
SOUTH LINCOLNSHIRE ACADEMIES TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 17
Governance statement	18 - 21
Statement on regularity, propriety and compliance	22
Statement of Trustees' responsibilities	23
Independent auditors' report on the financial statements	24 - 26
Independent reporting accountant's report on regularity	27 - 28
Statement of financial activities incorporating income and expenditure account	29 - 30
Balance sheet	31 - 32
Statement of cash flows	33
Notes to the financial statements	34 - 66

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr W Hawkins Mrs L J Dray (resigned 8 September 2019) Mr D Pickering Mr R Moore (appointed 2 December 2019) Mr S Westaway (appointed 28 September 2020)
Trustees	Mr W Hawkins, Chair of Directors Mr S Haigh Mr J Stokes Mr R Immink Mrs L Conley, Executive Headteacher and Accounting Officer Mr D Pickering Mr J Kirkman
Company registered number	07559187
Company name	South Lincolnshire Academies Trust
Principal and registered office	Bourne Academy Edinburgh Crescent Bourne Lincs PE10 9DT
Chief Executive Officer	Mrs L Conley
SLAT Executive Deputy Headteacher Team (EDHT)	Mrs L Conley, Executive Headteacher Mr B Sinclair, Executive Deputy Headteacher Mr J Hind, Executive Deputy Headteacher Mr T Martin, Executive Deputy Headteacher Mrs E Dilley, Executive Deputy Headteacher

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Independent auditors	Streets Audit LLP Windsor House A1 Business Park at Long Bennington Notts NG23 5JR
Bankers	Lloyds TSB 8 North Street Bourne Lincs PE10 9ED
Internal Auditor	SAAF Education The Engineering Centre, Park Vale Academy Top Valley Drive Top Valley Nottingham NG5 9AZ

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Multi Academy Trust (MAT) operates two secondary academies, Bourne Academy and Spalding Academy in Lincolnshire. Both academies are for students aged 11 to 19 serving a catchment area of Lincolnshire.

Bourne Academy has a student capacity of 1,425 and a roll of 1,413 in the school census of October 2020.

Spalding Academy has a student capacity of 1,622 and a roll of 1,203 in the school census of October 2020.

Structure, governance and management

Constitution

The Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Trust.

The Trustees of South Lincolnshire Academies Trust are also the directors of the charitable company for the purposes of company law.

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 page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable 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 ceased to be a member.

Directors' indemnities

The MAT has insurance through the Risk Protection Agreement (RPA) for academies.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

Method of recruitment and appointment or election of Trustees

The articles of association require the members of the charitable company to appoint at least three Members to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy.

The articles of association require that the Members of the Academy Trust shall comprise:

- a) the signatories to the Memorandum until they resign or otherwise cease to be members; and
- b) any person appointed under Article 15A
- c) no employee of the Academy Trust shall be a member of the Academy Trust

Article 15a – The members may agree by passing a special resolution to appoint such additional Members as they see fit.

The members' board may appoint by ordinary resolution up to 7 Trustees. Directors may be removed by the person or persons who appointed them.

The Directors who were in office at 31 August 2020, and served throughout the period, are listed on page 1.

Policies adopted for the induction and training of Trustees

All members and Directors are provided with copies of procedures, minutes, accounts, budgets plans and other documents that they will need to undertake their role as Director.

All Members and Directors have access to a range of training programmes.

Organisational structure

The organisational structure of the MAT consists of three levels, The Members Board, the Board of Directors and the SLAT Executive Deputy Headteacher Team (EDHT).

The MAT is governed by the Members Board, which delegates functions as appropriate to the Board of Directors who are appointed by the Directors as a committee. Directors are directors of the Charitable Company for the purposes of the Companies Act 2006 and Directors for the purposes of charity legislation. The Directors exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the MAT.

The Board of Directors are responsible for setting general policy, adopting an annual School Development Plan (SDP) and budget, monitoring the MAT's use of budgets and making major decisions about the direction of the MAT and senior staff appointments. The Directors are responsible for monitoring the performance of the Executive Headteacher and EDHT on a regular basis.

The EDHT consists of the Executive Headteacher and four Deputy Headteachers across the two academies.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

Arrangements for setting pay and remuneration of key management personnel

The Academy Pay Policy details the pay and remuneration for key management personnel. Remuneration is determined by performance based on set objectives. There is a remuneration committee in place as a sub-committee of the Board of Directors.

Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust's equal opportunities policy, the Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Trust's offices.

Objectives and activities

Objects and aims

South Lincolnshire Academies Trust principle object is 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, managing and developing a school offering a broad and balanced curriculum.

The aim of the Trust is to provide a quality education in a caring and disciplined community:

- By maintaining the Trusts reputation for excellent examination results;
- By allowing pupils of all abilities to attain their full potential and develop their own special qualities;
- By offering a wide range of extracurricular activities and sports;
- By maintaining the high standards and expectations of the schools;
- By developing a positive attitude towards equal opportunities for all, regardless of sex, religion or personal difficulties;
- By expecting pupils to value all members of the school's community and its environment;
- By allowing pupils to acquire attitudes and skills which enable them to give purposes to their lives and to make a contribution to the wider community.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

Objectives, strategies and activities

The main objectives of the Trust during the period ended 31 August 2020 are summarised below:

- To ensure that every pupil enjoys the same high quality education in terms of resourcing, tuition and care;
- To raise the standard of educational achievement of all pupils;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain close links with industry and commerce;
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Public benefit

The Directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's objectives and aims and in planning future activities for the year. Given the activities of the Trust and the student population that it services, the Directors consider that the company's aims are demonstrably to the public benefit.

There continues to be a significant public benefit arising from the South Lincolnshire Academies Trust (SLAT) two secondary schools, with the ethos of the Trust being:

Aspire, Challenge, Achieve

Strategic report

Key performance indicators

Please note that these key performance indicators focus on 2019 outcomes, due to the COVID-19 pandemic leading to all schools having unvalidated data.

End of KS4

Progress 8 data places Bourne Academy +0.59 in the top 15% of all schools in 2019 and Spalding Academy +0.21 in the top 35% of all schools nationally.

NB: 2020 Bourne Academy progress: +1.05 and Spalding Academy: +0.51

Post 16

Data shows attainment is much higher with A*-A increasing by 19% and A*-B by 31%. L3 BTEC qualifications Dist* has increased by 12% and Dist*-D by 3%.

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the MAT 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.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance

The Trust has a School Transformation Plan (STP) for each school, approved by Directors to cover this academic year 2020/21, which also outlines key performance indicators for the next three years. The STP document combines:

- The school ethos statement;
- Monitoring arrangements for the STP, in order for Trustees to hold leaders to account;
- The Self Evaluation Framework (SEF);
- Examination performance details & context – with a focus on 2019 validated outcomes;
- The Curriculum Intent, which shares the vision for each school;
- The school development targets (SDP), which outline the current educational priorities for 2019-20.

The STP is a new way of working that was implemented in 2019 and will now enable Trustees to have all necessary information about each school in one format, making accountability for school leaders more transparent.

A key development for 2019/20 has been the work on each schools' Curriculum Intent, which firmly underpins the SLAT vision for high performing non-selective secondary schools located within a selective area of education, both of which aspire to be 'Outstanding' and the curriculum is the next step on the journey towards meeting this intent vision:

'Bourne Academy and Spalding Academy aim to provide an exceptional education which enriches students' ambition and love of learning and equips them with the skills, knowledge and cultural capital they need to access aspirational Post-16 & Post-18 pathways and meet the responsibilities and experiences of later life.'

At Key Stage 3 the SLAT aims to provide a secure foundation and subsequent extension of prior knowledge, skills and understanding before broadening out into an ambitious and varied curriculum through our Year 8 'Choices' programme. At Key Stage 4 and 5, the SLAT is unique within the local area for offering a specialised mix of academic, technical and vocational subjects. Whether at Post-16 or Post-18, students at all levels are supported for their next stage of education, employment or training.

The SLAT is very proud of the fact that students can follow an English Baccalaureate (EBacc) curriculum to GCSE, however there is equally high value placed on the contribution that creative, vocational and technical learning areas also makes to every child's development and the SLAT approach is for every student to follow their own pathway, based on strong careers advice and high aspiration for all learners.

The success of both Trust schools continues to grow, with both schools being nominated for Secondary School of the Year Award in 2017/2018/2019 in the Lincolnshire Free Press and Spalding Guardian Education Awards, with Bourne Academy winning in 2017 and Spalding Academy in 2019. In addition, Spalding Academy was a finalist and runner up in National Education Business Awards 2019 for Outstanding Progress Award (Secondary).

The success at Spalding Academy has been particularly considerable, with the school moving from an Ofsted rating of inadequate to Good in June 2019. This, previously graded 'Inadequate' school, has been a privilege to work with and the students, staff and parents deserve the recognition that this school is now Good.

Some key highlights from the Ofsted report include:

- The school has improved rapidly and pupils' behaviour is a strength of the school;
- The school is a positive and harmonious community;
- The curriculum is well matched to the needs of the pupils and ensures that they are well prepared for the next stage of education;

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Strategic report (continued)

- Leaders and staff have created an atmosphere of care and support and are determined to do their best for each pupil;
- Leaders have high aspiration for pupils' achievement; leaders and staff have created a culture built on shared values and the belief that all pupils can achieve well;
- The quality of teaching is good and the wellbeing of pupils, both physically and emotionally, is a priority of the school;
- Parents are positive about the way the school cares for their children, and staff are determined to support them;
- The behaviour of pupils is good and relationships are very strong, both between pupils and between pupils and staff.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Executive Headteacher's report

In recent years, Bourne Academy has offered a viable alternative to selective education in the town of Bourne and the local area. Since September 2016, a similar situation was created at Spalding Academy, with this school operating in a similar model to Bourne Academy, seen in shared highly effective leadership, including in education; finance; operations; HR and Governance. Confidence in Bourne Academy continues with the PAN remaining at 250. Additionally, confidence in the Trust's sponsorship of Spalding Academy has now been embedded, with numbers that have now grown to meet the full Pupil Admission Number (PAN) of 270 in the September 2018 & 2019 and this has now been confirmed for the 2020 Year 7 intake. Both of the current SLAT schools are consistently oversubscribed for Year 7 intakes, with appeals for Year 7 entry in both schools. The continuing success journey at Spalding Academy has led to the Local Authority supporting the Trust with an expansion consultation in the summer 2020, in order to be able to offer an additional 30 school places to meet local demand, with a PAN expansion to 300 Year 7 places in 2022. This expansion will bring much needed and significant additional funding to provide a new eight classroom block; two refurbished Science labs and IT suites; improved additional food stations; removal of a stage area in one of the school halls to expand the footprint of this facility to accommodate the students in assemblies.

Due to the continuing success seen at Bourne Academy and Spalding Academy, in January 2020 the Department for Education asked the South Lincolnshire Academies Trust to support Giles Academy, which is another local school in the Boston area. Giles Academy, is a school that was graded Inadequate and requiring special measures in December 2019 and the Executive Headteacher and Trustees sees this future opportunity as a chance for a group of three non-selective mixed secondary schools in Lincolnshire to work together in order to provide exceptional education opportunities and outcomes for the students in the Trust.

Other than Personal Development which was considered requiring improvement by Ofsted in December 2019, Giles Academy was graded inadequate in all areas:

- Overall effectiveness
- The quality of education
- Behaviour and attitudes
- Leadership and management
- Sixth-form provision

Therefore, the South Lincolnshire Academies Trust was asked by the Department for Education to offer immediate interim leadership support for the school. This support has proven to be essential for the school. With no Headteacher in post at Giles Academy the leadership and strategic direction of the school from January 2020 to August 2020 relied on the Executive Headteacher and the Executive Deputy Headteacher team, who needed to put in robust systems, particularly linked to behaviour, in order to support Governors, remaining school Leaders, teachers and the students. This has been particularly challenging due to the country being placed into a national lockdown due to the COVID-19 pandemic. Nevertheless, the South Lincolnshire Academies Trust leaders have been relentless in their commitment and drive to provide this support from January 2020 and beyond, to ensure that the Governors, staff, parents and students at the school have all been well supported.

The most significant aspect of 2019/2020 has been the COVID-19 pandemic. This has had an understandably significant impact on the running of the Trust and each school and how we need to effectively implement teaching, learning and health & safety systems to support the learners in our Trust, all of which has been carried out in an exceptional way. This view has been reinforced by parents, staff and students. The Trust has successfully supported learners to achieve their best during the full lockdown period; provided free school meals; offered wellbeing support to many families; set up and facilitated a safe curriculum using Year Group Bubbles and segregated yards. Feedback regarding the Trust approach from staff, parents and students has been overwhelmingly positive, with an unprecedented level of praise offered to each school in the Trust. Despite the pressure of dealing with this situation in the current two current SLAT schools and offering a high

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Strategic report (continued)

level of interim support to a 'inadequate' third school, the Executive Headteacher has still found time to reach out, support and work with other local primary and secondary schools, which has been very positively received.

The SLAT Vision:

The current two SLAT schools, being Bourne Academy and Spalding Academy are inclusive secondary schools which endeavour to recognise and meet the needs of the individual student. The SLAT practice is characterised by:

- A commitment to high quality teaching, the education offered by SLAT at Bourne Academy and Spalding Academy is exceptional, as are the students.
- As mixed non-selective secondary schools, the SLAT prides itself on being able to provide a personalised approach that best meets the needs of each and every individual child.
- Bourne Academy and Spalding Academy belief is to provide learning centers that encourage students to Aspire, Challenge, Achieve and as part of the wider family of the SLAT, and therefore access to strong professional partnership links and outstanding educational thinking.
- The SLAT has myriad of opportunities for children to access study support and extracurricular programmes, often involving working closely with the local community, particularly in sport and the arts - including music, performance and the visual arts.
- Putting students, their learning and welfare at the centre of all decision making, the SLAT supports them to work hard, be committed to learning and believe in high challenge that is coupled with high support, including exceptional pastoral care.
- The SLAT also demands high standards of behaviour, coupled with exceptional pastoral and wellbeing support, that allow effective learning and teaching to take place.

For the summer of 2020, the South Lincolnshire Academies Trust schools, as with all schools nationally, have had to deal with the COVID-19 pandemic situation, with end of Key Stage 4 and Key Stage 5 results being unvalidated in the sense that students were awarded the higher outcome from either center assessed grades (CAG) or the exam board awarded grade. In these challenging circumstances our learners achieved slightly better than expected, with all students progressing on to their chosen future career path.

Therefore, the South Lincolnshire Academies Trust continue to look at outcomes from the examination results in the summer 2019 and the continuing incremental increase in progress score in both schools, to promote the Trust's credibility.

The SLAT continues to receive positive recognition from the Regional Schools Commissioner for the outstanding work carried out by our Trust for our learners, as seen in the Trust review meeting in November 2019 at the Department for Education, attended by the Executive Headteacher, Finance Director and the Chair and Vice Chair of Trustees and in the subsequent meetings from January 2020 to August 2020, as the Trust carried out the complex due diligence during the COVID-19 lockdown period, in readiness for taking this third school into the Trust (September 2020), being Giles Academy.

Additionally, due to the success of the Trust the DFE have now invited the South Lincolnshire Academies Trust to be part of a case study to share its success with a wider audience. This is planned for 2020.

It has been even more important in this academic year, during the COVID-19 pandemic and lockdown period that, in addition to the progress students make in their learning, the Trust's PSHE and Spiritual, Moral, Social and Cultural (SMSC) programmes are fully embedded in every aspect of school life and demonstrates how well we support and promote British values and support health and wellbeing. Both schools are outward looking and have a strong emphasis on preparing students to be responsible citizens as they progress through the school and beyond.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Bourne Academy Sixth Form:

The Sixth Form at Bourne Academy offers a well-rounded mix of qualifications, which is an extremely popular choice by students living in Bourne, the surrounding villages and students at Spalding Academy. Numbers of Year 11 progressing to Sixth form have increased at both Bourne Academy (45% 2020; 36% 2019) and Spalding Academy (21% 2020; 10% 2019). Despite the pandemic situation 56% of students in the summer of 2020 progressed to University, with every student who wanted to take this route securing a University place (65% in 2019). In total 92% of students progressed onto higher or further education, an apprenticeship programme or work placement, with the final 8% of NEETS (4% in 2019) continuing to be supported by the careers team at Bourne Academy in order to secure an appropriate placement.

Additional Activities:

With the Trust experiencing restrictions due to the COVID-19 lockdown period, there is still a high focus on continuing to open the doors beyond the classroom to a wide range of experiences. All subjects have continued to provide additional learning contexts including; virtual music productions and online art events and careers fairs. The high-performing sports teams in the majority of disciplines in both SLAT schools have seen the biggest impact of the lockdown period, however some activities have continued online and the PE department have been instrumental in facilitating clever and well thought out online challenges to students and staff to keep them motivated with fitness.

Communication:

Despite the lockdown restriction, all of our activities and events continue to be well publicised in termly newsletters and through the newly developed and implemented Trust and individual school websites. The new website platforms for the Trust and each school are now managed 'in house' and this has enabled far better communication with students, parents and the community. Since the announcement of the Government COVID-19 pandemic national lockdown and the closure of schools on March 23 2020, the Executive Headteacher has made sure that communication to staff, parents and students has been highly effective through weekly newsletters and key update notifications. The way the Trust has dealt with communication during the pandemic has received a great deal of praise, including when students have been working from home and in their smooth facilitation back into the school environment at both Bourne Academy and Spalding Academy.

Example parent comment:

"Can I just take a moment to thank you for all the extremely professional response to the Covid19 situation. You have clearly put the children at the heart of what you do and the decisions you make. You are all working hard to keep children learning and the school open and I certainly appreciate this as a parent. I feel very reassured by your approach."

Current Trust Status:

The current South Lincolnshire Academies Trust schools are currently Good (Bourne Academy Ofsted 2017; Spalding Academy Ofsted 2019), and aspiring to be outstanding because:

1. Leadership:

The SLAT leadership and management are highly effective, which is supported by a strong ethos of distributed leadership and an equally strong focus on appropriate staff training and effective succession planning.

2. Curriculum:

Exceptional approach to curriculum planning, linked closely to future learning and career aspiration and the local area employment market.

3. Assessment:

Teachers use assessment to help students embed and use knowledge fluently and to develop their understanding.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Strategic report (continued)

4. Behaviour:

The behaviour and attitudes of students are outstanding, with the SLAT providing a positive, respectful culture in which staff know and care about all learners. Students are safe and bullying and discrimination are not tolerated, with any issues dealt with promptly using the SLAT Behaviour 4 Point Plan.

5. Support:

The SLAT is well known in the local community for the pastoral support provided for our young people. There is a robust pastoral support system, which is the central spine of both Trust schools and is fully embedded, so that all students feel highly supported in what is an increasingly complex and challenging modern world.

To improve further:

The main focus for this year has been on keeping students learning since the announcement of school closures on March 23 2020. For the South Lincolnshire Academies Trust there has been blended learning approach, with all Year 7 to Year 13 lessons planned; set and all assessments online using the Show My Homework (SMH) platform; use of TEAMS for key lessons in Year 10 to Year 13; presentations and demonstrations of films and videos using VIMEO; face to face support sessions during lockdown; return to the classroom and the schools fully opening to continue to provide exceptional teaching and learning opportunities.

The South Lincolnshire Academies Trust schools have always remained open every day, including during every holiday period for key worker children and for students falling behind in their work. The Leadership and Pastoral teams have also been available during evenings and weekends to support the wellbeing of our families. The Trust sees this high level of communication as being critical in 2019/2020 and beyond to support all staff and our families.

The biggest concern for the Trust to improve further surrounds how we can make sure all our learners can make good progress following five months out of education (March to July 2020); with education still not looking the same for many learners due to time needed for self-isolation and teacher isolation and with our increased concerns for student wellbeing. The Trust sees that a high level of intervention and support has been needed and continues to be. The Trust has been highly effective in dealing with learning; well-being support and health and safety requirements of this pandemic situation, by being open at all times and has provided all learners with the tools to be successful, whether this be: facilitating online learning and assessment; providing all learners with stationary packs and revision guides; ensuring computer access; mentor support; additional learning tasks; additional time in school for catch up; rewards; home visits or even just a phone call to share concerns and make a contact. Additionally, the Trust has significantly increased the focus on rewards and careers guidance to motivate and inspire the students at this challenging time.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Strategic report (continued)

To meet the needs of Aspire, Challenge, Achieve the SLAT challenges can be seen as:

- Progress:
A continued focus on improving outcomes for all student groups following the COVID-19 pandemic, with an unrelenting focus on sustaining our exceptional provision, through continual reflection upon our approaches to the curriculum and wider school needs and making any necessary changes to positively impact on all Key Stages, including the Sixth Form.
- Gap Analysis:
To review the impact of the national lockdown on our learners due to the COVID-19 pandemic, and to review and assess the gaps in each individual student knowledge and understanding and to support our learners to bridge these gaps through critical and targeted intervention in order to make rapid improvement, (moving from the national agenda 3 'I's' to a 4th 'I' being 'intervention' for the SLAT).
- Remote Learning:
The school has adapted well to remote learning systems, such as through Show My Homework (SMH), but will continue to develop use of Microsoft TEAMS in case of a further and potential local lockdown issues. TEAMS enables the Trust to ensure that lessons are live streamed to student homes as necessary and will add to the SMH system.
- End of KS4 Progress:
A continued focus on improving outcomes for all student groups, an unrelenting focus on sustaining SLAT outstanding provision, seen in both schools continuing to achieve above national average, with further development in English at KS4.
- Boy's Progress:
Although Boys perform well above national average at Bourne Academy and in line with national average at Spalding Academy, the SLAT aims to close the gap further between Boys / Girls achievement through the SLAT Boys Strategy, which will positively discriminate this group in order for the Boys to achieve more.
- EBacc:
To increase SLAT student participation in the EBacc, to work towards meeting the DfE 75% student participation 2022 target, whilst recognising that 'student choice' is at the heart of our SLAT curriculum vision, supported by high quality careers guidance, linked to University, Apprenticeships and the needs of the local area market.
- Literacy Skills:
Due to the context of the SLAT schools, being non-selective, without comprehensive student intakes and the impact of the 11+ weighting on non-verbal reasoning, to continue to improve students' extended writing skills, to equip them better to more successfully complete long answer questions and to encourage our learners to be articulate in a range of contexts, by being encouraged to constantly develop a wider vocabulary, supported by reading widely.
- Independence:
Continued focus on encouraging students to learn independently, by completing homework tasks, attending curriculum intervention sessions and undertaking extended learning tasks, which are closely linked to the SLAT careers and raising aspiration programme.
- Wellbeing:
The SLAT schools meet the pastoral needs of all learners exceptionally well, driven through the comprehensive pastoral structure. However, the SLAT recognises the need for continued focus on the wellbeing and health of learners in order that they can 'do their best' and have high aspiration for their futures, whilst growing up in the increasingly challenging and complex world of being a young person in Modern Britain.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Financial review

Reserves policy

The MAT operates a reserves policy of one month's operating expenditure. The reserves are reviewed regularly and are considered to be sufficient to ensure an appropriate level of funding is held to cover contingency requirements.

At 31 August 2020, free reserves held amount to £711,397 and restricted general funds amount to £2,400,403. The amount of funds which can only be realised by disposing of tangible fixed assets amounted to £28,267,085. The pension fund is in deficit by £6,764,000.

Total funds at 31 August 2020 amount to £24,614,885, and the balance on restricted general funds plus unrestricted general funds at 31 August 2020 results in a net surplus of £3,111,800.

Investment policy

The Academy operates an investment policy that seeks to maximise returns, minimise risk and maintain flexibility and access to funds. Current funds are held on deposit.

Principal risks and uncertainties

The Directors are aware of the major risks to which the MAT is exposed. A risk register is managed by regularly reviewing strategic, operational, compliance and financial risks. Specific risks with a higher risk rating include competition risk and the presence of other organisations with similar objects and little cope for differentiation. Insurance risk is closely monitored to ensure there is no financial loss/inability to replace items if the MAT does not have adequate insurance cover. Linked to insurance is the risk of litigation should the MAT not be fully compliant with health and safety legislation.

Financial review

The Trust held fund balances at 31 August 2020 of £24,614,885, comprising £2,400,403 of restricted funds, a fixed asset reserve of £28,267,085, a pension reserve deficit of £6,764,000 and £711,397 of unrestricted general funds.

Most of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds (non fixed assets) in the statement of financial activities. Another key financial performance indicator is staffing costs as a percentage of recurrent income. For 2020 this was 78.6%, which is an increase of 0.4% in comparison to 2019. This will be monitored in future periods.

The Trust's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The Trust's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme, and consequently the Academy balance sheet shows a net liability of £6,764,000.

Fundraising

The Trust believes that education should be free at the point of delivery and do not ask parents for donations. Fundraising for charities is an active part of our house structure in both schools. The Trust has a strong charity focus, contributing to local, regional, national and international charities on a regular basis.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Streamlined energy and carbon reporting

UK energy use and associated greenhouse gas emissions

The Trust is pleased to report its current UK based annual energy usage and associated annual greenhouse gas emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only for all assets that come under an operational control boundary. This includes the 2 schools controlled during the reporting period along with minibuses and personal vehicles used for business mileage ("grey fleet").

Reporting period

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2020 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The energy consumption was compiled from invoice records or meter readings. Mileage claims were used to calculate energy use and emissions associated with grey fleet. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities (scope 3).

The Trust's greenhouse gas emissions and energy consumption are as follows:

	2020
Energy consumption used to calculate emissions (kWh)	2,135,463
Energy consumption breakdown (kWh):	
Gas	1,133,380
Electricity	968,720
Transport fuel	33,363
Scope 1 emissions (in tonnes of CO2 equivalent):	
Gas consumption	208.4
Owned transport	2.4
Total scope 1	210.8

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Streamlined energy and carbon reporting (continued)

Scope 2 emissions (in tonnes of CO2 equivalent):

Purchased electricity	225.8
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Scope 3 emissions (in tonnes of CO2 equivalent):

Business travel in employee-owned or rental vehicles	5.4
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Total gross emissions (in tonnes of CO2 equivalent):

	442.0
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The Trust has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector. This equates to 0.178 tonnes of CO2 per pupil.

Energy consumption is expected to be below typical this year due to the reduced occupancy across all sites following COVID-19 restrictions from 23 March 2020. From this date, the schools were open to key worker's children only, with a phased and partial reopening for certain year groups occurring in June.

The health restrictions have also resulted in the greater utilisation of digital platforms for staff meetings (such as video conferencing), which reduces the need for travel to and between sites. The emission saving resulting from these activities has not been quantified, but this practice has resulted in behaviour changes that are expected to continue for the foreseeable future.

Outside of the COVID-19 response, the Trust has continued to phase in LED lighting, replacing a further 15 units this year.

Plans for future periods

In setting our objectives and planning our activities the Directors have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trust will continue to work to raise both the aspirations and outcomes of all its students at whatever age, closing gaps between the performances of different groups, where this is needed, and ensuring they are able to proceed successfully to the next stage of their education.

The Trust will be supporting a third Secondary Academy from 1 September 2020. The Giles Academy, Old Leake, Boston will be formally joining the Trust following an Inadequate Ofsted Report in November 2019.

Funds held as custodian on behalf of others

The MAT has not acted as a custodian trustee.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on
and signed on its behalf by:

.....
Mr W Hawkins
Chair of Trustees

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that South Lincolnshire 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 Executive Headteacher, 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 South Lincolnshire 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.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 4 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 W Hawkins, Chair of Directors	4	4
Mr S Haigh	4	4
Mr J Stokes	2	4
Mr R Immink	4	4
Mrs L Conley, Executive Headteacher and Accounting Officer	4	4
Mr D Pickering	3	4
Mr J Kirkman	3	4

Please note that due to COVID-19 only four meetings out of the six scheduled were held. During the closure the Directors received weekly updates from the Executive Headteacher. The Executive Headteacher had regular conversations with the Chair and Vice Chair. Any additional information that the Executive Headteacher felt was relevant, beneficial, informative etc. was emailed out. All correspondence has been collated and stored by the Clerk to Governors.

A Skills Audit was undertaken in February 2019 and this highlighted the need to recruit additional governors for both Local Advisory Boards to ensure that the Trust had the right set of skills to maintain a high level of Governance.

The process to recruit two parent governors and two staff governors per Local Advisory Board was undertaken in November 2019. At Bourne Academy two parent governors and two staff governors (one teaching and one support staff) were elected. At Spalding Academy two staff governors (one teaching and one support staff) were elected. No parents put their name forward to become a parent governor, the Trust were disappointed with this however agreed to go out for Parent Governors in the next academic year when there would be a new cohort.

The Audit, Risk and Finance Committee is a sub-committee of the main board of Trustees. Its purpose is to help promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds. To promote a climate of financial discipline and control which will help to reduce the opportunity for financial mismanagement and promote the development of internal controls systems which will help satisfy the Board of Directors that the MAT will achieve its objectives and targets and is operating. The other purposes of the committee are detailed on the terms of reference for the committee.

Please note that due to COVID-19 only 2 meetings out of the three scheduled were held. During the closure the Directors received weekly updates from the Executive Headteacher. The Executive Headteacher had regular conversations with the Chair and Vice Chair. Any additional information that the Executive Headteacher felt was relevant, beneficial, informative etc was emailed out. All correspondence has been collated and stored by the Clerk to Governors. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Pickering	2	2
Mr J Kirkman	2	2
Mr S Haigh	2	2
Mr R Immink	2	2

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Review of value for money

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

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

- Ensuring stringent tendering of capital improvement projects. This has included the resurfacing of the Spalding Academy all weather pitch and the complete upgrade of the Academy fire alarm system.
- Network software purchased across the Trust have provided economies of scale.
- Uniform shops at both Bourne and Spalding Academy have a number of suppliers to ensure we receive best value and quality. Price increases to parents/carers are avoided by effective management of the various items for sale and negotiating the supplier's prices.
- The Trust regularly takes opportunities to work collaboratively.

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 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 South Lincolnshire Academies Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

The 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 Audit and 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

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has decided to employ Schools and Academies Finance (SAAF) as internal auditor.

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

- Income;
- Purchasing;
- Staff Expenses;
- Charge Card transactions;
- Payroll;
- Bank and cash.
- Reporting.

On a termly basis, the internal auditor reports to the board of Trustees through the audit, risk and finance committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Some minor recommendations were made, but no significant findings were reported. The internal auditor reports are presented to the Audit and Finance Committee and Board of Directors.

Review of effectiveness

As accounting officer, the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit, risk and finance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

.....
Mr W Hawkins
Chair of Trustees

.....
Mrs L Conley
Accounting Officer

Date:

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of South Lincolnshire Academies Trust I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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

.....
Mrs L Conley
Accounting Officer

Date:

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

.....
Mr W Hawkins
Chair of Trustees

Date:

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTH LINCOLNSHIRE ACADEMIES TRUST**

Opinion

We have audited the financial statements of South Lincolnshire Academies Trust (the 'trust') for the year ended 31 August 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTH LINCOLNSHIRE ACADEMIES TRUST (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTH LINCOLNSHIRE ACADEMIES TRUST (CONTINUED)**

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable 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 charitable Trust's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Bradshaw (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Windsor House

A1 Business Park at

Long Bennington

Notts

NG23 5JR

Date:

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH LINCOLNSHIRE ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 25 March 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by South Lincolnshire Academies Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of South Lincolnshire Academies Trust's funding agreement with the Secretary of State for Education dated 10 March 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our audit work involved:

- a review of the Academy systems and controls and confirmation of their operation and effectiveness during the year;
- a detailed review of purchase transactions confirming the purpose, value for money and that appropriate tendering or quotation procedures had been followed in line with the Academy finance policy; and
- a review of the Internal Audit reports.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Conclusion

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

Mark Bradshaw (Senior statutory auditor)
Streets Audit LLP

Windsor House
A1 Business Park at
Long Bennington
Notts
NG23 5JR

Date:

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	-	8,453	102,674	111,127	688,308
Charitable activities		392,226	13,539,564	-	13,931,790	13,184,253
Other trading activities		132,394	7,301	-	139,695	145,284
Investments	6	4,172	-	-	4,172	4,598
Total income		528,792	13,555,318	102,674	14,186,784	14,022,443
Expenditure on:						
Raising funds		112,648	6,828	-	119,476	94,881
Charitable activities		492,116	13,131,106	214,686	13,837,908	13,285,794
Total expenditure		604,764	13,137,934	214,686	13,957,384	13,380,675
Net (expenditure) /income		(75,972)	417,384	(112,012)	229,400	641,768
Transfers between funds	20	21,734	(296,941)	275,207	-	-
Net movement in funds before other recognised gains/(losses) carried forward		(54,238)	120,443	163,195	229,400	641,768

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Net movement in funds before other recognised (losses)/gains brought forward	(54,238)	120,443	163,195	229,400	641,768
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	27 -	(53,000)	-	(53,000)	(1,937,000)
Net movement in funds	(54,238)	67,443	163,195	176,400	(1,295,232)
Reconciliation of funds:					
Total funds brought forward	765,635	(4,431,040)	28,103,890	24,438,485	25,733,717
Net movement in funds	(54,238)	67,443	163,195	176,400	(1,295,232)
Total funds carried forward	711,397	(4,363,597)	28,267,085	24,614,885	24,438,485

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 34 to 66 form part of these financial statements.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07559187

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	14	-	5,360
Tangible assets	15	28,267,085	28,014,121
		28,267,085	28,019,481
Current assets			
Stocks	16	39,860	45,242
Debtors	17	393,245	394,318
Cash at bank and in hand		3,245,721	2,780,259
		3,678,826	3,219,819
Creditors: amounts falling due within one year	18	(498,939)	(574,963)
Net current assets		3,179,887	2,644,856
Total assets less current liabilities		31,446,972	30,664,337
Creditors: amounts falling due after more than one year	19	(68,087)	(74,852)
Net assets excluding pension liability		31,378,885	30,589,485
Defined benefit pension scheme liability	27	(6,764,000)	(6,151,000)
Total net assets		24,614,885	24,438,485

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07559187

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Funds of the Trust			
Restricted funds:			
Fixed asset funds	20	28,267,085	28,103,890
Restricted income funds	20	2,400,403	1,719,960
		<hr/>	<hr/>
Restricted funds excluding pension asset	20	30,667,488	29,823,850
Pension reserve	20	(6,764,000)	(6,151,000)
		<hr/>	<hr/>
Total restricted funds	20	23,903,488	23,672,850
Unrestricted income funds	20	711,397	765,635
		<hr/>	<hr/>
Total funds		24,614,885	24,438,485
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 29 to 66 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....
Mr W Hawkins
 Chair of Trustees

Date:

The notes on pages 34 to 66 form part of these financial statements.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	22	827,671	57,388
Cash flows from investing activities	24	(355,444)	44,964
Cash flows from financing activities	23	(6,765)	(6,417)
Change in cash and cash equivalents in the year		465,462	95,935
Cash and cash equivalents at the beginning of the year		2,780,259	2,684,324
Cash and cash equivalents at the end of the year	25, 26	3,245,721	2,780,259

The notes on pages 34 to 66 form part of these financial statements

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

1.4 Expenditure

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

• **Expenditure on raising funds**

This includes all expenditure incurred by the 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- Improvements depreciated between 2% - 10%
Long-term leasehold property	- Improvements depreciated between 2% - 10%
Fixtures, fittings and equipment	- 25% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 25% straight line

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

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 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 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.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. 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. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.14 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 31.

1.15 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

As explained in note 1.7 above, the Academy incurs significant repair and replacement costs such that the Trustees believe the properties residual values are not materially different to the cost. Accordingly, no depreciation is charged.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

3. Income from donations and capital grants

	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Capital Grants	-	102,674	102,674
Other donations	8,453	-	8,453
Total 2020	8,453	102,674	111,127
	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Capital Grants	-	677,127	677,127
Other donations	11,181	-	11,181
<i>Total 2019</i>	<i>11,181</i>	<i>677,127</i>	<i>688,308</i>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

4. Funding for the Trust's educational operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
General Annual Grant (GAG)	-	11,787,345	11,787,345
Other DfE/ESFA grants	-	1,231,399	1,231,399
Local Authority grants	-	404,350	404,350
Catering income	362,553	-	362,553
Trip income	-	48,680	48,680
Other income	29,673	67,790	97,463
Total 2020	392,226	13,539,564	13,931,790
	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
General Annual Grant (GAG)	-	10,852,425	10,852,425
Other DfE/ESFA grants	-	678,541	678,541
Local Authority grants	-	387,004	387,004
Catering income	548,087	-	548,087
Trip income	-	274,275	274,275
Other income	345,021	98,900	443,921
<i>Total 2019</i>	<i>893,108</i>	<i>12,291,145</i>	<i>13,184,253</i>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Hire of facilities	-	7,301	7,301
Catering	20,590	-	20,590
Other income	5,289	-	5,289
Uniform shop sales	106,515	-	106,515
	<u>132,394</u>	<u>7,301</u>	<u>139,695</u>

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Hire of facilities	-	2,916	2,916
Catering	35,328	-	35,328
Other income	5,657	-	5,657
Uniform shop sales	101,383	-	101,383
	<u>142,368</u>	<u>2,916</u>	<u>145,284</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest	4,172	4,172
	<u>4,172</u>	<u>4,172</u>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

6. Investment income (continued)

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Bank interest	4,598	4,598

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Direct costs	14,881	-	104,595	119,476
Educational operations:				
Direct costs	9,586,373	-	881,852	10,468,225
Allocated support costs	1,837,877	701,097	830,709	3,369,683
Total 2020	11,439,131	701,097	1,817,156	13,957,384

	<i>Staff Costs 2019 £</i>	<i>Premises 2019 £</i>	<i>Other 2019 £</i>	<i>Total 2019 £</i>
Expenditure on fundraising trading activities:				
Direct costs	10,684	-	84,197	94,881
Educational operations:				
Direct costs	8,888,330	-	1,087,629	9,975,959
Allocated support costs	1,557,613	777,465	974,757	3,309,835

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Educational operations	10,468,225	3,369,683	13,837,908

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Educational operations	9,975,959	3,309,835	13,285,794

Analysis of support costs

	Educational operations 2020 £	Total funds 2020 £
Staff costs	1,837,877	1,837,877
Technology costs	76,089	76,089
Premises costs	701,097	701,097
Other support costs	686,846	686,846
Governance costs	47,806	47,806
Legal costs	19,968	19,968
Total 2020	3,369,683	3,369,683

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Educational operations 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	1,557,613	1,557,613
Technology cost	70,817	70,817
Premises costs	777,465	777,465
Other support costs	831,278	831,278
Governance costs	72,662	72,662
<i>Total 2019</i>	<u>3,309,835</u>	<u>3,309,835</u>

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2020 £	<i>2019 £</i>
Operating lease rentals	23,706	24,721
Depreciation of tangible fixed assets	209,326	162,882
Amortisation of intangible assets	5,360	7,666
Loss on disposal of fixed assets	-	1,888
Fees paid to auditors for:		
- audit	8,725	8,725

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	7,944,380	7,643,955
Social security costs	795,832	747,027
Pension costs	2,215,327	1,606,407
	<u>10,955,539</u>	<u>9,997,389</u>
Agency staff costs	446,592	427,696
Staff restructuring costs	37,000	31,542
	<u>11,439,131</u>	<u>10,456,627</u>

Staff restructuring costs comprise:

	2020 £	2019 £
Severance payments	37,000	31,542
	<u>37,000</u>	<u>31,542</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff costs are non-statutory severance payments of £37,000 (2019 - £31,542).

Individually, the payments are £32,000 and £5,000.

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	152	145
Administration and Support	122	117
Management	6	11
	<u>280</u>	<u>273</u>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

10. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2020	<i>2019</i>
	No.	<i>No.</i>
Teachers	137	<i>135</i>
Administration and Support	94	<i>90</i>
Management	6	<i>10</i>
	237	<i>235</i>

d. Higher paid staff

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

	2020	<i>2019</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	1	<i>2</i>
In the band £70,001 - £80,000	4	<i>3</i>
In the band £110,001 - £120,000	-	<i>1</i>
In the band £120,001 - £130,000	1	<i>-</i>

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £618,221 (2019 £752,140).

11. Central services

No central services were provided by the Trust to its academies during the year and no central charges arose. The cost of the leadership structure is shared across both Academies within the Trust. There is no central service charge. Actual salaries and service costs are shared proportionately as agreed within the financial plan.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the 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. The value of Trustees' remuneration and other benefits was as follows:

	2020	<i>2019</i>
	£	£
Mrs L Conley, Executive Headteacher from 1 January 2019	120,000 -	<i>110,000 -</i>
	125,000	<i>115,000</i>
Pension contributions paid	25,000 -	<i>15,000 -</i>
	30,000	<i>20,000</i>
Mr L Reilly, Executive Headteacher to 31 December 2018 (resigned 31 December 2018)	nil	<i>40,000 -</i>
Pension contributions paid	nil	<i>45,000</i>
		<i>nil</i>

During the year ended 31 August 2020, expenses for travel across the trust totalling £1,625 were reimbursed or paid directly to 1 Trustee (2019 - £2,511 to 2 Trustees).

13. Trustees' and Officers' insurance

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

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

14. Intangible assets

	Computer software £
Cost	
At 1 September 2019	30,663
At 31 August 2020	30,663
Amortisation	
At 1 September 2019	25,303
Charge for the year	5,360
At 31 August 2020	30,663
Net book value	
At 31 August 2020	-
<i>At 31 August 2019</i>	5,360

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

15. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2019	13,518,266	14,260,321	365,101	386,034	38,284	28,568,006
Additions	160,870	149,088	137,327	15,005	-	462,290
At 31 August 2020	<u>13,679,136</u>	<u>14,409,409</u>	<u>502,428</u>	<u>401,039</u>	<u>38,284</u>	<u>29,030,296</u>
Depreciation						
At 1 September 2019	84,442	31,962	115,745	285,898	35,838	553,885
Charge for the year	80,221	31,187	50,247	45,225	2,446	209,326
At 31 August 2020	<u>164,663</u>	<u>63,149</u>	<u>165,992</u>	<u>331,123</u>	<u>38,284</u>	<u>763,211</u>
Net book value						
At 31 August 2020	<u><u>13,514,473</u></u>	<u><u>14,346,260</u></u>	<u><u>336,436</u></u>	<u><u>69,916</u></u>	<u><u>-</u></u>	<u><u>28,267,085</u></u>
At 31 August 2019	<u><u>13,433,824</u></u>	<u><u>14,228,359</u></u>	<u><u>249,356</u></u>	<u><u>100,136</u></u>	<u><u>2,446</u></u>	<u><u>28,014,121</u></u>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

15. Tangible fixed assets (continued)

The Academy's transactions relating to land and buildings included:

- K block at Bourne Academy for £128,136;
- Lab refurbishment at Bourne Academy for £15,600;
- Premises improvements at Bourne Academy for £17,134;
- Astroturf resurface at Spalding Academy for £144,559; and
- Premises improvements at Spalding Academy for £4,529.

16. Stocks

	2020 £	2019 £
Uniform stock	39,860	42,286
Catering stock	-	2,956
	<u>39,860</u>	<u>45,242</u>

17. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	4,924	4,757
Other debtors	118,401	123,676
Prepayments and accrued income	269,920	265,885
	<u>393,245</u>	<u>394,318</u>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

18. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other loans	6,417	6,417
Trade creditors	111,423	263,314
Other taxation and social security	195,604	175,131
Other creditors	103,041	20,339
Accruals and deferred income	82,454	109,762
	<u>498,939</u>	<u>574,963</u>
	2020 £	2019 £
Deferred income at 1 September 2019	52,123	159,297
Resources deferred during the year	29,041	52,123
Amounts released from previous periods	(52,123)	(159,297)
	<u>29,041</u>	<u>52,123</u>

Deferred income relates to curriculum income, trips and productions relating to the academic year 2020/21.

Included in other loans is a loan of £6,417 (2019 - £6,417) from Lincolnshire County Council (Salix) which is provided on the following terms:

- repayable in 6 monthly installments;
- interest is charged at base rate plus 3%;
- the loan is due to mature in 2029.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

19. Creditors: Amounts falling due after more than one year

	2020	<i>2019</i>
	£	£
Other loans	68,087	<i>74,852</i>

Included in other loans is a loan of £68,087 (2019 - £74,852) from Lincolnshire County Council (Salix) which is provided on the following terms:

- repayable in 6 monthly installments;
- interest is charged at base rate plus 3%;
- the loan is due to mature in 2029.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General funds	765,635	528,792	(604,764)	21,734	-	711,397
Restricted general funds						
General Annual Grant (GAG)	1,719,960	12,444,140	(11,508,490)	(275,207)	-	2,380,403
Other restricted funds	-	1,111,178	(1,069,444)	(21,734)	-	20,000
Pension reserve	(6,151,000)	-	(560,000)	-	(53,000)	(6,764,000)
	<u>(4,431,040)</u>	<u>13,555,318</u>	<u>(13,137,934)</u>	<u>(296,941)</u>	<u>(53,000)</u>	<u>(4,363,597)</u>
Restricted fixed asset funds						
Transfer from Local Authority on conversion	25,081,722	-	-	-	-	25,081,722
DfE/ESFA capital grants	680,619	49,052	(39,983)	-	-	689,688
Other government grants	1,515,289	-	(111,408)	-	-	1,403,881
Capital expenditure from other sources including GAG	826,260	53,622	(63,295)	275,207	-	1,091,794
	<u>28,103,890</u>	<u>102,674</u>	<u>(214,686)</u>	<u>275,207</u>	<u>-</u>	<u>28,267,085</u>
Total Restricted funds	<u>23,672,850</u>	<u>13,657,992</u>	<u>(13,352,620)</u>	<u>(21,734)</u>	<u>(53,000)</u>	<u>23,903,488</u>
Total funds	<u><u>24,438,485</u></u>	<u><u>14,186,784</u></u>	<u><u>(13,957,384)</u></u>	<u><u>-</u></u>	<u><u>(53,000)</u></u>	<u><u>24,614,885</u></u>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

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

Unrestricted funds

Unrestricted funds represent both those resources, as well as funds transferred to the Academy from the Local Authority upon conversion, which may be used towards meeting any of the objects of the Academy at the discretion of the Trustees. These are not currently designated for particular purposes.

Restricted Fixed Asset funds

Transfer from Local Authority on conversion represents the assets transferred to the Academy from the Local Authority upon conversion.

Capital expenditure from GAG represents fixed asset expenditure transferred from other restricted income.

Restricted Revenue funds

General Annual Grant (GAG) is made up of a number of different funding streams, all of which are used to cover the running costs of the Academy.

Other ESFA Grants, other government grants and other restricted funds represent monies received for specific purposes.

Pension Reserve represents the current deficit balance of the Local Government Pension Scheme (LGPS).

Transfers between funds represent the use of recurrent income being used to fund capital expenditure.

Summary

The balance on restricted general funds plus unrestricted general funds at 31 August 2020 results in a net surplus of £3,111,800.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Bourne Academy	1,037,810	710,861
Spalding Academy	2,053,990	1,774,734
Central services	20,000	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,111,800	2,485,595
Restricted fixed asset fund	28,267,085	28,103,890
Pension reserve	(6,764,000)	(6,151,000)
	<hr/>	<hr/>
Total	24,614,885	24,438,485
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SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Bourne Academy	5,167,159	632,225	266,813	1,222,322	7,288,519
Spalding Academy	4,136,889	702,989	174,984	1,055,667	6,070,529
Central services	282,323	79,543	1,531	25,613	389,010
Trust	9,586,371	1,414,757	443,328	2,303,602	13,748,058

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

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>Educational supplies £</i>	<i>Other costs excluding depreciation £</i>	<i>Total 2019 £</i>
Bourne Academy	4,868,820	610,058	150,534	1,639,074	7,268,486
Spalding Academy	4,004,932	649,816	120,953	1,173,606	5,949,307
Trust	8,873,752	1,259,874	271,487	2,812,680	13,217,793

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds						
General funds	409,767	1,040,074	(684,206)	-	-	765,635
Restricted general funds						
General Annual Grant (GAG)	1,550,794	10,852,425	(10,639,841)	(43,418)	-	1,719,960
Other restricted funds	-	1,452,817	(1,452,817)	-	-	-
Pension reserve	(3,782,000)	-	(432,000)	-	(1,937,000)	(6,151,000)
	<u>(2,231,206)</u>	<u>12,305,242</u>	<u>(12,524,658)</u>	<u>(43,418)</u>	<u>(1,937,000)</u>	<u>(4,431,040)</u>
Restricted fixed asset funds						
Transfer from Local Authority on conversion	25,081,722	-	-	-	-	25,081,722
DfE/ESFA capital grants	517,846	162,773	-	-	-	680,619
Other government grants	1,000,935	514,354	-	-	-	1,515,289
Capital expenditure from other sources including GAG	954,653	-	(171,811)	43,418	-	826,260
	<u>27,555,156</u>	<u>677,127</u>	<u>(171,811)</u>	<u>43,418</u>	<u>-</u>	<u>28,103,890</u>
Total Restricted funds	<u>25,323,950</u>	<u>12,982,369</u>	<u>(12,696,469)</u>	<u>-</u>	<u>(1,937,000)</u>	<u>23,672,850</u>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

	<i>Balance at 1 September 2018</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2019</i>
	£	£	£	£	£	£
Total funds	<u>25,733,717</u>	<u>14,022,443</u>	<u>(13,380,675)</u>	<u>-</u>	<u>(1,937,000)</u>	<u>24,438,485</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020	Restricted funds 2020	Restricted fixed asset funds 2020	Total funds 2020
	£	£	£	£
Tangible fixed assets	-	-	28,267,085	28,267,085
Current assets	711,397	2,967,429	-	3,678,826
Creditors due within one year	-	(498,939)	-	(498,939)
Creditors due in more than one year	-	(68,087)	-	(68,087)
Provisions for liabilities and charges	-	(6,764,000)	-	(6,764,000)
Total	<u>711,397</u>	<u>(4,363,597)</u>	<u>28,267,085</u>	<u>24,614,885</u>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	-	-	28,014,121	28,014,121
Intangible fixed assets	-	-	5,360	5,360
Current assets	846,904	2,288,506	84,409	3,219,819
Creditors due within one year	(6,417)	(568,546)	-	(574,963)
Creditors due in more than one year	(74,852)	-	-	(74,852)
Provisions for liabilities and charges	-	(6,151,000)	-	(6,151,000)
Total	765,635	(4,431,040)	28,103,890	24,438,485

22. Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the period (as per Statement of financial activities)	229,400	641,768
Adjustments for:		
Amortisation	5,360	7,666
Depreciation	209,326	162,882
Capital grants from DfE and other capital income	(102,674)	(677,127)
Interest receivable	(4,172)	(4,598)
Defined benefit pension scheme cost less contributions payable	438,000	323,000
Defined benefit pension scheme finance cost	122,000	109,000
Decrease/(increase) in stocks	5,382	(12,664)
Decrease in debtors	1,073	61,642
Decrease in creditors	(76,024)	(556,069)
(Profit)/loss on disposal of tangible assets	-	1,888
Net cash provided by operating activities	827,671	57,388

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

23. Cash flows from financing activities

	2020 £	2019 £
Repayments of borrowing	(6,765)	(6,417)
Net cash used in financing activities	(6,765)	(6,417)

24. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	4,172	4,598
Purchase of tangible fixed assets	(462,290)	(636,761)
Capital grants from DfE Group	49,051	162,773
Capital funding received from sponsors and others	53,623	514,354
Net cash (used in)/provided by investing activities	(355,444)	44,964

25. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	3,245,721	2,780,259
Total cash and cash equivalents	3,245,721	2,780,259

26. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	2,780,259	465,462	3,245,721
Debt due within 1 year	(6,417)	-	(6,417)
Debt due after 1 year	(74,852)	6,765	(68,087)
	2,698,990	472,227	3,171,217

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

27. Pension commitments

The 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 Lincolnshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £81,988 were payable to the schemes at 31 August 2020 (2019 - £ -) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

27. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,304,302 (2019 - £857,606).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £596,000 (2019 - £569,000), of which employer's contributions totalled £475,000 (2019 - £451,000) and employees' contributions totalled £ 121,000 (2019 - £118,000). The agreed contribution rates for future years are 19.4 per cent for employers and various per cent for employees.

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

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

Principal actuarial assumptions

	2020	<i>2019</i>
	%	%
Rate of increase in salaries	2.5	<i>2.7</i>
Rate of increase for pensions in payment/inflation	2.2	<i>2.3</i>
Discount rate for scheme liabilities	1.7	<i>1.9</i>

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

	2020	<i>2019</i>
	Years	Years
<i>Retiring today</i>		
Males	21.4	<i>21.2</i>
Females	23.7	<i>23.5</i>
<i>Retiring in 20 years</i>		
Males	22.4	<i>22.5</i>
Females	25.2	<i>25.2</i>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

27. Pension commitments (continued)

Sensitivity analysis

	2020	<i>2019</i>
	£000	<i>£000</i>
Discount rate -0.1%	369	<i>375</i>
Mortality assumption - 1 year increase	604	<i>571</i>

Share of scheme assets

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

	2020	<i>2019</i>
	£	<i>£</i>
Equities	5,753,000	<i>5,925,000</i>
Corporate bonds	1,667,000	<i>1,299,000</i>
Property	834,000	<i>812,000</i>
Cash and other liquid assets	83,000	<i>81,000</i>
Total market value of assets	8,337,000	<i>8,117,000</i>

The actual return on scheme assets was £(276,000) (*2019 - £452,000*).

The amounts recognised in the Statement of financial activities are as follows:

	2020	<i>2019</i>
	£	<i>£</i>
Current service cost	(913,000)	<i>(711,000)</i>
Past service cost	-	<i>(63,000)</i>
Interest income	159,000	<i>208,000</i>
Interest cost	(281,000)	<i>(317,000)</i>
Total amount recognised in the Statement of financial activities	(1,035,000)	<i>(883,000)</i>

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

27. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	14,268,000	10,957,000
Current service cost	913,000	711,000
Interest cost	281,000	317,000
Employee contributions	121,000	118,000
Actuarial (gains)/losses	(382,000)	2,181,000
Benefits paid	(100,000)	(79,000)
Past service costs	-	63,000
At 31 August	15,101,000	14,268,000

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

	2020 £	2019 £
At 1 September	8,117,000	7,175,000
Interest income	159,000	208,000
Actuarial (losses)/gains	(435,000)	244,000
Employer contributions	475,000	451,000
Employee contributions	121,000	118,000
Benefits paid	(100,000)	(79,000)
At 31 August	8,337,000	8,117,000

28. Operating lease commitments

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

	2020 £	2019 £
Not later than 1 year	20,706	26,132
Later than 1 year and not later than 5 years	32,708	53,414
	53,414	79,546

SOUTH LINCOLNSHIRE ACADEMIES TRUST
(A company limited by guarantee)

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

29. Members' liability

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

30. Related party transactions

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

R Immink, a trustee, is also a trustee of Keystone Academy Trust. During the year the trust incurred costs of £1,800 (2019 - £nil) with Keystone Academy Trust for NQT placement.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

31. Post balance sheet events

On 1 September 2020, The Giles Academy joined the trust.

32. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the trust received £11,696 (2019 - £9,829) and disbursed £16,485 (2019 - £10,435) from the fund. An amount of £908 (2019 - £5,697) is included in other creditors relating to undistributed funds that is repayable to ESFA.