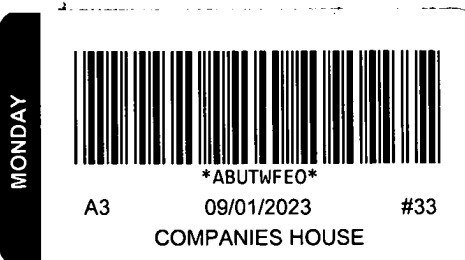


Registered number: 08825752

The LIPA Multi Academy Trust (Formerly The LIPA Sixth Form College)

Trustees' Report and Financial Statements

for the year ended 31 August 2022



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REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 August 2022

| | |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Members | M Featherstone-Witty (resigned 30 April 2022) R Grey I Jones (resigned 30 April 2022) C Workman (appointed 1 May 2022) G Goodwin (appointed 1 May 2022) H Clucas (appointed 1 May 2022) S McNamara (appointed 1 May 2022) |
| Trustees | P Atherton (resigned 11 May 2022) M Featherstone-Witty (resigned 30 April 2022) C Bartholomew (resigned 12 May 2022) S Doherty (resigned 10 May 2022) M Hopkinson (resigned 10 May 2022) J Moriarty, Chair of Trustees (resigned 30 April 2022) A Packer (appointed 1 May 2022 as chair of trustees) C McAleavy (resigned 12 January 2022) S Piasecki C Weaver (resigned 11 May 2022) C Smith N Barnes (appointed 1 May 2022) H Clucas (appointed 1 May 2022) C Workman (appointed 1 May 2022) D Criddle (resigned 10 May 2022) |
| Company Registered Number | 08825752 |
| Company Name | The Lipa Multi Academy Trust (Formerly The LIPA Sixth Form College. |
| Principal and registered office | The Liverpool Institute Mount Street Liverpool Merseyside L1 9HF |
| Chief Executive Officer & Accounting Officer | M Feathersone – Witty (resigned 30 April 2022). G Parker (appointed 1 May 2022) |
| Senior Management Team | G Parker (CEO and Accounting Officer) C Bartholomew (Principal of the LIPA Sixth Form College) M Giddings (Consultant CFO) |
| Independent Auditors | Crowe UK LLP 3 rd Floor, The Lexicon Mount Street Manchester M2 5NT |

REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 August 2022

Bankers

Santander Plc
Bridle Road
Bootle
Merseyside
L30 4GB

TRUSTEE REPORT

For the year ended 31 August 2022

The Trustees, who are the directors for the purposes of the Companies Act, present their report together with the audited annual financial statements for The LIPA Multi Academy Trust for the year ended 31 August 2022. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The LIPA Multi Academy Trust was previously known as The Lipa Sixth Form College and changed name when the LIPA Primary and High School joined the trust on 1 May 2022.

Structure, governance, and management

a. Constitution

The LIPA Multi Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are its primary governing documents. The Trustees of the Charitable Company are its directors for the purposes of company law and also its trustees for the purposes of charity law.

The Trustees who served during the year ended 31 August 2022 are listed in the Reference and Administrative Details page of the financial statements.

b. 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.

c. Trustees' indemnities

The Charitable Company has in place insurance which indemnifies the Trustees when acting in that capacity on its behalf.

d. Principal activities

The LIPA Multi Academy Trust currently comprises two schools, LIPA Sixth Form and LIPA Primary and High School. LIPA Sixth Form provide a unique combination of creative and performing arts qualifications, within a specialist setting.

We offer professional excellence and experience through industry-related training opportunities that will develop your performance, design or technical skills and experience. On completion of your studies, you will be ready to move onto Higher Education or into work within the creative and performing arts.

LIPA Primary and High School delivers a broad, balanced, lively, personalised and adventurous curriculum. The curriculum in place covers all the elements of the Early Years Foundations Stage and Programmes of Study in Key Stages 1,2,3 and 4. We use creative and performing arts to inspire and inform the curriculum.

TRUSTEE REPORT

For the year ended 31 August 2022

e. Method of appointment or election of Members and Trustees

The Membership comprises five persons. The LIPA Multi Academy Trust may appoint eight Members and the Members themselves may appoint additional Members by Special Resolution. There is no limit on the number of Members.

The Members may appoint up to eight Trustees, five of which are to be nominated by LIPA, and such Staff Trustees as they think fit, provided that the number of Staff Trustees does not exceed one third of the total number of Trustees.

Trustees are elected for a term of four years but, subject to remaining eligible, may be re-elected.

f. Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity, educational, legal, and financial matters. All Trustees are welcome to visit the schools and to meet with staff and students. All Trustees are to be provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

g. Organisational structure

A unified management structure is in place that consists of three levels: the Trustees, the Senior Management Team, and the Operational Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision-making at all levels.

h. Risk management

The Trustees have assessed the major risks to which The LIPA Multi Academy Trust is, and will be, exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the schools and its finances. The Trustees have implemented a number of systems to assess risks that The LIPA Multi Academy Trust will face, especially in the operational areas (for example in relation to teaching, health and safety, bullying and discipline) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g., staff conduct policies) and internal financial controls in order to minimise risk. Insurance cover has been implemented to mitigate the financial consequences of the major risk areas.

i. Arrangements for setting pay and remuneration of key management personnel

All staff employed, including members of the Senior Management Team and teaching staff, are employed by LIPA Multi Academy Trust. The pay of the Chief Executive and senior postholders is determined by LIPA Multi Academy Trust Board, having regard to pay scales in the sector and the performance of the individual employees.

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering the period starting from 1 April each year and as follows:

TRUSTEE REPORT

For the year ended 31 August 2022

| | |
|----------------------------------------------------------------------------------|--------------------------------------|
| Number of employees who were relevant union officials during the relevant period | Full-time equivalent employee number |
| 0 | - |

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Provide the total cost of facility time | - |
| Provide the total pay bill | £2,063,501 |
| Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100 | - |

Paid trade union activities

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|
| Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100 | - |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|

Objectives and Activities**a. Objects and aims**

The objects for which the Charitable Company is established are specifically restricted to offering a curriculum appropriate to the needs of its students.

The Charitable Company has adopted principles approved by the Secretary of State for Education. These include, amongst other things, the basis for admitting students, the catchment area from which students are drawn, and that the curriculum should comply with the substance of the national curriculum. All students are admitted following an audition/interview process.

b. Strategies and activities

The LIPA Multi Academy Trust is implementing an approach to deliver its transformational agenda in a challenging and, in areas, deprived community by:

- Having personalised learning experiences integrated with new technologies.
- Providing high quality learning opportunities with a specific focus on the creative and performing arts
- Assessing admissions based on the concept of a community The LIPA Multi Academy Trust serving all prospective students of its community in line with relevant Admissions Policies,
- Continuing development of a learning model to meet the needs of the whole community, offering innovative and far-reaching practices.
- Providing value for money for the funds expended; and

TRUSTEE REPORT

For the year ended 31 August 2022

- Providing a programme of activities for all students.

c. Public benefit

On commencement of teaching in September 2016 the Charitable Company became an exempt charity with the charitable purpose of advancement of education to students.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in respect of exercising their powers and duties.

Strategic Report

a. Key performance indicators

Key performance indicators cover student enrolment, attendance, retention, and progress as well as financial performance measures such as operating surplus and salaries as a percentage of income, cash and creditor days and working capital movements. The trust also has measures in place to ensure that quality of education is provided and has worked proactively on student progression and achievement routes.

b. Achievements and performance

LIPA Sixth Form College

Significant demand for places continues resulting in the college again being oversubscribed. A bid has been submitted to the DFE Post 16 capacity fund. If successful it will result in £4 Million in Capital investment to expand our premises, in turn this will enable us to accommodate 110 additional students.

Outcomes for 2021/22 were outstanding with our students achieving a 99.5% pass rate and 80% achieving high grades (merit or distinction).

Over 90% of our graduating students had a positive destination to employment or education, with almost 76% offered the opportunity to study in higher or further education. 4% of our learners have opted to take a gap year.

A successful restructure of both senior and middle leader roles has recently taken place, which will ensure that the college continues to thrive.

The college self-assessment is Outstanding in all areas.

LIPA Primary and High School

Significant building work has been undertaken and now completed over the summer break and Autumn Term to allow the school to accommodate Reception to Year 8. We now have over 470 on roll.

Given new roles and responsibilities in the MAT Executive, the senior Leadership Team of the Primary and High School has been reviewed. Holly Lucas, former Deputy Head has taken the position of Primary Head of School and Andrew Raven, for Phase 3 (Key Stage 3) Lead has taken a similar position for Secondary. Further appointments have been made at Deputy Head and Phase Lead position, all from the existing teaching team.

We have a very diverse demographic with 28% of our pupils having English as an Additional Language.

TRUSTEE REPORT

For the year ended 31 August 2022

28% of pupils are entitled to free school meals (FSM) and the school receives Pupil Premium funding for 31% of pupils. We currently have 10 pupils with an EHCP (E) and 72 pupils with SEND status (K). There are an additional 25 pupils who are receiving additional support and are part of the graduated approach to assess their needs.

Leaders have constructed an ambitious curriculum that is coherently planned to ensure that pupils

know more and remember more, and which prepares them for their future learning. This curriculum is in place to Key Stage 4 even though we only have children to Year 8 currently. This year we retained our Inclusion Quality Mark Flagship Status and were recently asked to speak at the No Child Left Behind Conference to share how we support our families in relation to poverty and trauma. Very recently the school attained the Platinum Artsmark Award which demonstrates our continued commitment. We are currently in the OFSTED cycle for inspection and have undertaken relevant training and development to ensure readiness.

The school continues to have a rigorous programme of CPD and development, complimented by external providers where appropriate to ensure benchmarking. The school evaluation and target setting process for 22/23 is now complete with key priorities for being identified as

- Key Priority 1: Quality of Education – Curriculum & Teaching - To further enhance the LIPA curriculum so that it is sequenced and taught well to ensure that children know more and remember more.
- Key Priority 2: Quality of Education - Standards - To raise standards in Reading, Writing and Math's throughout the school.
- Key Priority 3: Behaviour and attitudes – culture - To establish ourselves as a Trauma informed School.
- Key Priority 4: Personal Development - Creative and performing arts - To develop a whole-school strategy for the Creative and Performing Arts.

The School received its first cohort of pupils in September 2014 with a planned admission number of 52 pupils per year, in two classes. For the intakes in both September 2020 and September 2021, the School had more first choice applications than places available and therefore pupils were selected based upon proximity to the site, in line with Liverpool City Council admissions arrangements. Following a successful application to the Department for Education (DfE), the School was continuing to grow and, as of September 2021 had 52 pupils in Year 7, meaning it had extended its structure to become a 'through-School' with plans to take pupils to the end of Year 11.

c. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that The LIPA Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future.

TRUSTEE REPORT

For the year ended 31 August 2022

The budget shows no issues with respect to cash flow management or being able to meet its obligations as they become due. 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 Accounting Policies.

Financial review

a. Principal funding

Most of the LIPA Multi Academy Trust's income is obtained from the Department for Education ("DfE") in the form of ESFA grants, the use of which may be restricted to particular purposes. The grants from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The LIPA Multi Academy Trust also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (Charities SORP FRS102) such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The charity did not undertake any fundraising activities under section S162A of the Charities Act 2011.

b. Financial report for the year

On 1 May 2022, the assets and liabilities of The Lipa Primary and High School academy trust transferred to the LIPA MAT. Note 26 on page 45 of these accounts shows the analysis of the transfer which included revenue funds of £379,132.

During the year ended 31 August 2022, the trust had total revenue fund income of £3,303,481 (2021: £2,157,110) and total revenue fund expenditure for the year of £3,122,852 (2021: £1,980,647), resulting in a revenue fund surplus of £180,629 (2021: £176,463).

c. Reserves policy

Total funds for the trust at 31 August 2022 were £10,738,901, this was made up of £9,800,677 of fixed asset funds and £938,224 of general revenue funds.

The Trustees recognise that The LIPA Multi Academy Trust needs to hold a level of reserves to protect itself from unforeseen events. In setting a policy on reserves the Trustees have taken into consideration:

- The need to spend funds in the year of their receipt or subsequently; and
- The need to demonstrate a level of prudence and good financial planning to cover unexpected and unplanned events so that the trust's objective is preserved in unforeseen circumstances.

For the year ended 31 August 2022, the level of reserves was 18% of annual revenue income. The trust agreed that the minimum level of reserves that should be held was 5% of annual revenue income and that this would be monitored as the trust continues to develop.

TRUSTEE REPORT

For the year ended 31 August 2022

d. Principal risks and uncertainties

The LIPA Multi Academy Trust identified that its key risks during the year related to student success and progression, progress monitoring, competition, funding pressures in the education sector and maintaining compliance with regulatory requirements. Managing these risks is a core responsibility of the Senior Management Team in liaison with Trustees, with regular discussions on these matters taking place at Trustee meetings. Risks are assessed in terms of impact and likelihood and risk control measures are identified and assigned to an appropriate member of staff.

e. Investment policy

The LIPA Multi Academy Trust holds its funds in a bank current account as they are needed for day-to-day operations and capital expenditure. As LIPA Multi Academy Trust strengthens its asset base it will use appropriate forms of investment, particularly bank deposit accounts, to ensure that income is maximised.

f. Financial and risk management objectives and policies

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of the academy's closure, outstanding local government pension scheme liabilities would be met by the Department for Education. The trust did not join the local government pension scheme until after the end of the financial year.

The LIPA Multi Academy Trust uses a variety of financial instruments, including cash and items such as trade debtors and trade creditors that arise directly from day-to-day activities. The main purpose of these financial instruments is to ensure liquidity for operations.

g. Fundraising

The trust did not undertake any fundraising activities under section S162A of the Charities Act 2011.

Plans for future periods

LIPA will continue to strive to ensure that all students achieve their maximum potential.

During the teaching year to 31 August 2022, the trust has begun to change its governance and reporting structure to become a Multi Academy Trust. This has been approved by the DfE. The sixth form has since changed its name to The LIPA Multi Academy Trust and, subsequently, has incorporated the assets and liabilities of the LIPA Primary School, as part of the Multi Academy Trust.

The demand for pupil places at both the Primary and High School and the Sixth Form College remains very strong. The trust is therefore exploring options to increase the capacity across the MAT to help pupil numbers grow.

Positive discussions about the expansion have taken place with both the local authority and the ESFA, and the trust is hopeful that these plans will enable growth to take place from September 2023.

TRUSTEE REPORT

For the year ended 31 August 2022

Auditor

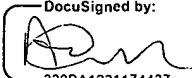
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the Trust's auditor is unaware, and
- The Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

During the year, Crowe UK LLP have been appointed as the trust's auditor in accordance with section 487 (2) of the Companies Act 2006.

Approval

This report, incorporating the Strategic report, was approved by order of the Trustees, as the company directors, on 13 December 2022 and signed on the board's behalf by:

DocuSigned by:

330BA1231174437...

A Packer
Chair of Trustees

GOVERNANCE STATEMENT

For the year ended 31 August 2022

Scope of Responsibility

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

The Trustees have delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the LIPA Multi Academy Trust and the Secretary of State for Education. The Chief Executive is also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' responsibilities. The Trustees has formally met on four occasions during the year. Since the formation of the MA, the number of meetings per year has increased and will be at least six in 2022-23. Attendance at meetings of the Trustees was as follows:

| Trustee | Meetings attended | Out of possible |
|---------------------|-------------------|-----------------|
| P Atherton | 2 | 3 |
| M Feathersone-Witty | 3 | 3 |
| C Bartholemew | 3 | 3 |
| S Doherty | 3 | 3 |
| M Hopkinson | 3 | 3 |
| J Moriarty | 3 | 3 |
| A Packer | 3 | 3 |
| C McAleavy | 1 | 2 |
| S Piasecki | 3 | 4 |
| C Weaver | 2 | 3 |
| C Smith | 4 | 4 |
| N Barnes | 1 | 1 |
| H Clucas | 1 | 1 |
| C Workman | 1 | 1 |
| D Criddle | 2 | 3 |

Conflicts of Interest

The trust requests that each member of the Board of Trustees completes a Conflict of Interest, Declaration of Business Interest and a Related Party Certificate at the start of each new academic year. If a Trustee joins the Board part way through a year, they are requested to complete the same documents. All these declarations are noted on the trust's website.

Value for Money

As Accounting Officer, the Chief Executive has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer for LIPA Multi Academy Trust has delivered improved value for money during the year by:

- Applying strict procurement procedures, including multiple quotations and competitive tendering;
- Maximising existing income streams and pursuing additional revenues; and
- Utilising purchasing consortia to achieve benefits from bulk purchasing.

GOVERNANCE STATEMENT

For the year ended 31 August 2022

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

The Trustees have reviewed the key risks to which The LIPA Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal ongoing process for identifying, evaluating, and managing the significant risks, which has been in place for the year to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trustees.

The Risk and Control Framework

The LIPA Multi Academy Trust 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 monthly financial reports which are reviewed and agreed by the Trustees.
- Regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties; and
- Identification and management of risks.

RSM Risk Assurance Services LLP provide internal audit services to The LIPA Multi Academy Trust. The internal auditor's role includes performing a range of checks on the systems operated by the trust.

GOVERNANCE STATEMENT

For the year ended 31 August 2022

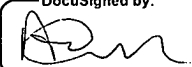
Review of Effectiveness

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

- The work of internal audit across the wider The LIPA Multi Academy Trust processes, systems and controls and specific reviews of the LIPA Multi Academy Trust operations.
- The work of the Financial Statements Auditor; and
- The work of the executive managers within the LIPA Multi Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control.

Approved by order of the Trustees on 13 December 2022 and signed on their behalf, by:

DocuSigned by:

330BA1231174437...

A Packer
Chair of Trustees

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE
for the year ended 31 August 2022

Statement of Regularity, Propriety and Compliance

As Accounting Officer of the Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I, and the Academy Trust Board of Trustees, are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2021.

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

DocuSigned by:

Greg Parker

C0CD5E807C9F4E9...

Greg Parker
Accounting Officer
13 / 12 / 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

For the year ended 31 August 2022

The Trustees (who are 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 Annual Accounts Direction issued 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:

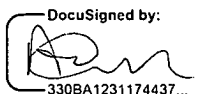
- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP and Academy Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 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 to the requirements, both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 Board of Trustees on 13 / 12 / 2022 and signed on its behalf by:

DocuSigned by:

330BA1231174437...

A Packer
Chair of Board of Trustees

INDEPENDENT AUDITORS' REPORT OF THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

Opinion

We have audited the financial statements of the LIPA Academy Trust (the 'Trust') for the year ended 31 August 2022 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 2021 to 2022 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 2022 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 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 relation to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT OF THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the 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.

INDEPENDENT AUDITORS' REPORT OF THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

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.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items:

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and completeness of income recognition and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures

INDEPENDENT AUDITORS' REPORT OF THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 auditor's report.

Use of our report

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

DocuSigned by:

Vicky Szulist

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Vicky Szulist (senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor
3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

Date: 13/12/2022

INDEPENDENT REPORTING ACCOUNTANTS REPORT ON REGULARITY

For the year ended 31 August 2022

Independent Reporting Accountant's Assurance Report on Regularity to LIPA Multi Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 7 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by LIPA Multi Academy Trust during the year 1 September 2021 to 31 August 2022 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 LIPA Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to LIPA Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than LIPA Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of LIPA Multi Academy Trust 's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of LIPA Multi Academy Trust 's funding agreement with the Secretary of State for Education dated February 2015 and the Academies Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

INDEPENDENT REPORTING ACCOUNTANTS REPORT ON REGULARITY
For the year ended 31 August 2022

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

The work undertaken to draw our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the Trust and specific transactions identified from our review.

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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

DocuSigned by:
Vicky Szulist
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Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

The LIPA Multi Academy Trust
Statement of Financial Activities for the Year Ended 31 August 2022
(including Income and Expenditure Account)

| | | Unrestricted Funds | Restricted General Funds | Restricted Fixed Asset Funds | Total 2022 | Total 2021 |
|--------------------------------------------------------|------|-----------------------|--------------------------------|---------------------------------------|-------------------|------------------|
| | Note | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | - | - | 12,123 | 12,123 | 29,388 |
| Transfer from another academy trust | 26 | 27,593 | 351,539 | 3,932,600 | 4,311,732 | - |
| Charitable activities: | | | | | | |
| Funding for the academy trust's educational operations | 4 | 26,481 | 2,876,479 | - | 2,902,960 | 2,132,546 |
| Other trading activities | 5 | 21,389 | - | - | 21,389 | 19,564 |
| Total | | 75,463 | 3,228,018 | 3,944,723 | 7,248,203 | 2,181,498 |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| Academy trust educational operations | 6 | - | 2,919,603 | 231,683 | 3,151,286 | 2,200,110 |
| Other | | - | - | - | - | - |
| Total | | - | 2,919,603 | 231,683 | 3,151,286 | 2,200,110 |
| Net income / (expenditure) | | 75,463 | 308,415 | 3,713,040 | 4,096,918 | (18,612) |
| Transfers between funds | 15 | - | (203,249) | 203,249 | - | - |
| Net movement in funds | | 75,463 | 105,166 | 3,916,289 | 4,096,918 | (18,612) |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 34,227 | 723,368 | 5,884,388 | 6,641,983 | 6,660,595 |
| Total funds carried forward | | 109,690 | 828,534 | 9,800,677 | 10,738,901 | 6,641,983 |

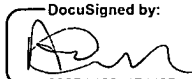
The notes on pages 25 to 46 form part of these financial statements.

The LIPA Multi Academy Trust

Balance Sheet as at 31 August 2022 (Company Number 8825752)

| | Notes | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|------------------------------------------------|-------|------------------|-------------------|----------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 9,800,677 | | 5,884,388 |
| Current assets | | | | | |
| Debtors | 13 | 447,712 | | 66,529 | |
| Cash at bank and in hand | | 915,991 | | 783,361 | |
| | | <u>1,363,703</u> | | <u>849,890</u> | |
| Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 14 | (425,479) | | (92,295) | |
| Net current assets | | | <u>938,224</u> | | <u>757,595</u> |
| Total assets less current liabilities | | | <u>10,738,901</u> | | <u>6,641,983</u> |
| Total net assets | | | <u>10,738,901</u> | | <u>6,641,983</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | | | | | |
| Fixed asset fund | 15 | 9,800,677 | | 5,884,388 | |
| Restricted income fund | 15 | 828,534 | | 723,368 | |
| Total restricted funds | | | <u>10,629,211</u> | | <u>6,607,756</u> |
| Unrestricted income funds | 15 | | 109,690 | | 34,227 |
| Total funds | | | <u>10,738,901</u> | | <u>6,641,983</u> |

The financial statements on pages 22-46 were approved by the trustees, and authorised for issue on 13 December 2022 and are signed on their behalf by:

DocuSigned by:

 330BA1231174437...

A Packer
Trustee

The LIPA Multi Academy Trust
Statement of Cash Flows for the year ended 31 August 2022

| | Notes | 2022 £ | 2021 £ |
|--------------------------------------------------------------------|-------|----------------|----------------|
| Cash flows from operating activities | | | |
| Net cash provided by (used in) operating activities | 18 | 335,878 | 193,763 |
| Cash flows from investing activities | 19 | (203,248) | (13,827) |
| Cash flows from financing activities | | - | - |
| Change in cash and cash equivalents in the reporting period | | <u>132,630</u> | <u>179,936</u> |
| Cash and cash equivalents at 1 September 2021 | | 783,361 | 603,425 |
| Cash and cash equivalents at the 31 August 2022 | 20 | <u>915,991</u> | <u>783,361</u> |

The notes on pages 25 to 46 form part of these financial statements.

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

1. General information

The LIPA Multi Academy Trust (Previously The LIPA Sixth Form College) is a company limited by guarantee incorporated in England and Wales.

2. 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.

2.1 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 historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

2.2 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 the issue of the financial statements. They have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

As explained in the trustee report, the trustees are pleased to report that the long term financial forecasts show sufficient resources, helped by the confirmation by the ESFA that they will fund the Primary and High School on actual pupil numbers as they continue to grow.

2.3 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.

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

2. Accounting Policies (Continued)

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

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Transfer on Conversion**

Where assets are received by the Trust on conversion to an Academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income.

2.4 Expenditure

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

- **Charitable activities**

These are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities. All resources expended are inclusive of irrecoverable VAT.

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

2. Accounting Policies (Continued)

2.5 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund. Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

| | |
|----------------------------------|----------|
| Leasehold land and buildings | 50 years |
| Fixtures, fittings and equipment | 10 years |
| Computer equipment | 5 years |

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 impairment losses in the statement of financial activities.

2.6 Stocks

Unsold uniforms are valued at the lower of cost and net realisable value.

2.7 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.

2.8 Cash at bank and in hand

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

2.9 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event. It is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

2.10 Provisions

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2. Accounting Policies (Continued)

2.11 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instrument's 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.

2.13 Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

2.14 Pensions

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

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

2. Accounting Policies (Continued)

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.

2.15 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.

2.16 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.

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

2. Accounting Policies (Continued)

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. 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:

The classification of expenditure between restricted and unrestricted funds is considered a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material, the expenditure is apportioned to both funding streams on an appropriate basis.

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

3. Donations and Capital Grants

| | | Unrestricted Funds | Restricted Funds | Restricted Fixed Asset Funds | Total 2022 | Total 2021 |
|-----------------------------------|------|-----------------------|---------------------|---------------------------------------|------------------|---------------|
| | Note | £ | £ | £ | £ | £ |
| Capital Grants | | - | - | 12,123 | 12,123 | 24,388 |
| Transferred from another Trust | 12 | 27,593 | 351,539 | 3,932,600 | 4,311,732 | - |
| Donations | | - | - | - | - | 5,000 |
| | | <u>27,593</u> | <u>351,539</u> | <u>3,944,723</u> | <u>4,323,855</u> | <u>29,388</u> |
| 2021 | | - | 29,388 | | 29,388 | |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

4 Funding for the Academy Trust's Educational operations

| | Unrestricted Funds | Restricted Funds | Total 2022 | Total 2021 |
|--------------------------------------------------------------|-----------------------|---------------------|---------------|---------------|
| | £ | £ | £ | £ |
| DfE / ESFA grants | | | | |
| General Annual Grant (GAG) | - | 2,593,954 | 2,593,954 | 1,978,111 |
| Other DfE/ESFA grants | | | | |
| Universal Infant Free School Meals | - | 25,113 | 25,113 | - |
| Pupil Premium | - | 32,969 | 32,969 | - |
| Teachers Pay and Pension grants | - | 96,168 | 96,168 | - |
| Others | - | 93,740 | 93,740 | 99,868 |
| Exceptional Government Funding | - | - | - | 26,679 |
| | - | 2,841,945 | 2,841,945 | 2,104,658 |
| Other Government grants | | | | |
| Local authority grants | - | 34,534 | 34,534 | 10,352 |
| | - | 34,534 | 34,534 | 10,352 |
| Other income from the academy trust's educational operations | 12,807 | - | 12,807 | 17,536 |
| Trip Income | 13,674 | - | 13,674 | - |
| | 26,481 | 2,876,479 | 2,902,960 | 2,132,546 |
| 2021 | - | 2,132,546 | 2,132,546 | |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

5 Other trading Activities

| | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Total 2021 £ |
|-----------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Teacher training placements | - | - | - | 810 |
| Other Income | 21,389 | - | 21,389 | 18,754 |
| | <u>21,389</u> | <u>-</u> | <u>21,389</u> | <u>19,564</u> |
| 2021 | 18,754 | 810 | 19,564 | |

6 Expenditure

| | Staff Costs £ | Non-Pay Expenditure Premises Other £ £ | | Total 2022 £ | Total 2021 £ |
|-----------------------------------|---------------------|-------------------------------------------------|----------------|--------------------|--------------------|
| Academy's educational operations: | | | | | |
| Direct costs | 1,750,054 | 231,683 | 167,075 | 2,148,812 | 1,722,779 |
| Allocated support costs | 313,446 | 179,971 | 509,056 | 1,002,473 | 477,331 |
| | <u>2,063,501</u> | <u>411,654</u> | <u>676,131</u> | <u>3,151,286</u> | <u>2,200,110</u> |
| 2021 | 1,508,286 | 382,314 | 309,510 | 2,200,110 | |

Net income/(expenditure) for the period includes:

| | 2022 £ | 2021 £ |
|----------------------------------|---------------|--------------|
| Operating lease rentals | | |
| Depreciation | 231,683 | 233,815 |
| Fees payable to the auditor for: | | |
| - audit | 14,900 | 9,000 |
| - other services | 975 | 750 |
| | <u>14,900</u> | <u>9,000</u> |
| | <u>975</u> | <u>750</u> |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

7 Charitable Activities - Academy's Educational operations

| | Total 2022 £ | Total 2021 £ |
|----------------------------------------|--------------------|--------------------|
| Direct costs – educational operations | 2,148,813 | 1,722,779 |
| Support costs – educational operations | 1,002,473 | 477,331 |
| | <u>3,151,286</u> | <u>2,200,110</u> |

| Analysis of support costs | Educational operations £ | Total 2022 £ | Total 2021 £ |
|----------------------------|--------------------------------|--------------------|--------------------|
| Support staff costs | 313,446 | 313,446 | 140,958 |
| Premises costs | 179,971 | 179,971 | 144,899 |
| Other support costs | 494,905 | 494,905 | 180,959 |
| Governance costs | 14,150 | 14,150 | 10,515 |
| Total support costs | <u>1,002,473</u> | <u>1,002,473</u> | <u>477,331</u> |

8 Staff

Staff costs

Staff costs during the period were:

| | Total 2022 £ | Total 2021 £ |
|-------------------------------------------------------|--------------------|--------------------|
| Wages and salaries | 1,541,369 | 1,155,263 |
| Social security costs | 152,105 | 110,715 |
| Operating costs of defined benefit pension schemes | 284,942 | 195,944 |
| Apprenticeship Levy | - | 19,229 |
| | <u>1,978,416</u> | <u>1,481,151</u> |
| Supply staff costs | 68,964 | 3,496 |
| Staff restructuring costs | 16,121 | 23,639 |
| | <u>2,063,501</u> | <u>1,508,286</u> |
| Staff restructuring costs comprise: | | |
| Redundancy payments | - | - |
| Severance payments | 16,121 | - |
| Other restructuring costs | - | - |
| | <u>16,121</u> | <u>-</u> |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

8 Staff (Continued)

b. Non-statutory/noncontractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling:

£16,121(2021: nil)

Individually, the payments were: **£16,121**

c. Staff numbers

The average number of persons employed by the academy during the period was as follows:

| | 2022 | 2021 |
|----------------------------|-----------|-----------|
| | No. | No. |
| Teachers | 42 | 24 |
| Administration and support | 47 | 4 |
| Management | 2 | 1 |
| | 91 | 29 |

The average number of full-time equivalents employed by the academy during the period was as follows:

| | 2022 | 2021 |
|----------------------------|-----------|-----------|
| | No. | No. |
| Teachers | 34 | 24 |
| Administration and support | 29 | 4 |
| Management | 8 | 1 |
| | 71 | 29 |

d. Higher paid staff

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

| | 2022 | 2021 |
|-----------------|------|------|
| | No. | No. |
| £70,001-£80,000 | 1 | - |
| £80,001-£90,000 | - | 1 |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

e Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £142,771 (2021 £104,022).

10 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

11 Trustees' and Officers' Insurance

In accordance with normal commercial practice the Charitable Company has arranged insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Charitable Company business. The insurance provides cover up to £10m on any one claim, with a maximum of claims of £10m in any year. The cost of the insurance is included in the Risk Protection cover organised through the Department for Education.

M Featherstone-Witty (CEO and trustee): (Resigned 30/04/22)

| | | |
|---------------------------------------|------------------|-------------|
| Remuneration | £5,000 - £10,000 | (2021: nil) |
| Employer's pension contributions paid | £0 | (2021: nil) |

C Bartholomew

(staff trustee): (Resigned 12/05/22)

| | | |
|---------------------------------------|-------------------|-------------------------|
| Remuneration | £50,000 -£55,000 | (2021: £75,000-£80,000) |
| Employer's pension contributions paid | £10,000 - £15,000 | (2021: £10,000-£15,000) |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

12 Tangible Fixed Assets

| | Leasehold Land and Buildings | Furniture and Equipment | Computer Equipment | Total |
|--------------------------------------|---------------------------------|----------------------------|-----------------------|-------------------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 September 2021 | 5,969,004 | 575,416 | 388,540 | 6,932,960 |
| Transfer from Academy Trust (Note 3) | 3,819,579 | 59,393 | 53,629 | 3,932,601 |
| Additions | 215,370 | - | - | 215,370 |
| At 31 August 2022 | 10,003,953 | 634,810 | 442,169 | 11,080,931 |
| Depreciation | | | | |
| At 1 September 2021 | 512,829 | 247,406 | 288,337 | 1,048,572 |
| Charged in year | 120,578 | 64,792 | 46,312 | 231,682 |
| At 31 August 2022 | 633,407 | 312,198 | 334,649 | 1,280,254 |
| Netbook values | | | | |
| At 31 August 2022 | 9,370,545 | 322,611 | 107,520 | 9,800,677 |
| At 31 August 2021 | 5,456,175 | 328,010 | 100,203 | 5,884,388 |

13 Debtors

| | 2022 | 2021 |
|--------------------------------|----------------|---------------|
| | £ | £ |
| VAT recoverable | 102,244 | 28,605 |
| Other debtors | 19,510 | 920 |
| Prepayments and accrued income | 325,958 | 37,004 |
| | 447,712 | 66,529 |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

14 Creditors: Amounts Falling due within one year

| | 2022 | 2021 |
|----------------------------------------|----------------|---------------|
| | £ | £ |
| Trade creditors | - | 25,433 |
| Other taxation and social security | 63,416 | - |
| Other creditors | 148,349 | - |
| Accruals and deferred income | 213,714 | 66,862 |
| | 425,479 | 92,295 |
| | | |
| Deferred income (Group and MAT) | 2022 | 2021 |
| | £ | £ |
| Deferred income at 1 September 2021 | 12,123 | 11,965 |
| Released from previous years | (12,123) | (11,965) |
| Resources deferred in the year | 47,218 | 12,123 |
| Deferred Income at 31 August 2022 | 47,218 | 12,123 |

Deferred income is in relation to DFC carried forward to 2022/2023, and Universal Infant Free School Meals.

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

15 Funds

| | Balance at 1 September 2021 | Income | Expenditure | Gains, losses and transfers | Balance at 31 August 2022 |
|-------------------------------------|--------------------------------------|------------------|--------------------|--------------------------------------|---------------------------------|
| | £ | £ | £ | £ | £ |
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 723,368 | 2,593,954 | (2,285,539) | (203,249) | 828,534 |
| Universal Infant Free School Meals | - | 25,113 | (25,113) | - | - |
| Pupil Premium | - | 32,969 | (32,969) | - | - |
| Teachers Pay and Pension grants | - | 96,168 | (96,168) | - | - |
| Other DFE / ESFA grants | - | 93,740 | (93,740) | - | - |
| Other grants | - | 386,073 | (386,073) | - | - |
| | 723,368 | 3,228,018 | (2,919,603) | (203,249) | 828,534 |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 800,000 | 3,932,600 | (231,683) | - | 4,500,917 |
| DfE/ESFA capital grants | 5,084,388 | 12,123 | - | 203,249 | 5,299,760 |
| | 5,884,388 | 3,944,723 | (231,683) | 203,249 | 9,800,677 |
| Total restricted funds | 6,607,756 | 7,172,740 | (3,151,286) | - | 10,629,211 |
| Total unrestricted funds | 34,227 | 75,463 | - | - | 109,690 |
| Total funds | 6,641,983 | 7,248,203 | (3,151,286) | - | 10,738,901 |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

15 Funds (continued)

| | Balance at 1 September 2020 | Income £000 | Expenditure £000 | Gains, losses and transfers £000 | Balance at 31 August 2021 £000 |
|---------------------------------------------------|--------------------------------------|------------------|---------------------|----------------------------------------------|-----------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant and restricted general funds | 565,659 | 2,138,356 | (1,966,295) | (14,352) | 723,368 |
| | 565,659 | 2,138,356 | (1,966,295) | (14,352) | 723,368 |
| Restricted fixed asset funds | | | | | |
| Donated assets | 800,000 | - | - | - | 800,000 |
| DfE/ESFA capital grants | 5,279,463 | 24,388 | (233,815) | 14,352 | 5,084,388 |
| | 6,079,463 | 24,388 | (233,815) | 14,352 | 5,084,388 |
| Total restricted funds | 6,645,122 | 2,162,744 | (2,200,110) | - | 6,607,756 |
| Total unrestricted funds | 15,473 | 18,754 | - | - | 34,227 |
| Total funds | 6,660,595 | 2,181,498 | (2,200,110) | - | 6,641,983 |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

15 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2022 were allocated as follows:

| | Total 2022 £ | Total 2021 £ |
|-----------------------------------------------|--------------------|--------------------|
| The LIPA Sixth Form College | - | 757,595 |
| The LIPA Primary and High School | - | - |
| Central Services | 938,224 | - |
| Total before fixed assets and pension reserve | 938,224 | 757,595 |
| Restricted fixed asset fund | 9,800,677 | 5,884,388 |
| Pension reserve | - | - |
| Total | 10,738,901 | 6,641,983 |

Analysis of academies by cost

| | Teaching and Educational Support Staff Costs | Other Support Staff Costs | Educational Supplies | Other Costs (excluding Depreciation) | Total 2022 | Total 2021 |
|----------------------------------|----------------------------------------------------------|------------------------------------|-------------------------|--------------------------------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | |
| The LIPA Sixth Form College | 1,273,028 | 266,314 | 299,925 | 351,817 | 2,191,084 | 1,966,295 |
| The LIPA Primary and High School | 477,026 | 47,132 | 97,033 | 107,328 | 728,519 | - |
| Academy Trust | 1,750,054 | 313,446 | 396,958 | 459,145 | 2,919,603 | 1,966,295 |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

16 Analysis of Net Assets between Funds

Fund balances at 31 August 2022 are represented by:

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total Funds £ |
|-------------------------|----------------------------|-------------------------------------|--------------------------------------------|---------------------|
| Tangible fixed assets | - | - | 9,800,677 | 9,800,677 |
| Current assets | 109,690 | 1,254,013 | - | 1,363,703 |
| Current liabilities | - | (425,479) | - | (425,479) |
| Total net assets | 109,690 | 828,534 | 9,800,677 | 10,738,901 |

Fund balances at 31 August 2021 are represented by:

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total Funds £ |
|--------------------------|----------------------------|-------------------------------------|--------------------------------------------|---------------------|
| Intangible fixed assets | - | - | - | - |
| Tangible fixed assets | - | - | 5,884,388 | 5,884,388 |
| Current assets | 34,227 | 815,663 | - | 849,890 |
| Current liabilities | - | (92,295) | - | (92,295) |
| Non-current liabilities | - | - | - | - |
| Pension scheme liability | - | - | - | - |
| Total net assets | 34,227 | 723,368 | 5,884,388 | 6,641,983 |

17 Commitments under operating leases

Operating Leases

At 31 August 2022 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

| | 2022 £ | 2021 £ |
|----------------------------------------|---------------|-----------|
| Amounts due within one year | 23,999 | - |
| Amounts due between one and five years | 66,488 | - |
| Amounts due after five years | - | - |
| | 90,487 | - |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

18 Reconciliation of Net Income/(expenditure) to Net Cash Flow from Operating Activities

| | 2022 | 2021 |
|-----------------------------------------------------------------------------------------------------|----------------|----------------|
| | £ | £ |
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | 4,096,918 | (18,612) |
| Adjusted for: | | |
| Depreciation charges (note 13) | 231,683 | 233,815 |
| Capital grants from DfE and other capital income | (12,123) | (24,388) |
| Interest receivable (note 6) | - | (525) |
| Defined benefit pension scheme obligation inherited | - | - |
| Defined benefit pension scheme cost less contributions payable (note 23) | - | - |
| Defined benefit pension scheme finance cost (note 23) | - | - |
| (Increase)/decrease in debtors | (381,183) | 54,723 |
| Increase/(decrease) in creditors | 333,184 | (51,250) |
| Transfer from other academy trust | (3,932,600) | - |
| Net cash provided by / (used in) Operating Activities | 335,878 | 193,763 |

19 Cash Flows from Investing Activities

| | £ | £ |
|------------------------------------------------------------------|------------------|-----------------|
| Interest received | - | 525 |
| Purchase of tangible fixed assets | (215,370) | (38,740) |
| Capital grants from DfE/EFA | 12,123 | 24,388 |
| Net cash provided by / (used in) investing activities | (203,248) | (13,827) |

20 Analysis cash and cash equivalents

| | 2022 | 2021 |
|----------------------------------------|----------------|----------------|
| | £ | £ |
| Cash in hand and at bank | 915,991 | 783,361 |
| Total cash and cash equivalents | 915,991 | 783,361 |

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

21. Contingent Liabilities

Due to the Harpur Trust vs Brazel case, liability may arise in regard to support staff holiday pay across the Trust. This case will impact all Schools and Academies. The amount potentially payable is unknown but the Trustees do not expect it to be material in value to the Trust.

22. 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.

23. Pension and Similar Obligations

The LIPA Multi Academy Trust became the employer with effect from 1 May 2022. Teachers and teaching-related staff are entitled to join the Teacher's Pension Scheme for England and Wales (TPS). This is a defined benefit scheme. Other staff are entitled to join the Local Government Pension Scheme as at 1 September 2022, at which date the Trust joined the scheme.

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following an appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers 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 2020. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates are set as 23.68% of pensionable pay (including a 0.08% administration levy).

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

23. Pension and Similar Contributions (Continued)

- 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 rate of return including earnings growth is 4.45.

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

The pension costs paid to TPS in the period amounted to £226,364.

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

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

Local Government Pension Scheme

The pension costs paid to TPS in the period amounted to £226,364.

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

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

Local Government Pension Scheme

The LIPA Multi Academy Trust was not an admitted employer until after 31 August 2022. Therefore, there is no liability regarding LGPS. The LIPA Multi Academy Trust has entered the scheme after the year-end.

24. Related Party Transactions

Owing to the nature of the academy trust and the composition of the board of Governors being drawn from various public and private sector organisations, transactions may take place with organisations in which a Governor Director has an interest. All transactions involving such organisations are in accordance with the academy's financial regulations and normal procurement procedures.

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

24. Related Party Transactions (Continued)

A new requirement was put into place during the year ended 31 August 2019 which required academies to seek approval for all new related party transactions over £20,000 that commence after 1 April 2019. As the nature of the relationship between the LIPA Primary School and other related parties within the Group is already established and did not change until the MAT transfer happened, the School was compliant with the related party transaction requirements. During the period to 31 May 2022 the total value of transactions between the School and LIPA and the LIPA Sixth Form College was as follows:

| | 2022 £ | 2021 £ |
|--------------------------------------------------------------------|-----------|-----------|
| Costs paid to LIPA, including salaries, recovered directly at cost | 838,794 | 1,481,151 |
| LIPA charges for support services under the SLA | 115,323 | 121,787 |
| Other charges paid to Group members | - | 5,942 |

At 31 August 2022 the Trust owed LIPA £nil (2021 £nil)

25 Agency arrangements

The academy trust distributes 16-19 Bursary Funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022, the trust received £66,104 (2021 - £71,868) and disbursed £66,104 (2021 - £76,640) from the fund. An amount of £nil (2021 - £800) is included in other creditors relating to the undistributed funds that are repayable to the ESFA.

The LIPA Multi Academy Trust

Notes to the Financial Statements for the Year ended 31 August 2022

26. Transferred on Conversion

The LIPA Primary School combined with the LIPA Sixth Form College and became The LIPA Multi Academy Trust on 1 May 2022.

| | Value reported by transferring academy trust £ | Fair value adjustments £ | Transfer in recognised £ |
|-------------------------------------|---------------------------------------------------------|--------------------------------|--------------------------------|
| Tangible Fixed Assets | | | |
| Leasehold Land and buildings | 3,819,578 | - | 3,819,578 |
| Fixtures, fittings, and equipment | 59,393 | - | 59,393 |
| ICT | 53,629 | - | 53,629 |
| Current Assets | | | |
| Debtors | 267,296 | - | 267,296 |
| Cash at Bank and in hand | 305,128 | - | 305,128 |
| Liabilities | | | |
| Creditors due in less than one year | (193,292) | - | (193,292) |
| Net assets | 4,311,732 | | 4,311,732 |