

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 2023

**THE LIPA MULTI ACADEMY TRUST**  
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**THE LIPA MULTI ACADEMY TRUST**  
**REFERENCE AND ADMINISTRATIVE DETAILS for the year ended 31 August 2023**

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<b>Members</b>	R Grey C Workman (appointed 1 May 2022) G Goodwin (appointed 1 May 2022) H Clucas (appointed 1 May 2022) S McNamara (appointed 1 May 2022)
<b>Trustees</b>	A Packer (resigned 27 June 2023) S Piasecki (resigned 24 May 2023) C Smith N Barnes H Clucas C Workman S McNamara (Chair) (appointed 9 June 2023) V Hopton (appointed 3 April 2023)
<b>Company Registered Number</b>	08825752
<b>Company Name</b>	The LIPA Multi Academy Trust
<b>Principal and registered office</b>	The LIPA Multi Academy Trust 41 Upper Duke Street Liverpool Merseyside L1 9DY
<b>Chief Executive Officer</b>	G Parker (appointed 1 May 2022)
<b>Senior Management Team</b>	G Parker (CEO and Accounting Officer) C Bartholomew (Principal of the LIPA Sixth Form College) M Giddings (Consultant CFO) H Lucas (Primary Phase Headteacher) A Raven (Secondary Phase Headteacher)
<b>Independent Auditors</b>	Mitchell Charlesworth (Audit) Limited 24 Nicholas Street Chester CH1 2AU
<b>Bankers</b>	Santander Plc Bridle Road Bootle Merseyside L30 4GB

## **THE LIPA MULTI ACADEMY TRUST**

### **TRUSTEES' REPORT for the year ended 31 August 2023**

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

The Multi Academy operates 2 academies serving catchment areas in Liverpool which are:

- LIPA Primary and High School (from 1 May 2022)
- LIPA Sixth Form College (from 12 September 2016)

They have a combined pupil capacity of 907 and have a combined roll of 860 in the school census in the summer census 2022-2023.

#### **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 who served during the year ended 31 August 2023 are also the directors of the charitable company for the purpose of company law.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

##### **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 provides 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 elements of the Early Years Foundation Stage and Programme of Study in Key Stages 1,2,3 and 4. We use creative and performing arts to inspire and inform the curriculum.

**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 post holders is determined by LIPA Multi Academy Trust Board, having regard to pay scales in the sector and the performance of the individual employees.

**THE LIPA MULTI ACADEMY TRUST**  
**TRUSTEES' REPORT for the year ended 31 August 2023**

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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:

**Trade union facility time**

**Relevant union officials**

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

<b>Percentage of time spent on facility time</b>	<b>Number of Employees</b>
0%	-
1%-50%	-
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time**

Total cost of facility time	-
Total pay bill	£4,307,592
Percentage of total pay bill spent on facility time	-

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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**Related parties and other connected charities and organisations**

Related party transactions occurred with a Trust (Core Education Trust) in which a Trustee of LIPA is CEO. Details of this can be seen in note 23.

**Objectives and activities**

**a. Objects and aims**

The objectives 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;
- 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
- 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.

Staff costs % Total Revenue income £ 79.56%

Revenue income per pupil: £6,332.42

Pupil/ Teacher ratio: 19.4/1

Prior year comparatives are not available due to LIPA Primary and High School joining the Trust 1 May 2022. The above KPI figures will be carried forward and compared to information as at 31 August 2024.

**b. Achievements and performance**

**LIPA Sixth Form College**

The college's self-assessment remains Outstanding in all areas.

Results in August 2023 were again excellent, with a 100% pass rate and 87% of Students achieving high grades. 95% of leavers progressed to either education or employment.

The impressive range of higher education destinations for 2023 leavers includes: LIPA, Royal Central School of Speech and Drama, Guildhall, Royal Northern College of Music, Leeds Conservatoire, Trinity Laban, London Studio Centre and The Italia Conti.

The standard of student work over the last twelve months was highly impressive. A wide range of performances have been staged including Shakespeare's As You Like It, The Musical 9 to 5, The annual dance show at the Capstone Theatre and numerous live music performances in venues such as the Cavern and Future Yard.

Student engagement with the local community has included fundraising events for the UNICEF Ukraine Crisis Appeal and Cash for Kids. Music and Musical Theatre Students performed at the Liverpool One Eurovision festival in Chavasse park.

In May 2023, the college was awarded "The SENDIA Award" in recognition of its outstanding provision for students with special educational needs and disabilities.

Our alumni continue to shine in the performing arts industry. The Mysterines, Crawlers and Stone all feature ex LIPA Sixth Form College students with recent acting alumni appearing in The Responder, Boiling Point and Sex Education.

In April 2023 it was confirmed that a DfE £3.995 million Post 16 Capacity Fund Bid (kindly supported by Liverpool City Region Metro Mayor Rotherham) had been successful. As a result, the college will be able to expand its building to accommodate more students from September 2024.

**LIPA Primary and High School**

Significant work has been undertaken to secure additional premises to accommodate pupils up to Y9. As a result of this significant change process to move the school from a primary to an all-through (4-16), two significant issues occurred. The first of these related to funding and although the school continues to grow 1-year group at a time we reverted to "lagged" funding. The other issue was regarding accommodation. We knew that the current building had some additional space however would not accommodate all children through to Y11.

The issue of funding was extremely significant for the school and Trust as a whole. To address this the school submitted a business case, which in effect requested the school to revert back to funding based on actual numbers. This business case was ultimately successful during 2022/23 and the school also received back payment for 2021/22 based on this funding methodology.

**THE LIPA MULTI ACADEMY TRUST**  
**TRUSTEES' REPORT for the year ended 31 August 2023**

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The issue regarding accommodation is that the responsibility to secure additional space and related costs falls to the school. This is normal as part of a significant change process and was identified when the school was a Single Academy Trust. Considerable work has gone in to securing accommodation which meets the needs of older pupils. The Trust identified Federation House on, Hope Street as their chosen location. Significant barriers had to be overcome however we expect children to move in from November 2023. Federation House has been secured via an initial 5-year lease with break clauses agreed and this has been agreed by the DfE and Trustees. Trustees have also agreed that the school can use up to £150,000 of Trust reserves for any capital works/fees in the first year. All other costs during 2023/23 and going forward will be covered by the school budget and this has been captured in the Trust 3-year budget forecast that has been submitted to the DfE.

Significant changes have been made to the senior leadership team given growth of the school and Greg Parker's role as executive headteacher of the Trust. Andrew Raven and Holly Lucas are co-headteachers with responsibility for secondary and primary respectively. We have appointed new deputy headteachers for primary and secondary who work alongside the existing deputy head of school who has oversight of child protection, safeguarding and attendance. There have also been appointments for 2 assistant headteachers, 1 with oversight of SEND and the other of pupil welfare.

**School contextual information**

A detailed overview of the school's contextual information is presented below in table form.

**THE LIPA MULTI ACADEMY TRUST**  
**TRUSTEES' REPORT for the year ended 31 August 2023**

**School Contextual Data:**

Number on Roll v's Total Capacity (the number on roll excludes nursery pupils)		Percentage of Pupils with English as an Additional Language (EAL)							
Current capacity	468	You	19.6%						
Current number on roll	545	LA Average	17.9%						
<i>116% of the capacity figure</i>		National	20.2%						
Percentage of FSM (Free School Meal) Pupils		Percentage of Ever6 Pupils							
You	30.6%	You	30.8%						
LA Average	34.5%	LA Average	39.5%						
National	24.8%	National	26.9%						
SEN Other		SEN EHCP (Education Health % Care Plan)							
You	16.7%	You	3.1%						
LA Average	16.2%	LA Average	4.2%						
National	13.0%	National	4.0%						
	Ever6	FSM	SEN EHCP	SEN Other	EAL				
You	30.8%	30.6%	3.1%	16.7%	19.6%				
Similar	64.0%	58.5%	7.0%	34.3%	13.7%				
LA Av.	39.5%	34.5%	4.2%	16.2%	17.9%				
National Av.	26.9%	24.8%	4.0%	13.0%	20.2%				
Current Learner Characteristics by Year Group									
	Total	Boys	Girls	FSM (ever 6)	FSM	CLA	SEND (EHCP)	SEND Other	EAL
Nursery									
Year R	55	25	30	5	5	1		2	10
Year 1	52	19	33	11	11	1	1	4	14
Year 2	51	28	23	12	12		1	6	9
Year 3	53	19	34	24	24	1		5	11
Year 4	54	22	32	16	16		1	10	16
Year 5	57	22	35	22	22	1		11	13
Year 6	57	22	35	21	20	2	1	8	10
Year 7	65	36	29	20	20	1	8	20	13
Year 8	53	30	23	21	21	2	3	11	5
Year 9	48	22	26	16	16		2	14	6
Year 10									
Year 11									
Year 12									
Year 13									
<b>TOTAL</b>	<b>545</b>	<b>245</b>	<b>300</b>	<b>168</b>	<b>167</b>	<b>9</b>	<b>17</b>	<b>91</b>	<b>107</b>

### **School Evaluation and Improvement**

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 produces a school improvement plan with a series of key priorities which are presented below. These form the primary focus of school improvement throughout the year and are reviewed through internal systems and reporting mechanisms to the local governing board.

## **School Improvement Plan**

**Key Priority 1:** To further enhance the LIPA curriculum so that it is sequenced and taught well to ensure that children know more and remember more.

- 1.1 Subject leaders have secure knowledge of their subject and have clearly identified the key learning in subjects across the school
- 1.2 School documents and the school's website accurately reflect the vision for the school's 4-16 curriculum
- 1.3 School Assessment System is further developed to ensure consistency and coherence across all subjects
- 1.4 Monitoring of teaching shows that staff are implementing agreed approaches, which take account of cognitive science, to ensure that children can acquire and organise new knowledge.
- 1.5 Monitoring shows that pupils 'know more and remember more' of the intended key learning for that project...They can articulate their learning effectively and use the taught vocabulary... they use their books to talk confidently about current and prior learning.

**Key Priority 2:** To raise standards in Reading, Writing and Maths throughout the school.

- 1.1 Monitoring shows that 'Read to Write' is used consistently across Key Stage 2 and has a positive impact on pupils' writing
- 1.2 Fresh Start (RWI programme for Y5-Y8) is implemented consistently and levels of attainment improve
- 1.3 Progress scores at the end of Key Stage 2 in reading and writing improve in 2023

**Key Priority 3:** To establish ourselves as a Trauma informed School.

- 3.1 Monitoring shows that pupils feel happy and safe in school, they can articulate this through pupil well-being surveys.
- 3.2 Monitoring of CPOMs shows that staff are implementing agreed approaches which consider a trauma informed approach to behaviour management.
- 3.3 Approach to managing behaviour is consistent throughout the school
- 3.4 School documents accurately reflect a trauma informed approach to behaviour management.

**Key Priority 4:** To develop a whole-school strategy for the Creative and Performing Arts.

- 4.1 There is a joined-up approach to leadership where primary, secondary and sixth form staff work collaboratively to realise the strategic plan for the creative and performing arts.
- 4.2 There is a bespoke programme of study ready for implementation throughout the school which prepares pupils as they progress through the school.
- 4.3 Learning through the creative and performing arts is a core priority throughout the school.
- 4.4 School documents and website accurately reflect the vision for creative and performing arts.

We are currently firmly in the inspection window, and we would expect an inspection this academic year. Our last inspection which resulted in a good outcome was in July 2017 and the school has grown significantly since then.

#### **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.

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.

**THE LIPA MULTI ACADEMY TRUST**  
**TRUSTEES' REPORT for the year ended 31 August 2023**

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**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 2023 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**

During the year ended 31 August 2023, the Trust had total revenue fund income of £5,434,216 (2022: £3,303,481) and total revenue fund expenditure for the year of £5,993,405 (2022: £3,122,852), resulting in a revenue fund deficit of (£559,189) (2022: £180,629 Surplus).

**c. Reserves policy**

As at 31 August 2023, the Trust had general revenue funds of £379,036 (2022: 938,224), fixed asset reserves of £13,745,504 (2022: £9,800,677), and a pension reserve is surplus of £39,000 (2022: £0).

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 2023, the level of reserves was 6.3% 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.

**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. Consideration has been given to ensure the Trust's estate is safe, well maintained and complies with the relevant regulations.

**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 academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education.

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.

**h. Streamlined energy and carbon reporting**

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

**Plans for future periods**

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

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.

In April 2023 it was confirmed that a DfE £3.995 million Post 16 Capacity Fund Bid (kindly supported by Liverpool City Region Metro Mayor Rotherham) had been successful. As a result, the college will be able to expand its building to accommodate more students from September 2024.

**Funds held as custodian trustee on behalf of others**

The Trust does not hold such funds and does not act as the custodian Trustees of any other charity.

**THE LIPA MULTI ACADEMY TRUST**  
**TRUSTEES' REPORT for the year ended 31 August 2023**

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**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, Mitchell Charlesworth 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 19/12/2023..... and signed on the board's behalf by:

*Sean McNamara*

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Sean McNamara  
Chair of Trustees

**THE LIPA MULTI ACADEMY TRUST**  
**GOVERNANCE STATEMENT for the year ended 31 August 2023**

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**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 business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

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

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities. The Board of Trustees has formally met seven times during the year.

<b>Trustee</b>	<b>Meetings Attended</b>	<b>Out of Possible</b>
Adrian Packer	4	5
Helen Clucas	7	7
Claire Workman	7	7
Chris Smith	7	7
Simon Piasecki	3	4
Neil Barnes	4	7
Sean McNamara (Chair)	3	3
Virginia Hopton	3	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 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.

**THE LIPA MULTI ACADEMY TRUST**  
**GOVERNANCE STATEMENT for the year ended 31 August 2023**

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The Finance, Audit and Risk Committee is also a sub-committee of the main board of Trustees. Its purpose is to:

- Ensure compliance with reporting and regulatory requirements.
- Receive and act upon reports from the Responsible Officer

Attendance during the year at meetings was as follows:

<b>Trustee</b>	<b>Meetings Attended</b>	<b>Out of Possible</b>
Helen Clucas (Chair)	3	3
Chris Smith	3	3
Neil Barnes	3	3

**Governance Review**

The Academy Trust has not conducted an external review of governance and intends to conduct an external valuation/ self-review in 2023/2024.

**Review of value for money**

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the 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.

### **The purpose of the system of internal control**

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

### **Capacity to handle risk**

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

### **The risk and control framework**

The LIPA Multi Academy Trust system of internal 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 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.

Haines Watts Chartered Accountants 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.

On annual basis, the reviewer reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the reviewer prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

**THE LIPA MULTI ACADEMY TRUST**  
**GOVERNANCE STATEMENT for the year ended 31 August 2023**

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**Review of effectiveness**

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

- the work of the internal auditors
- the work of the external auditors
- the financial management and governance self-assessment process to the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 19/12/2023... and signed on their behalf by:

*Sean McNamara*

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Sean McNamara  
Chair of Trustees

*Greg Parker*

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Greg Parker  
Accounting Officer

**THE LIPA MULTI ACADEMY TRUST**  
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE for the year ended 31 August 2023**

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As Accounting Officer of The LIPA Multi Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management under the funding agreement 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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

*Greg Parker*

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Greg Parker  
Accounting Officer  
19/12/2023  
.....

**THE LIPA MULTI ACADEMY TRUST**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES for the year ended 31 August 2023**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on ~~19/12/2023~~... and signed on its behalf by:

*Sean McNamara*

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Sean McNamara  
Chair of Trustees

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE  
MEMBERS OF THE LIPA MULTI ACADEMY TRUST  
for the year ended 31 August 2023**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE  
MEMBERS OF THE LIPA MULTI ACADEMY TRUST  
for the year ended 31 August 2023**

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**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of trustees**

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

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE  
MEMBERS OF THE LIPA MULTI ACADEMY TRUST  
for the year ended 31 August 2023**

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

**Identifying and assessing potential risks related to irregularities**

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

- the nature of the industry and sector, control environment and business performance;
- the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and trustees of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE  
MEMBERS OF THE LIPA MULTI ACADEMY TRUST  
for the year ended 31 August 2023**

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- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the Trust's Statement of Financial Activities, (ii) the Trust's accounting policy for revenue recognition (iii) the overstatement of salary and other costs (iv) the assumptions used in the calculation of the valuation of the surplus or deficit on the defined benefit pension scheme and the movements for the year. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body, along with the Academy Trust Handbook and Accounts Direction 2022-23 issued by the Education and Skills Funding Agency.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the academy's ability to operate or to avoid a material penalty. This includes regulations concerning Data Protection and Safeguarding.

**Audit response to risks identified**

As a result of performing the above, we identified income recognition, override of controls and adherence to laws and regulations as the key audit matters related to the potential risk of fraud.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and trustees concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE  
MEMBERS OF THE LIPA MULTI ACADEMY TRUST  
for the year ended 31 August 2023**

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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



**Rob Hall (Senior Statutory Auditor)**

for and on behalf of  
Mitchell Charlesworth (Audit) Ltd  
24 Nicholas Street  
Chester  
CH1 2AU

Date: 19/12/2023.....

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY  
TO THE LIPA MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY  
for the year ended 31 August 2023**

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In accordance with the terms of our engagement letter dated 7<sup>th</sup> July 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The LIPA Multi Academy Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The 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 The 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 The LIPA Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

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

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

**Approach**

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY  
TO THE LIPA MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY  
for the year ended 31 August 2023**

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

The work undertaken to draw to our conclusion includes:

- Reviewing the activities to ensure they are in keeping with the charitable objectives and framework.
- Reviewing declarations of interest and seeking further representations.
- Reviewing the control environment and considering potential weaknesses.
- Reviewing minutes of various committees, management accounts and holding discussions with key personnel.

**Conclusion**

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



**Reporting Accountant**

Mitchell Charlesworth (Audit) Ltd  
24 Nicholas Street  
Chester  
CH1 2AU

Date: 19/12/2023

The LIPA Multi Academy Trust  
**STATEMENT OF FINANCIAL ACTIVITIES for the Year Ended 31 August 2023**  
**(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2023	Total 2022
	Note	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	20,000	4,088,434	4,108,434	12,123
Transfer from local authority on conversion		-	-	-	-	4,311,732
Charitable activities:						
Funding for the academy Trust's educational operations	4	117,201	5,274,461	-	5,391,662	2,902,960
Other trading activities	5	22,554	-	-	22,554	21,389
<b>Total</b>		<b>139,755</b>	<b>5,294,461</b>	<b>4,088,434</b>	<b>9,522,651</b>	<b>7,248,203</b>
<b>Expenditure on:</b>						
Charitable activities:						
Academy Trust educational operations	6	-	6,023,099	288,913	6,312,012	3,151,286
Other		-	-	-	-	-
<b>Total</b>		<b>-</b>	<b>6,023,099</b>	<b>288,913</b>	<b>6,312,012</b>	<b>3,151,286</b>
<b>Net income / (expenditure)</b>		<b>139,755</b>	<b>(728,637)</b>	<b>3,799,521</b>	<b>3,210,639</b>	<b>4,096,918</b>
<b>Transfers between funds</b>	15	-	(145,306)	145,306	-	-
			-	-		-
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	15, 22	-	175,000	-	175,000	-
<b>Net movement in funds</b>		<b>139,755</b>	<b>(698,943)</b>	<b>3,944,827</b>	<b>3,385,639</b>	<b>4,096,918</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		109,690	828,534	9,800,677	10,738,901	6,641,983
<b>Total funds carried forward</b>		<b>249,445</b>	<b>129,591</b>	<b>13,745,504</b>	<b>14,124,540</b>	<b>10,738,901</b>

**The LIPA Multi Academy Trust**  
**Balance Sheet as at 31 August 2023 (Company Number 08825752)**

	Note	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Tangible assets	12		9,840,679		9,800,677
<b>Current assets</b>					
Debtors	13	4,232,904		447,712	
Cash at bank and in hand		347,502		915,991	
		<u>4,580,406</u>		<u>1,363,703</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	14	(335,546)		(425,479)	
<b>Net current assets</b>			<u>4,244,861</u>		<u>938,224</u>
<b>Total assets less current liabilities</b>			14,085,540		10,738,901
<b>Net assets excluding pension asset</b>			<u>14,085,540</u>		<u>10,738,901</u>
Defined benefit pension scheme asset	22		39,000		-
<b>Total assets</b>			<u>14,124,540</u>		<u>10,738,901</u>
<b>Funds of the academy Trust:</b>					
<b>Restricted funds</b>					
. Fixed asset fund	15	13,745,504		9,800,677	
. Restricted income fund	15	90,591		828,534	
. Pension reserve	15	39,000		-	
<b>Total restricted funds</b>			13,875,095		10,629,211
<b>Unrestricted income funds</b>	15		<u>249,445</u>		<u>109,690</u>
<b>Total funds</b>			<u>14,124,540</u>		<u>10,738,901</u>

The financial statements on pages 26 to 50 were approved by the Trustees and authorised for issue on 19/12/2023..... and signed on their behalf by:

*Sean McNamara*

Sean McNamara  
Chair of Trustees

**The LIPA Multi Academy Trust**  
**Statement of Cash Flows for the Year Ended 31 August 2023**

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	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	18	(4,328,007)	335,878
<b>Cash flows from investing activities</b>	19	3,759,519	(203,248)
<b>Cash flows from financing activities</b>		-	-
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(568,488)</u>	<u>132,630</u>
<b>Cash and cash equivalents at 1 September 2022</b>		915,991	783,361
<b>Cash and cash equivalents at the 31 August 2023</b>	20	<u>347,503</u>	<u>915,991</u>

The notes on pages 26 to 50 form part of these financial statements.

**1. General information**

The LIPA Multi Academy Trust 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 2022 to 2023 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 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 Trustees 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.

## Accounting Policies (Continued)

### 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.

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 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.

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

## Accounting Policies (Continued)

### 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.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

### 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	Not depreciated
Leasehold buildings	50 years
Fixtures, fittings and equipment	10 years
Computer equipment	5 years

### **Accounting Policies (Continued)**

No depreciation is provided in respect of leasehold land, which departs from the requirement in the Companies Act 2006 (the Act) to depreciate all fixed assets. The Trustees believe that the value of land does not materially differ to its cost, and therefore the departure from the provisions of the Act is required in order to achieve a fair presentation of the entity's financial position and financial performance.

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 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.

#### **2.7 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.

#### **2.8 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.

#### **2.9 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.

#### **2.10 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

### **Accounting Policies (Continued)**

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.

#### **2.11 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### **2.12 Operating leases**

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

#### **2.13 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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.

### Accounting Policies (Continued)

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.

#### 2.14 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.

#### 2.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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.

**Accounting Policies (Continued)**

Critical areas of judgment:

Tangible fixed assets are depreciated over the useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit asset/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 22, will impact the carrying amount of the pension asset/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 asset/liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset/liability.

FRS 102 section 28.22 allows an entity to recognise a surplus within the Local Government Pension Scheme “only to the extent it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan”. The actuarial report as at 31 August 2023 indicates a defined benefit asset position, which has been recognised in full. This is on the basis that a surplus following any triennial review would result in reduced contributions for the employer.

**3. Donations and capital grants**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Restricted Fixed Asset Funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Capital Grants	-	-	4,079,070	4,079,070	12,123
Transferred on conversion	-	-	-	-	4,311,732
Donations	-	20,000	9,364	29,364	-
	<u>-</u>	<u>20,000</u>	<u>4,088,434</u>	<u>4,108,434</u>	<u>4,323,855</u>
<b>2022</b>	27,593	351,539	3,944,723	4,323,855	

The LIPA Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2023

4. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>DfE / EFA grants</b>				
General Annual Grant (GAG)	-	4,502,592	4,502,592	2,593,954
Other DfE/EFA grants				
Universal Infant Free School Meals	-	60,456	60,456	25,113
Pupil Premium	-	268,578	268,578	32,969
Teachers Pay and Pension grants	-	72,453	72,453	96,168
Others	-	210,867	210,867	93,740
	-	5,114,945	5,114,945	2,841,945
<b>Other Government grants</b>				
Local authority grants	-	159,516	159,516	34,534
	-	159,516	159,516	34,534
Other income from the academy Trust's educational operations	41,748	-	41,748	12,807
Catering Income	45,587	-	45,587	-
Trip Income	29,866	-	29,866	13,674
	117,201	5,274,461	5,391,662	2,902,960
<b>2022</b>	26,481	2,876,479	2,902,960	

5. Income from Other Trading Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Other Income	22,554	-	22,554	21,389
	22,554	-	22,554	21,389
<b>2022</b>	21,389	-	21,389	

The LIPA Multi Academy Trust  
Notes to the Financial Statements - for the year ended 31 August 2023

6. Expenditure

	Staff Costs	Non-Pay Expenditure		Total	Total
	£	Premises £	Other £	2023 £	2022 £
Expenditure on raising funds	-	-	-	-	-
Academy's educational operations:					
. Direct costs	3,440,840	288,913	341,694	4,071,448	2,148,812
. Allocated support costs	866,752	423,471	950,342	2,240,564	1,002,473
	<u>4,307,592</u>	<u>712,384</u>	<u>1,292,036</u>	<u>6,312,012</u>	<u>3,151,286</u>
<b>2022</b>	2,063,501	411,654	676,131	3,151,286	

Net income/(expenditure) for the period includes:

	2023 £	2022 £
Operating lease rentals	23,999	418
Depreciation	288,913	231,683
Fees payable to auditor for:		
- audit	9,000	14,900
- other services	3,500	975

7. Charitable Activities – Academy's Educational operations

	Total 2023 £	Total 2022 £
Direct costs – educational operations	4,071,448	2,148,813
Support costs – educational operations	2,240,564	1,002,473
	<u>6,312,012</u>	<u>3,151,286</u>

Analysis of support costs	Educational operations £	Total 2023 £	Total 2022 £
Support staff costs	866,752	866,752	313,446
Premises costs	423,471	423,471	179,971
Other support costs	906,435	906,435	494,906
Governance costs	43,906	43,906	14,150
<b>Total support costs</b>	<u>2,240,564</u>	<u>2,240,564</u>	<u>1,002,473</u>

**The LIPA Multi Academy Trust**  
**Notes to the Financial Statements for the year ended 31 August 2023**

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**8. Staff**

**a. Staff Costs**

Staff costs during the period were:

	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,021,191	1,541,369
Social security costs	292,276	152,105
Operating costs of defined benefit pension schemes	725,449	284,942
	<u>4,038,916</u>	<u>1,978,416</u>
Supply staff costs	258,676	68,964
Staff restructuring costs	10,000	16,121
	<u>4,307,592</u>	<u>2,063,501</u>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	10,000	16,121
Other restructuring costs	-	-
	<u>10,000</u>	<u>16,121</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling:  
£10,000 (2022: £16,121)  
Individually, the payments were: 10,000

**c. Staff numbers**

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Teachers	48	42
Administration and support	55	47
Management	4	2
	<u>107</u>	<u>91</u>

**The LIPA Multi Academy Trust**  
**Notes to the Financial Statements for the year ended 31 August 2023**

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**8. Staff (continued)**

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Teachers	45	40
Administration and support	40	29
Management	4	2
	<hr/> <b>89</b> <hr/>	<hr/> <b>71</b> <hr/>

**d. Higher paid staff**

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
£60,001-£70,000	3	-
£70,001-£80,000	-	1
£80,001-£90,000	1	-
£100,001-£110,000	1	-

**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 £455,043 (2022 £142,771).

## **9. Central Services**

No central services were provided by the Trust to its academies during the period and no central charges arose.

## **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:

<b>M Featherstone-Witty</b>	<b>(CEO and Trustee): (Resigned 30/04/22)</b>	
Remuneration	£0	(2022: £5,000 - £10,000)
Employer’s pension contributions paid	£0	(2022: £0)
<b>C Bartholomew</b>	<b>(staff Trustee): (Resigned 12/05/22)</b>	
Remuneration	£0	(2022: £50,000-£55,000)
Employer’s pension contributions paid	£0	(2022: £10,000-£15,000)

During the year, travel and subsistence expenses totalling £576 (2022: £nil) were reimbursed to 2 Trustees (2022: nil).

## **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 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.

The LIPA Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2023

**12. Tangible fixed assets**

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Assets under construction £	Total £
<b>Cost</b>					
At 1 September 2022	10,003,953	634,810	442,169	-	11,080,932
Additions	121,632	85,122	6,209	115,953	328,915
At 31 August 2023	10,125,585	719,932	448,378	115,953	11,409,847
<b>Depreciation</b>					
At 1 September 2022	633,408	312,199	334,649	-	1,280,255
Charged in year	161,718	87,169	40,026	-	288,913
At 31 August 2023	795,125	399,368	374,674	-	1,569,168
<b>Net book values</b>					
At 31 August 2023	9,330,460	320,564	73,703	115,953	9,840,679
At 31 August 2022	9,370,545	322,611	107,520	-	9,800,677

**13. Debtors**

	2023 £	2022 £
VAT recoverable	95,219	102,244
Trade debtors	26,642	19,510
Prepayments and accrued income	4,111,043	325,958
	4,232,904	447,712

**14. Creditors: Amounts Falling due within one year**

	2023 £	2022 £
Other taxation and social security	74,053	63,416
Trade creditors	79,218	40,369
Other creditors	51,502	107,980
Accruals and deferred income	130,773	213,714
	335,546	425,479

**Deferred income**

	2023 £	2022 £
Deferred income at 1 September 2022	47,218	12,123
Released from previous years	(47,218)	(12,123)
Resources deferred in the year	29,163	47,218
Deferred Income at 31 August 2023	29,163	47,218

The LIPA Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2023

**14. Creditors: Amounts Falling due within one year (continued)**

Deferred income is in relation to Universal Infant Free School Meals.

**15. Funds – Current Year**

	Balance at 1 September 2022	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2023
<b>Restricted general funds</b>					
General Annual Grant (GAG)	828,534	4,502,592	(5,115,229)	(145,306)	70,591
Universal Infant Free School Meals	-	60,456	(60,456)	-	-
Pupil Premium	-	268,578	(268,578)	-	-
Teachers Pay and Pension grants	-	72,453	(72,453)	-	-
Other DFE / ESFA grants	-	210,867	(210,867)	-	-
Other grants	-	159,516	(159,516)	-	-
Donations	-	20,000	-	-	20,000
Pension Reserve	-	-	(136,000)	175,000	39,000
	<b>828,534</b>	<b>5,294,461</b>	<b>(6,023,099)</b>	<b>29,694</b>	<b>129,591</b>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	4,500,917	-	(288,913)	-	4,212,004
Capital grants and expenditure from GAG	5,299,760	4,079,070	-	145,306	9,524,136
Donations	-	9,364	-	-	9,364
	<b>9,800,677</b>	<b>4,088,434</b>	<b>(288,913)</b>	<b>145,306</b>	<b>13,745,504</b>
<b>Total restricted funds</b>	<b>10,629,211</b>	<b>9,382,895</b>	<b>(6,312,012)</b>	<b>175,000</b>	<b>13,875,095</b>
General unrestricted funds	109,690	139,755	-	-	249,445
<b>Total unrestricted funds</b>	<b>109,690</b>	<b>139,755</b>	<b>-</b>	<b>-</b>	<b>249,445</b>
<b>Total funds</b>	<b>10,738,901</b>	<b>9,522,651</b>	<b>(6,312,012)</b>	<b>175,000</b>	<b>14,124,540</b>

The Academy Trust is not subject to GAG carried forward limits.

The LIPA Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2023

15. Funds (continued)

Funds – Previous Year

	Balance at 1 September 2021	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2022
<b>Restricted general funds</b>					
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)	-	-
	<u>723,368</u>	<u>3,228,017</u>	<u>(2,919,602)</u>	<u>(203,249)</u>	<u>828,534</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	800,000	3,932,600	(231,683)	-	4,500,917
Capital grants and expenditure from GAG	5,084,388	12,123	-	203,249	5,299,760
	<u>5,884,388</u>	<u>3,944,723</u>	<u>(231,683)</u>	<u>203,249</u>	<u>9,800,677</u>
<b>Total restricted funds</b>	<u>6,607,756</u>	<u>7,172,740</u>	<u>(3,151,285)</u>	<u>-</u>	<u>10,629,211</u>
General unrestricted funds	34,227	75,463	-	-	109,690
<b>Total unrestricted funds</b>	<u>34,227</u>	<u>75,463</u>	<u>-</u>	<u>-</u>	<u>109,690</u>
<b>Total funds</b>	<u>6,641,983</u>	<u>7,248,203</u>	<u>(3,151,285)</u>	<u>-</u>	<u>10,738,901</u>

Analysis of academies by fund balance

Fund balances at 31 August 2023 were allocated as follows:	Total 2023 £	Total 2022 £
The LIPA Sixth Form College	-	-
The LIPA Primary and High School	-	-
Central Services	340,036	938,224
Total before fixed assets and pension reserve	<u>340,036</u>	<u>938,224</u>
Restricted fixed asset fund	13,745,504	9,800,677
Pension reserve	39,000	-
<b>Total</b>	<u>14,124,540</u>	<u>10,738,901</u>

**The LIPA Multi Academy Trust**  
**Notes to the Financial Statements for the year ended 31 August 2023**

**15. Funds (continued)**

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

**Analysis of academies by cost**

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	Total 2023	Total 2022
	£	£	£	£	£	£
The LIPA Sixth Form College	1,527,597	279,523	257,048	458,750	2,522,918	2,191,084
The LIPA Primary and High School	1,913,244	450,278	211,238	413,080	2,987,840	728,519
The LIPA Multi Academy Trust	-	136,950	506	374,885	512,341	-
<b>Academy Trust</b>	<b>3,440,840</b>	<b>866,752</b>	<b>468,792</b>	<b>1,246,715</b>	<b>6,023,099</b>	<b>2,919,603</b>

**16. Analysis of Net Assets between Funds**

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	9,840,679	9,840,679
Current assets	249,445	426,136	3,904,825	4,580,406
Current liabilities	-	(335,545)	-	(335,545)
Pension scheme liability	-	39,000	-	39,000
<b>Total net assets</b>	<b>249,445</b>	<b>129,591</b>	<b>13,745,504</b>	<b>14,124,540</b>

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)
Pension scheme liability	-	-	-	-
<b>Total net assets</b>	<b>109,690</b>	<b>828,534</b>	<b>9,800,677</b>	<b>10,738,901</b>

**The LIPA Multi Academy Trust**  
**Notes to the Financial Statements for the year ended 31 August 2023**

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**17. Commitments under operating leases**

Operating Leases

At 31 August 2023 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	23,581	23,999
Amounts due between one and five years	41,907	66,488
Amounts due after five years	-	-
	<u>65,488</u>	<u>90,487</u>

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	3,210,639	4,096,918
Adjusted for:		
Depreciation charges (note 12)	288,913	231,683
Capital grants from DfE and other capital income	(4,088,434)	(12,123)
Interest receivable	-	-
Defined benefit pension scheme obligation inherited	-	-
Defined benefit pension scheme cost less contributions payable (note 22)	139,000	-
Defined benefit pension scheme finance cost (note 22)	(3,000)	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(3,785,192)	(381,183)
Increase/(decrease) in creditors	(89,933)	333,184
Transfer from other academy Trust	-	(3,932,600)
<b>Net cash provided by / (used in) Operating Activities</b>	<u>(4,328,007)</u>	<u>335,879</u>

**19. Cash Flows from Investing Activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Purchase of tangible fixed assets	(328,915)	(215,370)
Capital grants from DfE/EFA	4,079,070	12,123
Capital funding received from sponsors and others	9,364	-
<b>Net cash provided by / (used in) investing activities</b>	<u>3,759,519</u>	<u>(203,248)</u>

## 20. Analysis cash and cash equivalents

	2023	2022
	£	£
Cash in hand and at bank	347,502	915,991
<b>Total cash and cash equivalents</b>	<b>347,502</b>	<b>915,991</b>

## 21. Members' Liability

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

## 22. Pension and Similar Obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Merseyside Pension Fund. Both are multi-employer-defined benefit schemes.

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.

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 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 four years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for

## The LIPA Multi Academy Trust

### Notes to the Financial Statements for the year ended 31 August 2023

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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

#### 22. Pension and Similar Obligations (continued)

- prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The latest actuarial TPS valuation results, as at March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £430,267 (2022 - £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 an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LIPA Multi Academy Trust was not an admitted employer until after 31 August 2022. Therefore, there was no liability regarding LGPS at 31 August 2022. The LIPA Multi Academy Trust entered into the scheme at 1 September 2022.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £185,000 (2022 - £0), of which employer's contributions totalled £59,000 (2022 - £0) and employees' contributions totalled £244,000 (2022 - £0). The agreed contribution rates for future years are 14.7 per cent for employers and 5.5 - 6.5 per cent for employees.

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

#### Principal Actuarial Assumptions

	At 31 August 2023	At 31 August 2022
	%	%
Rate of increase in salaries	4.30%	-
Rate of increase for pensions in payment/inflation	2.90%	-
Discount rate for scheme liabilities	5.20%	-
Inflation assumption (CPI)	2.80%	-

**The LIPA Multi Academy Trust**  
**Notes to the Financial Statements for the year ended 31 August 2023**

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<b>Sensitivity Analysis</b>	<b>At 31 August 2023 £000s</b>	<b>At 31 August 2022 £000s</b>
Discount rate + 0.1%	(6)	-
Discount rate – 0.1%	7	-
Mortality assumption 1 year increase	3	-
Mortality assumption 1 year decrease	(3)	-
CPI rate + 0.1%	6	-
CPI rate – 0.1%	(6)	-

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

**22. Pension and Similar Obligations (Continued)**

	<b>At 31 August 2023</b>	<b>At 31 August 2022</b>
<i>Retiring today</i>		
Males	20.8	-
Females	23.3	-
<i>Retiring in 20 years</i>		
Males	22.1	-
Females	25.1	-

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

	<b>Fair value at 31 August 2023 £</b>	<b>Fair value at 31 August 2022 £</b>
Equity instruments	123,000	-
Debt instruments	83,000	-
Property	28,000	-
Cash	3,000	-
<b>Total market value of assets</b>	<b>237,000</b>	<b>-</b>

## 22. Pension and Similar Obligations (Continued)

### Amounts recognised in the statement of financial activities

	31 August 2023 £	31 August 2022 £
Current service cost (net of employee contributions)	319,000	-
Net interest cost	(3,000)	-
Admin expenses	5,000	-
Total operating charge	<u>321,000</u>	<u>-</u>

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

	31 August 2023 £	31 August 2022 £
<b>At 1 September</b>	-	-
Upon conversion	-	-
Current service cost	319,000	-
Interest cost	2,000	-
Employee contributions	59,000	-
Actuarial (gain)/loss	(182,000)	-
Benefits paid	-	-
Other experience	-	-
<b>At 31 August</b>	<u>198,000</u>	<u>-</u>

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

	31 August 2023 £	31 August 2022 £
<b>At 1 September</b>	-	-
Upon conversion	-	-
Interest income	5,000	-
Return on plan assets (excluding net interest on the net defined pension liability)	-	-
Actuarial gain/(loss)	-	-
Employer contributions	185,000	-
Employee contributions	59,000	-
Remeasurements	(7,000)	-
Administrative Expenditure	(5,000)	-
<b>At 31 August</b>	<u>237,000</u>	<u>-</u>

### **23. Related Party Transactions**

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

#### Expenditure related party transactions

##### The Liverpool Institute For Performing Arts (LIPA)

	<b>31 2023</b>	<b>August</b>	<b>31 2022</b>	<b>August</b>
Costs paid to LIPA, including salaries, recovered directly at cost		-	838,794	
LIPA charges for support services under the SLA		-	115,323	
Other charges paid to Group members		-		-

At 31 August 2023 the Trust owed LIPA £nil (2022 £nil)

##### Core Education Trust – a Trust in which Adrian Packer (a Trustee) is CEO

The Academy Trust purchased a course from Core Education Trust totaling £2,500. There were no amounts outstanding at 31 August 2023.

### **24. 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 2023, the Trust received £69,024 (2022 - £66,104) and disbursed £69,024 (2022 - £66,104) from the fund. An amount of £nil (2022 - £nil) is included in other creditors relating to the undistributed funds that are repayable to the ESFA.