</u>	
1.3	<u>Ensuring accountability for student progress at all levels</u>	
1.4	<u>Build on our models of intervention to create sustainable plans to deliver increased student progress</u>	

2 Broaden governance to secure wider community representation

What we mean by this and why we are doing it

Our academies are at the heart of their local communities. Now that many of them are well established and successful there is no requirement for the experienced long-standing trustees of our outstanding hub school to be on the board. Therefore, the Trust is looking for representatives of the local community to be members of refreshed local governing bodies to add a local community dimension and to develop their skills to hold Principals to account for educational outcomes. This will allow trustees to hold LGBs, and their Chairs, to account for the overall performance of their academies.

	Strategy	IMAT-level success indicators
2.1	<u>Recruit new governors from the local communities that our academies serve</u>	<ul style="list-style-type: none"> Increased number of new governors from local communities Survey results from governors show increased understanding/awareness of their role New CoG appointed Improved data/information available and accessed/understood by governors (Survey for use/understanding)
2.2	<u>Training of new and existing governors/trustees to perform their duties effectively</u>	
2.3	<u>Improve availability and support governors to access data/information for their academies</u>	
2.4	<u>Identify and train potential Chairs to fulfil roles effectively</u>	

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

3 Define clear responsibilities for our central services

What we mean by this and why we are doing it

Over the past year the Trust has developed our central services to be more efficient with improved procedures and processes often using new software to help deliver improved delivery eg Every HR, Approval Max etc. Some of these developments require Academies to perform some administrative functions eg approving purchases, receiving goods, completing proformas for job adverts etc. This new way of working requires increased clarity in the roles Academies perform and the roles delivered by central teams.

	Strategy	MAT-level success indicators
3.1	<u>Define clear responsibilities for all financial activity</u>	<ul style="list-style-type: none"> Reduction in queries from Academies regarding roles in HR, Finance and IT/Estates Reduction in administrative errors Survey results show staff in Academies and central teams have clarity on their roles Reduction in Academies undertaking work inappropriately eg commissioning work on estate or purchases not following procedure Positive audits (External/internal)
3.2	<u>Define clear responsibilities for all HR activities</u>	
3.3	<u>Define clear responsibilities for all IT/Estates activities</u>	
3.4	<u>Define clear responsibilities for school improvement work</u>	

4 Develop leadership with a focus on line management

What we mean by this and why we are doing it

A key part of the success of our Academies lies with supportive, productive and clear line management of staff. Staff at all levels need to be held accountable for their work whilst being supported to achieve their best. Some of the new HR processes place increased responsibility on line managers who will be more involved with areas such as absence as well as managing performance. This priority needs to be achieved without increasing workload or distracting staff from core activities eg teaching. Improved line management will also help deliver our focus on student progress with an increased responsibility and accountability for line managers.

	Strategy	MAT-level success indicators
4.1	<u>Ensure all line managers have clarity for their role and responsibilities</u>	<ul style="list-style-type: none"> Staff survey reveals line managers are clear on their role and responsibilities Staff survey reveals line managers feel they are adequately trained to carry out their role Administration in HR software completed in a timely fashion Reduction in staff absence Improved student progress from 2022/23 Positive external reviews of line managers performance (Ofsted/EP, Ofsted or consultant led visits)
4.2	<u>Ensure line managers are adequately trained for their role</u>	
4.3	<u>Ensure all line managers are effectively held to account</u>	
4.4	<u>Ensure the Trust is able to quality assure the work of line managers</u>	

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

STRATEGIC PLAN 2020 - 2025

Strategic Plans 2012-2025

Year	Phase	Chronology
2012	Establishing	TMAT created in 2012 and by 2016/17 included 3 secondaries and 2 primaries. Structures, policies and procedures established for the Trust in this period.
2013		
2014		
2015		
2016		
2017	Sustaining	TMAT incorporated two more schools to comprise 4 secondaries and 3 primaries. By 2019/20 the Trust was secure and successful.
2018		
2019		
2020	Developing	A change in leadership in 2020 gives an opportunity to refresh our vision and focus on developing the Trust further
2021		
2022		
2023		
2024		
2025		

Context

The Trust was formed in 2012 based around Waltham Toll Bar Academy, a high performing large secondary school that had already sponsored a failing school, Cleethorpes Academy, in 2010. The Trust has grown slowly since 2012, adding Reynolds Academy in 2013, Somercotes Academy in 2015, Theddlethorpe Academy in 2016, Pilgrim Academy in April 2017 and Louth Academy in September 2017. The Trust therefore has 4 secondaries, one with a sixth form and 3 primaries with approximately 5,000 students in total.

Predecessor schools joining the Trust have largely been schools in difficulty with Cleethorpes Academy, Somercotes Academy, Theddlethorpe Academy and Louth Academy all previously being Ofsted category 4 schools and under threat of closure. The remaining 3 schools were Ofsted category 3 (Requires Improvement) and had little capacity to improve. Therefore, the Trust has a proven track record with re-start academies with all of those now Ofsted 'Good'. The roll at all our academies has increased markedly, illustrating the growing support and confidence from local parents.

The model of school improvement has been to import the successful models from Waltham Toll Bar Academy in terms of effective teaching strategies, management and administrative practices and, critically, the addition of expertise in the form of staff joining a new academy from an established LGAT Academy. This model requires academies to be geographically close enough to each other in order to deploy staff easily and to allow for the direct intervention that failing schools require in their early years. This benefits the professional development of staff who may broaden and deepen their experience whilst remaining part of the LGAT family.

A key ingredient of our success has been the high expectations we have for our learners and staff both in terms of student behaviour, staff professionalism and their outcomes. Students have upper quartile targets and we strive to reach these rather than accepting national median rates, especially for those groups of students who nationally make less progress, for example, those who are disadvantaged.

Lincolnshire Gateway Academics Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

The Trust operates a very centralised model with all academy-level financial management (including purchasing), staff recruitment and deployment, timetabling, IT support, HR management, administrative support and site and building management being undertaken by the central Trust team. This has allowed academy Principals to focus on school improvement.

Governance at the Trust has developed with the creation of local governing bodies to hold Principals to account for outcomes and the quality of their provision. The Board holds the CEO/Trust Management Team to account for their performance.

In September 2022 the Trust rebranded to Lincolnshire Gateway to reflect the locality and make up of our academies. This was enhanced when in June 2023 the Trust's headquarters moved to new offices in Louth.

Core Purpose, Commitment and Values

Our Purpose

Excelling

Believing we can achieve our best through hard work, innovation and collaboration

Creating

Believing that our energy, ability and imagination will shape the future

Caring

Believing it is our duty to act with empathy, responsibility and thoughtfulness

Our Commitment and Values

To our students, we commit to

- i. Putting your needs and aspirations at the heart of our decision making.
- ii. Providing a safe, well-disciplined and stimulating environment for learning and personal development.
- iii. Providing a curriculum that extends knowledge, develops skills and deepens understanding
- iv. Providing a curriculum that taps into the culture and resources of your local community
- v. Providing teaching that inspires, enables and prepares you to fulfil your ambitions
- vi. Providing opportunities to develop and explore your talents and interests
- vii. Listening and responding to your views and concerns

To our families and local communities, we commit to

- i. Engaging with you to secure, support, enhance and enrich the learning of our children and young people
- ii. Listening to your views in order to improve and develop our provision
- iii. Working with you to ensure that our academies are at the heart of our communities

To our staff, we commit to

- i. Providing a safe, well-disciplined environment for you to demonstrate and extend your talents and expertise
- ii. Ensuring opportunities for your continued learning and career development
- iii. Listening to your views in order to improve and develop our provision

As a Trust, we commit to

- i. Developing relationships with other education providers to exchange knowledge and expertise
- ii. Continuing our own professional development as leaders
- iii. Putting collaboration before competition in order to gain maximum benefit for all
- iv. Treating all individuals with respect and fairness
- v. An understanding that we are a public service and are bound by the seven Nolan principles: selflessness, integrity, objectivity, accountability, openness, honesty and leadership (listed below).

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

- **Selflessness:** Holders of public office should act solely in terms of the public interest.
- **Integrity:** Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
- **Objectivity:** Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- **Accountability:** Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
- **Openness:** Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
- **Honesty:** Holders of public office should be truthful.
- **Leadership:** Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Strategic Intentions

- Developing our academies
- Developing our learners
- Developing our staff
- Developing our governance and leadership
- Developing our business
- Developing our resources
- Developing our relationships

Developing our academies

Now that our academies are established and secure in terms of their roll, results and Ofsted gradings, we intend to help them to grow in confidence, to seek further improvement and be more self-sustaining, whilst supporting other academies in the Trust and developing networks with a wider range of other schools.

We will enable the development of our academies by:

- a) Using the best available self-evaluation, together with a programme of quality assurance, to ensure the continued high performance of our academies
- b) Developing academy to academy support through the Academy Development Team (ADT)
- c) Carefully allowing successful academies greater autonomy whilst ensuring they retain the core purpose, commitments and values of the Trust and are always collaborative with their sister academies

Developing our students

We have good structures in place to care for our students and manage our curriculum. We intend to develop the curriculum and teaching methods to take into account the unique characteristics of the different communities that each academy serves.

We will enable the development of our learners by

- a) Developing a curriculum more relevant to students' needs and aspirations
- b) Putting greater emphasis on welfare and wellbeing programmes
- c) Putting greater emphasis on understanding local, national and global affairs
- d) Developing student autonomy to become robust lifelong learners

Developing our staff

To date, many staff development programmes have been determined by national initiatives and the need to secure consistency across the MAT. New academies joining the MAT have afforded opportunities for staff to take on leadership roles in order to kickstart and maintain improvement. We now wish to embed staff development, in all its forms, into our culture and daily practice. We see this as an entitlement for staff, a key to quality improvement and a driver of staff retention.

We will enable our staff to develop by:

- a) Providing opportunities for them to develop their subject expertise and pedagogy
- b) Ensuring the management of their performance is linked to their professional development
- c) Offering opportunities across the Trust that broaden experience and enable career development
- d) Encouraging participation in and use of research

Lincolnshire Gateway Academies Trust

Trustees' Report for the Year Ended 31 August 2023 (continued)

Developing our governance and leadership

The Trust has committed and highly skilled Members and Trustees who effectively hold the executive to account. We now intend to develop our governance to be more visibly accountable and responsive to the local communities each academy serves. We intend that LGAT to be noted for its educational leadership both within and beyond the Trust.

We will enable our governors and leaders by:

- a) Providing them with timely, consistent and accurate benchmarked reports on MAT and academy provision and progress
- b) Equipping them with the knowledge, skills and experiences to be recognised education leaders
- c) Listening and responding to their leadership ambitions
- d) Learning from successful leadership beyond the MAT

Developing our business

Multi Academy Trusts exist to “establish, maintain, carry on, manage and develop schools offering a broad and balanced curriculum” (extract from Articles of Association, DfE). Getting the right balance of service activity (and funding) between the Trust and each constituent academy is critical to achieving the three objectives of effectiveness, efficiency, and sustainability. We understand that the structure of our Trust should be fit for the purpose of achieving the key deliverables set out in our own and in the academies’ annual development plans.

We will enable our Trust’s development by:

- a) Ensuring high quality and cost-effective services and support to academies
- b) Keeping the service provision and organisational structure of the Trust under review
- c) Designing a strong financial plan that delivers on effectiveness, efficiency and sustainability

Developing our facilities

We are acutely aware that we are custodians of our assets, including our land and buildings, and that these are held in Trust to benefit our students and our local communities. We have a duty to ensure that all Trust resources are well used, maintained, and managed. We intend to keep our assets under review and to develop them in response to changes to the curriculum, teaching methodology and patterns of the use of school buildings.

We will develop our Trust’s assets and resources by:

- a) Ensuring all buildings are fit for purpose, safe and well maintained
- b) Ensuring that all of our IT infrastructures are fit for purpose, secure and accessible
- c) Researching how our publicly funded resources might benefit the wider community

Developing our relationships

Academies are established to benefit children and young adults, their families, the local community and the wider educational landscape. To realise these benefits, MATs should be involved with local authorities and other providers in order to lead on area-wide educational improvement. Academies also have much to gain from close links with the communities they serve and links with other providers. In this strategic phase of “developing” we intend to foster closer relationships with neighbouring schools and academies, respecting their independence, whilst identifying collaborative activities and projects that may benefit both parties. We will position ourselves as a Trust open to further membership and educational partnerships.

We will develop our relationships by:

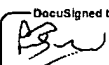
- a) Involving the local community more in academy life
- b) Forming collaborative relationships with other local, regional and national educational providers
- c) Joining local and regional educational research projects
- d) Sharing some of our staff development programmes beyond our own MAT
- e) Exploring the co-option of governors and leaders from other Trusts onto LGAT governing boards and committees.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees, as the company Directors, on 12 December 2023 and signed on its behalf by:

DocuSigned by:


 Mr P Bond
 Chair

Lincolnshire Gateway Academies Trust

Governance Statement

Scope of responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Lincolnshire Gateway Academies 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 5 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
Mr P Bond	5	5
Mrs J Aukett	5	5
Mr C Brook	5	5
Mr M Brown, Chief Executive and Accounting Officer	5	5
Mr P Cornford	2	5
Mrs A Hardy	4	5
Mrs A Manders	4	5
Mr S Woolsey	2	5

Governance reviews

Formal self-evaluation of the constituent academies includes section on governance within the leadership and management section. Upon the CEO's appointment on 1 November 2020, he requested a review of the Governance Arrangements in light of the statutory guidance in the Academy Trust Handbook. A consultant-led review was carried out and the new Governance Arrangements were approved by Trustees at their meeting in March 2021.

Conflicts of interest

The Trust maintains a register of interests. 'Conflicts of interest' is a standing agenda item on every Trust Board and Committee meeting in order to give trustees and governors the opportunity to declare any interests and withdraw from any discussions as necessary.

Effective oversight of funds

The Board met 5 times in 2022-2023. The Finance Committee met 9 times in 2022-2023 to ensure effective oversight of the Trust and academy finances.

Lincolnshire Gateway Academies Trust

Governance Statement (continued)

The Finance Committee is a committee of the main Board of Trustees and meets generally on a monthly basis. Its terms of reference are as follows:

Quorum - Three trustees

Constitution

- Trustees form the majority on this Committee.
- The Board appoints a Chair and Vice Chair from the Non-Executive Trustees of the Board.
- Membership includes the CEO as trustee with normal voting rights, as well as the CFO, Executive Principal (Primary) and Executive Principal (Secondary) in a non-voting capacity.
- The Committee may invite any member of the of Senior Executive Team to attend.
- The Internal Auditor may be invited to attend meetings of the Committee.

Terms of reference

The Board delegates the regular detailed monitoring of budget income and expenditure to this Committee.

1. To meet at regular intervals (at least twice a term) to review in detail the budget monitoring reports of the MAT's central operations and its constituent academies along with associated papers presented by the CEO.
2. To agree all budget amendments including virements over the Chief Executive's delegated financial limits which are to be countersigned by the Chair of Finance.
3. To authorise the disposal of assets beyond the delegated limits to the CEO.
4. To deal with all matters pertaining to tendering for services, arranging quotations, letting contracts where the potential cost exceeds the limit delegated to the CEO and in accordance with the Tendering Policy.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr S Woolsey	9	10
Mrs J Aukett	10	10
Mr M Brown, Chief Executive and Accounting Officer	10	10

J Stokes and R Coleman both attended 7 and 4 meetings as Local Governing Body members whilst J Hornby and K Vincent also attended 1 and 3 Finance Committee meetings during the year in a non-voting capacity.

Lincolnshire Gateway Academies Trust

Governance Statement (continued)

The Audit & Risk Committee is a sub-committee of the main Board of Trustees.

The Audit & Risk Committee meets as appropriate. Its terms of reference are as follows:

Quorum - committee members

Constitution

- No members of the Finance Committee may sit on this committee.
- The Board appoints a Chair and Vice Chair.
- The CEO and CFO should normally be invited.
- The Committee may invite any member of the of Executive Team to attend.
- The Internal Auditor should be invited to attend meetings of the Committee when required.
- The Board delegates the regular and detailed monitoring of internal controls.
- No Non-Executive Trustee members of the Finance Committee may sit on this committee.

Terms of reference

This is a statutory Committee responsible for providing assurance to the Board on the system of internal controls, risk management and financial probity.

1. To meet at least three times a year.
2. To monitor all internal controls.
3. To inform the work plan for the audit reviews.
4. To receive reports from the Internal Auditor on the effectiveness of the financial procedures and control of the centre and constituent academies.
5. To receive from the CEO the reports on the effectiveness of the financial procedures and control of the MAT in accordance with the MAT Financial Regulations and the current Academy Trust Handbook.
6. To advise the CEO on their preferred attitude to risk.

Attendance at meetings during the year was as follows:

Committee members	Meetings attended	Out of a possible
Mr P Bond	2	2
Mr P Cornford	2	2
Mr M Draper	0	2
Mr M Brown, Chief Executive and Accounting Officer	2	2

Review of value for money

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

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

- Modernising, rationalising and streamlining all functions of the Trust using IT solutions wherever possible.
- All contracts have been reviewed and more cost-effective solutions have been implemented where suitable.
- Staffing has been rationalised with a number of senior posts being removed from the structure of both the central MAT team and within the academies.
- Successfully gaining additional funding for projects including removal of fossil fuel based heating at an academy.
- The Estates team prioritise health and safety improvements and maintenance when considering projects using capital funding.

Lincolnshire Gateway Academies Trust

Governance Statement (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Multi 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 Lincolnshire Gateway Academies Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed (see above) together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Audit & Risk Committee meet regularly to review risks and mitigations. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance Committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks;

The Board of Trustees has decided to appoint Duncan & Toplis to provide an internal audit service. This option has been chosen because the auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the current period included:

- Bank and petty cash
- Expenditure
- Fixed assets
- Payroll
- Budgets and financial
- Income

As part of the remit of the Audit & Risk Committee, who meet 3 times per year, the auditor reports to the Board of Trustees, through this Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

There were no material control or other issues reported by the Internal Auditor to date.

Review of effectiveness

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

- the work of the internal auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;

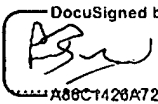
Lincolnshire Gateway Academies Trust

Governance Statement (continued)

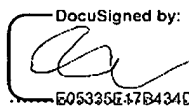
- the work of the executive managers within the Multi Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;

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

Approved by order of the members of the Board of Trustees on 12 December 2023 and signed on its behalf by:

DocuSigned by:

A86C1426A72D47C.....

Mr P Bond
Chair

DocuSigned by:

E05335E47B434D2.....

Mr M Brown
Accounting Officer

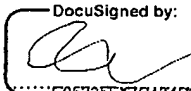
Lincolnshire Gateway Academies Trust

Statement of regularity, propriety and compliance

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

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

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

DocuSigned by:

E05335E17B434D2.....
Mr M Brown
Accounting Officer

12 December 2023

Lincolnshire Gateway Academies Trust

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

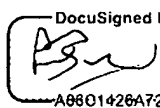
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 on 12 December 2023 and signed on its behalf by:

DocuSigned by:

 A0601426A72D47C.....
 Mr P Bond
 Chair

Lincolnshire Gateway Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Lincolnshire Gateway Academies Trust

Opinion

We have audited the financial statements of Lincolnshire Gateway Academies Trust (the 'Academy Trust') for the year ended 31 August 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information (covers the Reference and Administrative details, the Trustees' Report and Strategic Report and the Governance Statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Lincolnshire Gateway Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Lincolnshire Gateway Academies Trust (continued)

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' Annual Report (which includes the Strategic Report and the Directors' Report prepared for the purposes of company law) for the financial for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Directors' Report, included within the Trustees' Report.

We have nothing to report in respect of the following matters where 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 30], the Trustees (who are also the Directors of the charitable company 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.

Auditor 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 auditor's 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation and the local government pension scheme liability.
- Testing of income, bank, purchases and payroll, systems and controls and providing conclusions on the regularity of samples chosen.
- Identification of key laws and regulations central to the academies operations and review of compliance with such laws including a review of the Academy Trust Handbook 2021 and correspondence with solicitors to identify any on-going litigation.
- Testing of journal entries and potential override of systems.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery collusion, omission or misrepresentation.

Lincolnshire Gateway Academies Trust

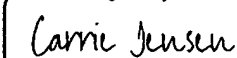
Independent Auditor's Report on the Financial Statements to the Members of Lincolnshire Gateway Academies Trust (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 auditor's 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 the Academy Trust's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:



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Carrie Anne Jensen ACA (Senior Statutory Auditor)

For and on behalf of Forrester Boyd Chartered Accountants, Statutory Auditor

26 South Saint Mary's Gate
Grimsby
DN31 1LW

12 December 2023

Lincolnshire Gateway Academies Trust

Independent Reporting Accountant's Assurance Report on Regularity to Lincolnshire Gateway Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 12 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lincolnshire Gateway Academies Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Lincolnshire Gateway Academies Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Lincolnshire Gateway Academies Trust's funding agreement with the Secretary of State for Education dated 19 October 2015 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Ensuring that all the activities of the academy trust are in keeping with the academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and Key Management Personnel

Conclusion

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

Lincolnshire Gateway Academies Trust

Independent Reporting Accountant's Assurance Report on Regularity to Lincolnshire Gateway Academies Trust and the Education and Skills Funding Agency (continued)

DocuSigned by:

Carrie Jensen

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Carrie Anne Jensen ACA, Reporting Accountant

For and on behalf of Forrester Boyd Chartered Accountants; Chartered Accountants

26 South Saint Mary's Gate
Grimsby
DN31 1LW

12 December 2023

Lincolnshire Gateway Academies Trust

Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Income and endowments from:						
Donations and capital grants	2	16	-	1,416	1,433	1,198
Other trading activities	4	129	-	-	129	70
Investments	5	24	-	-	24	16
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	177	33,198	-	33,374	31,212
Total		346	33,198	1,416	34,960	32,496
Expenditure on:						
Raising funds	6	21	-	-	21	17
<i>Charitable activities:</i>						
Academy trust educational operations	7	230	34,120	4,951	39,301	34,928
Total		251	34,120	4,951	39,322	34,945
Net income/(expenditure)		95	(922)	(3,535)	(4,362)	(2,449)
Transfers between funds		-	(551)	551	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	21	-	1,514	-	1,514	16,486
Net movement in funds/(deficit)		95	41	(2,984)	(2,848)	14,037
Reconciliation of funds						
Total funds brought forward at 1 September 2022		1,054	9,266	107,456	117,776	103,739
Total funds carried forward at 31 August 2023		1,149	9,307	104,472	114,928	117,776

Comparative figures are shown in detail on page 37.

Lincolnshire Gateway Academies Trust

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

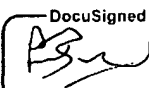
	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2021/22 Total £ 000
Income and endowments from:					
Donations and capital grants	2	15	-	1,183	1,198
Other trading activities	4	70	-	-	70
Investments	5	16	-	-	16
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	152	31,059	-	31,212
Total		254	31,059	1,183	32,496
Expenditure on:					
Raising funds	6	17	-	-	17
<i>Charitable activities:</i>					
Academy trust educational operations	7	150	30,625	4,153	34,928
Total		167	30,625	4,153	34,945
Net income/(expenditure)		87	434	(2,970)	(2,449)
Transfers between funds		-	(758)	758	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	21	-	16,486	-	16,486
Net movement in funds/(deficit)		87	16,162	(2,212)	14,037
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		967	(6,896)	109,668	103,739
Total funds carried forward at 31 August 2022		1,054	9,266	107,456	117,776

Lincolnshire Gateway Academies Trust

(Registration number: 08085503)
Balance Sheet as at 31 August 2023

	Note	2023 £ 000	2022 £ 000
Fixed assets			
Tangible assets	12	104,186	106,558
Current assets			
Debtors	13	1,030	1,111
Cash at bank and in hand		<u>11,136</u>	<u>11,935</u>
		12,166	13,046
Liabilities			
Creditors: Amounts falling due within one year	14	<u>(2,034)</u>	<u>(1,331)</u>
Net current assets		<u>10,132</u>	<u>11,716</u>
Total assets less current liabilities		<u>114,318</u>	<u>118,274</u>
Net assets excluding pension asset		114,318	118,274
Defined benefit pension scheme asset/(liability)	21	<u>610</u>	<u>(498)</u>
Total net assets		<u>114,928</u>	<u>117,776</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	15	8,697	9,764
Restricted fixed asset fund	15	104,472	107,456
Pension reserve	15	<u>610</u>	<u>(498)</u>
		113,779	116,722
Unrestricted funds			
Unrestricted general fund	15	<u>1,149</u>	<u>1,054</u>
Total funds		<u>114,928</u>	<u>117,776</u>

The financial statements on pages 36 to 63 were approved by the Trustees, and authorised for issue on 12 December 2023 and signed on their behalf by:

DocuSigned by:

 A86C1428A72D47C.....
 Mr P Bond
 Trustee

Lincolnshire Gateway Academies Trust**Statement of Cash Flows for the year ended 31 August 2023**

	Note	2023 £ 000	2022 £ 000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	17	(1,199)	1,625
Cash flows from investing activities	18	<u>400</u>	<u>(15)</u>
Change in cash and cash equivalents in the year		(799)	1,610
Cash and cash equivalents at 1 September		<u>11,935</u>	<u>10,324</u>
Cash and cash equivalents at 31 August	19	<u>11,136</u>	<u>11,935</u>

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Accounting policies

General information

The Multi Academy Trust is a private company limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:

Gateway House
North Holme Road
Louth
LN11 0HG

These financial statements were authorised for issue by the Board on 12th December 2023.

Statement of 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.

Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest £'000.

Lincolnshire Gateway Academies Trust meets the definition of a public benefit entity under FRS 102.

The financial statements cover the individual entity, Lincolnshire Gateway Academies Trust.

Going concern

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

Income

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

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

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 period it is receivable and to the extent the Academy Trust has provided the goods or services.

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.

All resources expended are inclusive of irrecoverable VAT.

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.

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £2,000 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 on a straight-line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

Asset class	Depreciation method and rate
Freehold Buildings	10 - 50 years straight line
Long Leasehold Land	Over the period of the lease
Long Leasehold Buildings	50 years straight line
Plant and Machinery	5 years straight line
Fixtures and Fittings	4 years straight line
Computer Equipment	3 years straight line

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.

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at cost. 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 cost. 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.

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

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 taxation⁹ in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

Pension benefits

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 to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources, which are to be applied to specific capital purposes imposed by 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.

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.

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact on 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 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted Funds £ 000	Restricted Fixed Asset Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Capital grants	-	1,416	1,416	1,183
Other donations	16	-	16	15
	<u>16</u>	<u>1,416</u>	<u>1,433</u>	<u>1,198</u>

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted Funds £ 000	Restricted General Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Educational operations				
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	28,344	28,344	27,242
Other DfE/ ESFA Grants	-	1,630	1,630	885
Pupil Premium	-	1,621	1,621	1,528
	-	31,595	31,595	29,655
Other government grants				
Local Authority Grants	-	1,144	1,144	1,035
Other Grants	-	8	8	4
	-	1,152	1,152	1,039
Non-government grants and other income				
Other Income	177	83	260	228
Covid-19 additional funding (DfE/ESFA)				
Other DfE/ ESFA Covid-19 Grants	-	-	-	87
Recovery Funding	-	367	367	203
	-	367	367	290
Total grants	177	33,198	33,374	31,212

4 Other trading activities

	Unrestricted Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Hire of facilities	11	11	19
Catering income	63	63	-
Other sales	55	55	51
	129	129	70

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

5 Investment income

	Unrestricted Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Short term deposits	8	8	1
Rent received	16	16	15
	<u>24</u>	<u>24</u>	<u>16</u>

6 Expenditure

	Non Pay Expenditure			2022/23 Total £ 000	2021/22 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Expenditure on raising funds					
Direct costs	-	-	14	14	15
Allocated support costs	-	-	7	7	2
Academy's educational operations					
Direct costs	23,477	2,594	2,458	28,529	25,159
Allocated support costs	5,085	3,696	1,991	10,772	9,769
	<u>28,562</u>	<u>6,291</u>	<u>4,470</u>	<u>39,322</u>	<u>34,945</u>

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2022/23 £ 000	2021/22 £ 000
Operating lease rentals	-	83
Depreciation	3,413	3,259
Fees payable to auditor - audit	20	18
Fees payable to auditor - other audit services	4	6
(Gain)/loss on disposal of fixed assets	-	(11)

7 Charitable activities

	2022/23 £ 000	2021/22 £ 000
Direct costs - educational operations	28,529	25,159
Support costs - educational operations	10,772	9,769
	<u>39,301</u>	<u>34,928</u>

	Educational operations £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Analysis of support costs			
Support staff costs	5,085	5,085	5,343
Depreciation	819	819	666
Technology costs	129	129	124
Premises costs	2,878	2,878	2,173
Other support costs	1,813	1,813	1,433
Governance costs	49	49	31
Total support costs	<u>10,772</u>	<u>10,772</u>	<u>9,769</u>

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Staff

Staff costs

	2022/23 £ 000	2021/22 £ 000
Staff costs during the year were:		
Wages and salaries	21,176	18,688
Social security costs	1,922	1,739
Operating costs of defined benefit pension schemes	4,837	5,680
Apprenticeship levy	91	79
	<u>28,027</u>	<u>26,186</u>
Supply staff costs	30	26
Staff restructuring costs	36	-
Agency staff costs	469	81
	<u>28,562</u>	<u>26,293</u>
	2022/23 £ 000	2021/22 £ 000

Staff restructuring costs comprise:

Severance payments	25	-
Other restructuring costs	11	-
	<u>36</u>	<u>-</u>

Severance payments

The Academy Trust trust paid 2 severance payments in the year disclosed in the following bands:

	2022/23 £ 000	2021/22 £ 000
0 - £25,000	<u>2</u>	<u>-</u>

Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £24,637 (2022: £Nil). Individually, the payments were:

Non-contractual payments £21,000

Non-contractual payments £3,637

Staff numbers

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

	2022/23 No	2021/22 No
Teachers	344	343
Administration and support	347	308
Management	26	23
	<u>717</u>	<u>674</u>

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Staff (continued)

Higher paid staff

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

	2022/23	2021/22
	No	No
£60,001 - £70,000	8	8
£70,001 - £80,000	3	3
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 2. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £737,121 (2022: £680,051). The average number of staff included in key management during the year was 7 (2022: 8).

9 Central services

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

- Buildings and Resource Management
- Finance
- ICT
- Personnel
- School Improvement

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

We apportion all central costs to schools to maintain a breakeven position within the Central Trust. Schools are charged based on the proportion of their funding income to the Trust.

The actual amounts charged during the year were as follows:

	2022/23	2021/22
	£ 000	£ 000
Cleethorpes Academy	625	539
Louth Academy	643	518
Pilgrim Academy	124	120
Reynolds Academy	184	165
Somercotes Academy	312	254
Theddlethorpe Academy	51	51
Waltham Tollbar Academy	1,237	1,047
	<u>3,176</u>	<u>2,694</u>

Lincolnshire Gateway Academies Trust**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****10 Related party transactions - Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of Trustees' remuneration and other benefits was as follows:

Mr M Brown (Chief Executive Officer and ex-officio Trustee):

Remuneration: £135,000 - £140,000 (2022 - £120,000 - £125,000)

Employer's pension contributions: £30,000 - £35,000 (2022 - £30,000 - £35,000)

During the year ended 31 August 2023, travel and subsistence expenses totalling £416 (2022 - £140) were reimbursed or paid directly to 3 trustees (2022 - 1).

Other related party transactions involving the trustees are set out in note 22.

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the Multi Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

12 Tangible fixed assets

	Freehold land and buildings £ 000	Long leasehold land and buildings £ 000	Furniture and equipment £ 000	Plant and Machinery £ 000	Computer equipment £ 000	2022/23 Total £ 000
Cost						
At 1 September 2022	79,453	40,625	1,334	1,635	1,709	124,756
Additions	-	-	98	155	788	1,040
At 31 August 2023	79,453	40,625	1,432	1,789	2,497	125,796
Depreciation						
At 1 September 2022	9,804	5,373	1,059	1,145	815	18,197
Charge for the year	1,802	792	131	134	553	3,413
At 31 August 2023	11,606	6,165	1,190	1,280	1,369	21,610
Net book value						
At 31 August 2023	67,846	34,460	241	510	1,128	104,186
At 31 August 2022	69,648	35,253	275	489	894	106,559

Included within plant and machinery are motor vehicles with a net book value of £33,477 (2022: £42,363).

13 Debtors

	2023 £ 000	2022 £ 000
Trade debtors	4	121
VAT recoverable	152	295
Other debtors	10	12
Prepayments	579	335
Accrued grant and other income	286	348
	<u>1,030</u>	<u>1,111</u>

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

14 Creditors: amounts falling due within one year

	2023	2022
	£ 000	£ 000
Trade creditors	1,068	431
Other taxation and social security	524	478
Other creditors	12	6
Accruals	84	218
Deferred income	346	197
	<u>2,034</u>	<u>1,331</u>
	2023	2022
	£ 000	£ 000

Deferred income

Deferred income at 1 September 2022	197	51
Resources deferred in the period	346	197
Amounts released from previous periods	<u>(197)</u>	<u>(51)</u>
Deferred income at 31 August 2023	<u>346</u>	<u>197</u>

Deferred income relates to monies received in advance for the 2022-23 academic year and is relation to rates relief, UIFSM, SEN, Early Years Funding and Bursary.

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Funds

	Balance at 1 September 2022 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2023 £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	9,749	28,344	(28,860)	(551)	8,682
Other DfE/ ESFA Grants	15	1,997	(1,997)	-	15
Other Restricted Funds	-	1,235	(1,235)	-	-
Pupil Premium	-	1,621	(1,621)	-	-
Total restricted general funds	9,764	33,198	(33,714)	(551)	8,697
<i>Restricted fixed asset funds</i>					
School Condition Allocation Grant	898	837	(1,538)	551	748
Assets acquired with PFS Grant	5,344	-	-	-	5,344
Other Fixed Assets on Conversion/ Acquired	100,837	-	(3,413)	-	97,424
Donated Assets	143	-	-	-	143
Other Capital Funding	234	579	-	-	814
Total restricted fixed asset funds	107,456	1,416	(4,951)	551	104,472
<i>Pension reserve funds</i>					
Pension Fund	(498)	-	(406)	1,514	610
Total restricted funds	116,722	34,614	(39,072)	1,514	113,779
<i>Unrestricted general funds</i>					
Unrestricted General Funds	1,054	346	(251)	-	1,149
Total unrestricted funds	1,054	346	(251)	-	1,149
Total funds	117,776	34,960	(39,322)	1,514	114,928

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Funds (continued)

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

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	7,739	27,242	(24,474)	(758)	9,749
Other DfE/ ESFA Grants	299	885	(1,169)	-	15
Catch-up Premium	122	-	(122)	-	-
Other Restricted Funds	-	1,404	(1,404)	-	-
Pupil Premium	-	1,528	(1,528)	-	-
<i>Restricted fixed asset funds</i>					
School Condition Allocation Grant	1,074	820	(1,754)	758	898
Assets acquired with PFS Grant	6,256	-	(912)	-	5,344
Other Fixed Assets on Conversion/ Acquired	102,117	-	(1,280)	-	100,837
Donated Assets	221	-	(78)	-	143
Other Capital Funding	-	363	(128)	-	234
<i>Pension reserve funds</i>					
Pension Fund	(15,056)	-	(1,928)	16,486	(498)
Total restricted funds	<u>102,772</u>	<u>32,242</u>	<u>(34,778)</u>	<u>16,486</u>	<u>116,722</u>
<i>Unrestricted general funds</i>					
Unrestricted General Funds	<u>967</u>	<u>254</u>	<u>(167)</u>	<u>-</u>	<u>1,054</u>
Total unrestricted funds	<u>967</u>	<u>254</u>	<u>(167)</u>	<u>-</u>	<u>1,054</u>
Total funds	<u>103,739</u>	<u>32,496</u>	<u>(34,945)</u>	<u>16,486</u>	<u>117,776</u>

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Funds (continued)

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

General Funds represent those resources which may be used towards meeting any of the objects of the Trust at the discretion of the Trustees. These are not currently designated for particular purposes.

General Annual Grant is made up of a number of different funding streams all of which are to be used to cover the running costs of the Trust. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

COVID-19 catch-up premium and Other DfE/ ESFA COVID-19 funds represent grant funding received from the DfE/ ESFA to help pupils catch up lost time after school closure and to cover additional costs as a direct impact of the COVID-19 pandemic such as additional health and safety costs and summer school costs.

Other DfE/ ESFA Restricted Funds represent funding received from the ESFA for specific projects.

Other COVID-19 funding includes COVID-19 mass testing funding utilised against costs incurred conducting on-site testing and funding received from local authorities to assist with the additional costs of pupil free school meals which has been utilised in the year providing free school meal vouchers to pupils.

Other restricted funds represent all other restricted funds received which must be used for the purpose intended.

Pension reserves represents the current deficit balance of the Local Government Pension Scheme.

Assets acquired with PFS Grant represents the net book value of the property and computer equipment purchased to date using PFS funding.

Devolved Formula Capital and School Condition Allocations Grants represents funding received for capital projects which remains unspent at the end of the period. Assets purchased out of Devolved Formula Capital and School Condition Allocation funding are transferred to other fixed assets acquired.

Other fixed assets on conversion/ acquired represents the net book value of all other assets acquired including assets acquired on conversion or transfer.

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £ 000	2022 £ 000
Cleethorpes Academy	1,773	2,192
Louth Academy	1,887	1,699
Pilgrim Academy	133	307
Reynolds Academy	504	596
Somercotes Academy	293	529
Theddlethorpe Academy	239	216
Waltham Tollbar Academy	3,402	3,664
Central services	1,615	1,615
Total before fixed assets and pension reserve	9,846	10,818
Restricted fixed asset fund	104,472	107,456
Pension reserve	610	(498)
Total	114,928	117,776

Total cost analysis by academy

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2023 £ 000
Cleethorpes Academy	4,582	659	106	1,982	7,329
Louth Academy	4,528	532	118	1,690	6,867
Pilgrim Academy	1,179	251	54	328	1,813
Reynolds Academy	1,541	286	37	348	2,211
Somercotes Academy	2,503	317	59	1,071	3,950
Theddlethorpe Academy	458	97	36	151	743
Waltham Tollbar Academy	8,316	891	447	2,147	11,801
Central services	370	1,669		2,159	4,198
Academy Trust	23,477	4,702	859	9,876	38,913

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Funds (continued)

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2022 £ 000
Cleethorpes Academy	3,855	412	311	370	4,947
Louth Academy	4,083	449	219	573	5,323
Pilgrim Academy	1,094	205	60	137	1,497
Reynolds Academy	1,360	263	77	218	1,918
Somercotes Academy	2,029	236	146	578	2,989
Theddlethorpe Academy	426	68	53	87	633
Waltham Tollbar Academy	7,688	612	556	1,007	9,862
Central services	416	1,428	193	555	2,591
Academy Trust	20,950	3,672	1,615	3,524	29,761

16 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	104,186	104,186
Current assets	1,149	10,731	286	12,166
Current liabilities	-	(2,034)	-	(2,034)
Pension scheme liability	-	610	-	610
Total net assets	1,149	9,307	104,472	114,928

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

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	106,558	106,558
Current assets	1,054	11,094	898	13,046
Current liabilities	-	(1,331)	-	(1,331)
Pension scheme liability	-	(498)	-	(498)
Total net assets	1,054	9,266	107,456	117,776

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

17 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2023 £ 000	2022 £ 000
Net expenditure	(4,362)	(2,449)
Depreciation	3,413	3,259
Capital grants from DfE and other capital income	(1,416)	(1,183)
Interest receivable	(24)	(16)
Defined benefit pension scheme cost less contributions payable	383	1,671
Defined benefit pension scheme finance cost	23	257
Decrease/(increase) in debtors	81	(213)
Increase in creditors	703	310
Profit on disposal of tangible fixed assets	-	(11)
Net cash (used in)/provided by Operating Activities	<u>(1,199)</u>	<u>1,625</u>

18 Cash flows from investing activities

	2023 £ 000	2022 £ 000
Dividends, interest and rents from investments	24	16
Purchase of tangible fixed assets	(1,040)	(1,225)
Proceeds from sale of tangible fixed assets	-	11
Capital funding received from DfE group	<u>1,416</u>	<u>1,183</u>
Net cash provided by/(used in) investing activities	<u>400</u>	<u>(15)</u>

19 Analysis of cash and cash equivalents

	2023 £ 000	2022 £ 000
Cash in hand and at bank	<u>11,136</u>	<u>11,935</u>
Total cash and cash equivalents	<u>11,136</u>	<u>11,935</u>

20 Member 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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they cease to be a member.

21 Pension and similar obligations

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 . Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Pension and similar obligations (continued)

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 teachers in Academy Trusts. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 30 October 2023.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% 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 £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,8000 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the period amounted to £3,328,696 (2022: £3,111,699).

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

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

Local government pension schemes

East Riding Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,031,000 (2022 - £801,000), of which employer's contributions totalled £755,000 (2022 - £595,000) and employees' contributions totalled £276,000 (2022 - £206,000). The agreed contribution rates for future years are 18.3% per cent for employers and 5.5-9.9% per cent for employees. The scheme is managed by East Riding Pension Fund.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Pension and similar obligations (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.00	4.00
Rate of increase for pensions in payment/inflation	3.00	3.10
Discount rate for scheme liabilities	<u>5.20</u>	<u>4.30</u>

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

	2023	2022
Retiring today		
Males retiring today	21.10	20.80
Females retiring today	24.00	23.50
Retiring in 20 years		
Males retiring in 20 years	21.90	22.00
Females retiring in 20 years	<u>25.50</u>	<u>25.30</u>

Sensitivity analysis

	2023	2022
	£ 000	£ 000
0.1% decrease in discount rate	(321)	(363)
0.1% increase in salary increase rate	30	29
0.1% increase in pension increase rate (CPI)	298	34
1 year increase in member life expectancy	<u>578</u>	<u>620</u>

The academy's share of the assets in the scheme were:

	2023	2022
	£ 000	£ 000
Equities	12,313	11,765
Other bonds	2,907	2,196
Property	1,539	1,569
Cash and other liquid assets	<u>342</u>	<u>157</u>
Total market value of assets	<u>17,102</u>	<u>15,687</u>

The actual return on scheme assets was (£702,000) (2022 - (£498,000)).

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2022/23 £ 000	2021/22 £ 000
Current service cost	1,174	1,348
Interest income	(682)	(259)
Interest cost	683	437
Total amount recognized in the SOFA	<u>1,175</u>	<u>1,526</u>

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

	2022/23 £ 000	2021/22 £ 000
At start of period	15,496	25,529
Current service cost	1,174	1,943
Interest cost	683	437
Employee contributions	276	206
Actuarial (gain)/loss	(2,901)	(12,348)
Benefits paid	<u>(291)</u>	<u>(271)</u>
At 31 August	<u>14,437</u>	<u>15,496</u>

Changes in the fair value of academy's share of scheme assets:

	2022/23 £ 000	2021/22 £ 000
At start of period	15,687	15,396
Interest income	682	259
Actuarial gain/(loss)	(7)	(498)
Employer contributions	755	206
Employee contributions	276	595
Benefits paid	(291)	(271)
Asset ceiling restriction	<u>(2,055)</u>	<u>-</u>
At 31 August	<u>15,047</u>	<u>15,687</u>

Lincolnshire Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £443,000 (2022 - £356,000), of which employer's contributions totalled £367,000 (2022 - £294,000) and employees' contributions totalled £76,000 (2022 - £62,000). The agreed contribution rates for future years are 21.4% per cent for employers and 5.5-19.2% per cent for employees. The scheme is managed by Lincolnshire Pension Fund.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Pension and similar obligations (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	3.00
Discount rate for scheme liabilities	<u>5.30</u>	<u>4.30</u>

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

	2023	2022
Retiring today		
Males retiring today	19.50	21.20
Females retiring today	22.60	23.70
Retiring in 20 years		
Males retiring in 20 years	20.80	22.10
Females retiring in 20 years	<u>24.00</u>	<u>25.10</u>

Sensitivity analysis

	2023	2022
	£ 000	£ 000
0.1% increase in Real Discount Rate	5,220	5,885
0.1% decrease in Real Discount Rate	(5,413)	(6,166)
1 year decrease in member life expectancy	(5,157)	(5,857)
1 year increase in member life expectancy	5,478	6,196
0.1% increase in Salary Increase Rate	5,320	6,043
0.1% decrease in Salary Increase Rate	(5,311)	(6,006)
0.1% increase in the Pension Increase Rate	5,411	6,150
0.1% decrease in the Pension Increase Rate	<u>(5,222)</u>	<u>(5,901)</u>

The academy's share of the assets in the scheme were:

	2023	2022
	£ 000	£ 000
Equities	3,428	3,902
Other bonds	730	631
Property	412	676
Cash and other liquid assets	189	126
Infrastructure	211	-
Absolute return fund	<u>581</u>	<u>-</u>
Total market value of assets	<u>5,551</u>	<u>5,335</u>

The actual return on scheme assets was (£84,000) (2022 - £Nil).

Lincolnshire Gateway Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2022/23 £ 000	2021/22 £ 000
Current service cost	325	323
Interest income	(235)	(85)
Interest cost	257	164
	<u>347</u>	<u>402</u>
Total amount recognized in the SOFA		

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

	2022/23 £ 000	2021/22 £ 000
At start of period	6,024	9,935
Current service cost	325	614
Interest cost	257	164
Employee contributions	76	62
Actuarial (gain)/loss	(1,330)	(4,711)
Benefits paid	(37)	(40)
	<u>5,315</u>	<u>6,024</u>
At 31 August		

Changes in the fair value of academy's share of scheme assets:

	2022/23 £ 000	2021/22 £ 000
At start of period	5,335	5,012
Interest income	235	85
Actuarial gain/(loss)	(419)	(75)
Employer contributions	367	294
Employee contributions	76	62
Benefits paid	(37)	(40)
Administration expense	(6)	(3)
Asset ceiling restriction	(236)	-
	<u>5,315</u>	<u>5,335</u>
At 31 August		

22 Related party transactions

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 10.