Company Registration Number: 08358124 (England & Wales)

INFINITY ACADEMIES TRUST LTD

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 17
Governance Statement	18 - 20
Statement on Regularity, Propriety and Compliance	21
Statement of Trustees' Responsibilities	22
Independent Auditor's Report on the Financial Statements	23 - 27
Independent Reporting Accountant's Report on Regularity	28 - 29
Statement of Financial Activities Incorporating Income and Expenditure Account	30 - 31
Balance Sheet	32
Statement of Cash Flows	33
Notes to the Financial Statements	34 - 68

REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Westaway B Brickles S Morley Rev. S Holt P Thompson
Trustees	S Westaway, Chair of Trustees T C Wellberry S P Griffiths R E Chipperfield S J Brackenbury D C R Mcloughlin W Norrie
Company registered number	08358124
Company name	Infinity Academies Trust
Principal and registered office	St Nicholas CE Primary Academy Woad Farm Road Boston Lincolnshire PE21 0EF
Chief executive officer	Gavin Booth
Senior management team	G Booth, Chief Executive Officer A Clarke, Executive Headteacher - Spilsby Primary Academy & Gipsey Bridge Academy J Sharples, Headteacher - St Thomas Primary Academy S Paul, Headteacher - Wyberton Primary Academy J Hawkins, Acting Headteacher - Wyberton Primary Academy (From 27/06/2022) F Booth, Headteacher - St Nicholas CE Primary Academy A Raistrick, Executive Headteacher - Pinchbeck East Primary Academy & Spalding Primary Academy H Hilton, Headteacher - Little Gonerby Primary Academy J Hawkesworth, Finance & HR Director P Ainsworth, Education Director M Dales, Operations Director
Independent auditor	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln Lincolnshire LN1 1XW

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Bankers	Lloyds Bank Plc 60 Market Street Eckington Sheffield S21 4JH
Solicitors	HY Education 3 Reed House Hunter's Lane Rochdale OL16 1YL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The academy trust operates 8 primary academies in Lincolnshire. St Thomas CE Primary Academy, Wyberton Primary Academy, Spilsby Primary Academy, Gipsey Bridge Academy, St Nicholas CE Primary Academy, Pinchbeck East Primary Academy, Spalding Primary Academy and Little Gonerby CE Infant Academy have a combined pupil capacity of 2205 and had a roll of 2074 in the school census on 19 May 2022.

Structure, governance and management

a. Constitution

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

The charitable company’s memorandum and articles of association are the primary governing documents of the academy trust

The Trustees of Infinity Academies Trust Ltd are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Infinity Academies Trust.

Details of the Trustees who served during the year , and to the date these accounts are approved are included in the Reference and administrative details on 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 Trust has granted an indemnity to one or more of its Trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision has a limit of £10,000,000. The cost of this insurance is included in the total insurance cost and is not identifiable.

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The articles of association require the members of the charitable company to appoint at least three trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Trust. The Trust may have up to 18 trustees which should include at least 2 parent trustees unless these are represented on a Local Governing Board.

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

(a) the signatories to the Memorandum, who shall be:
  (i) the Diocesan Board of Education acting corporately by hand of its Director; and
  (ii) two individual members of the Diocesan Board of Education nominated by it for the purpose;
(b) the chairman of the Directors; and
(c) any person appointed under Article 16.

The Board of Trustees may appoint additional trustees. Trustees may be removed by the person or persons who appointed them.

Currently there are 7 Trustees, but the board plans to increase this to 9 in the coming academic year.

No additional trustees were appointed nor made by the Secretary of State in the year.

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

New Trustees and Local Governors have a full induction before joining their board, led by their respective Chairs. A presentation is used for this induction which covers the following:

- The Infinity Academies Trust
- A Governors Job Description
- Governor Responsibilities
- Governor Induction & Training
- Functions of the Governing Board
- Governor Handbook & Competency Framework
- Key Roles and Responsibilities
- Governor Board Structures
- Governor Visits
- Governor Resources

In addition, all Trustees and Local Governors have been provided with a comprehensive induction pack containing information on the following:

- Introduction
- Welcome
- Legally
- Support for Governors
- Relationships
- Relationships with the (Executive) Headteacher
- Vision Statement
- Members
- Trust Board/Directors
- Strategy
- Governance
- Relationships with the local community
- Relationships with the staff:
- Governors and OFSTED
- Meetings of the Trustees
- Trustee Working Parties
- Chair and Vice-Chair of Trustees
- Trustees with designated roles
- Meetings of the ADC
- ADC Working Parties
- ADC Chair and Vice-Chair
- ADC Members with designated roles
- The role of the Clerk
- Virtual Clerking and Virtual Meetings
- Policies
- Development Planning – making a difference
- The Curriculum
- Statutory Assessment Tests (SAT's)
- Special Educational Needs & Disability
- Visiting the School
- The Governing Body and Staffing
- Annual Salary Review
- Complaints

Structure, governance and management (continued)

- Payment of Governors' Allowances

Regular skills audits are completed and training sourced as appropriate to fill any shortfall in competency.

f. Organisational structure

The constitution of the board of trustees is set out in the articles of association. The chair is elected annually. Trustees work collectively to assure the strategic intentions of the Multi Academy Trust. The Trustees appoint Headteachers to take responsibility for the day to day management of the constituent academies and designate an Accounting officer.

The Scheme of Delegation clearly sets out which decisions are reserved for the board of trustees and those decisions that are delegated to management.

The Trust has the following committees and governing bodies in place:

Board of Trustees:
S Westaway, Chair of Trustees
T C Welberry
S P Griffiths
R E Chipperfield
S J Brackenbury
W Norrie
D McLoughlin

Finance, Audit, Risk and Strategy Committee:
S J Brackenbury (Chair of Committee)
S Westaway
T C Welberry
W Norrie

East Lindsey Academy Development Committee (Gipsey Bridge Academy & Spilsby Primary Academy)
Boston Academy Development Committee (St Thomas' CE Primary Academy and Wyberton Primary Academy)
St Nicholas CE Primary Academy Interim Executive Committee
South Holland Academy Development Committee (Pinchbeck East Primary Academy & Spalding Primary Academy)
Little Gonerby CE Infant Academy Local Governing Body

Structure, governance and management (continued)

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

All trustees are unpaid volunteers who are eligible to claim out of pocket expenses in accordance with the Trusts policy.

The Chief Executive Officer and Education Director's pay are benchmarked against other similar sized trusts with a leadership scale range in accordance with the pay and conditions document. The scale is subject to performance management.

The Finance & HR Director and Operations Director's pay are determined against the Lincolnshire County Council pay scales and using Performance Management.

Executive Headteachers' pay is in accordance with the pay and conditions document with performance management in accordance with government legislation.

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£	
Total cost of facility time	-	
Total pay bill	-	
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	-	%

Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

Owing to the nature of the academy 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 Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and procurement procedures.

During the year the Trust entered into transactions with Boston Blind & Shutter Company Ltd. Stuart Griffiths is a Trustee but was not involved in any decision making. The proposed transaction followed the quotation process of the Trust Finance policy and was reported to the ESFA prior to entering into the transaction. The value was beneath the requirement for ESFA approval.

j. Engagement with employees (including disabled persons)

The Trust proactively and consistently engages with all employees through various communication methods which have in the last 12 months taken the form of a comprehensive staff survey, regular staff updates including a weekly email bulletin. Infinity Academies Trust exists to improve the outcomes and opportunities of every pupil and every colleague working in our academies.

The Trust encourages and supports recruitment and retention of employees with disabilities by adapting the physical environment wherever possible and by making resources available to support training and career development.

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

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

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

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

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

As a charitable company, funded from public funds, the Trust recognises the requirement to act in both a professional and ethical manner with all stakeholders.

Delivering the aims and objectives of the Trust requires strong mutually beneficial relationships with suppliers, customers and other stakeholders.

Objectives and activities

Objectives and activities (continued)

a. Objects and aims

The Trust's principal object is to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The aim of the Trust is to create a community of academies where everyone is ready to learn and prepared to flourish. We do this by:

- maintaining a broad and balanced curriculum that meets the needs of all our learners
- allowing pupils of all abilities to attain their full potential and develop their own special qualities
- offering a wide range of extracurricular activities, educational visits and sport/cultural events
- maintaining the high standards and expectations of the Trust
- developing a positive attitude towards equal opportunities for all, regardless of sex, religion or personal difficulties
- expecting pupils to value all members of the Trust's community and its environment
- allowing pupils to acquire attitudes and skills which enable them to give purposes to their lives and to make a contribution to the wider community

b. Objectives, strategies and activities

The main objectives, strategies and activities of the Trust are summarised below:

- To raise the standard of educational achievement of all pupils. The Trust uses performance data to compare the performance of its academies against national benchmarks. Key strategic plans are in place within the academies to raise standards in any areas identified for improvement.
- To ensure that every pupil enjoys the same high quality education in terms of resourcing, teaching & learning and care. The Trust carries out regular reviews of its academies focussing on key areas to ensure that all pupils at its academies receive the best possible outcomes.
- To improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review. The Trust carries out regular reviews of its academies to ensure the quality of Teaching & Learning and carries out action research projects to ensure that the curriculum is new and innovative and meeting the needs of its pupils.
- To provide value for money for the funds expected. The Trust has clear financial procedures in place to ensure the monies are well spent and that best value is sought at all times. The Trustees regularly review financial statements from the academies and agree future priorities.
- To comply with all appropriate statutory and curriculum requirements. The academies publish their curriculum online as required by the DfE alongside statutory policies. Trustees review these policies at regular intervals.
- To maintain close links with the communities the Trust services. The Trust is constantly looking to build links with local businesses and the academies seek to raise children's aspirations.

To conduct the Trust's business in accordance with the highest standards of integrity, probity and openness. The Trust uses a variety of control measures including both internal and external auditors.

Objectives and activities (continued)

c. Public benefit

In setting our objectives and planning our activities, the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Given the activities of the trust and the student population that it services, the trustees consider that the trust's aims are demonstrably to the public benefit.

Children are at the heart of everything we do, and we strive every day to add value to our schools to enable them to be even better places for our children and young people to learn and grow. We are proud that our trust serves a wide number of different communities and is made up of different kinds of schools. It's this diversity and difference that gives us our strength and broadens our knowledge base of what works best for children.

Strategic report

Achievements and performance

a. Key performance indicators

The Trust uses the following performance indicators:

- Ofsted Reports.
- Trust Reviews linked to Teaching & Learning, Safeguarding and Finance.
- Feedback from External Education Consultants.
- Key Stage and Year groups' achievement and attainment results.
- Pupil Numbers.
- Feedback from Parental Questionnaires including Parent View.
- Pupil Interviews.
- Reporting to the Local Governing Body.
- The budget is not in deficit.

b. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Strategic report (continued)

Achievements and performance (continued)

c. Promoting the success of the company

As a Trust we promote the individuality of our schools and provide them with the freedom to develop their own strengths, distinct character and to meet the needs of their communities whilst at the same time seeking to maximise the benefits of being part of a larger network and organisation. Being part of a Trust gives our staff access to exciting professional development opportunities, gives children the chance to interact with others from different schools and provides challenge and support to school leaders through effective governance.

We are driven by a passion to do our very best for the children in our schools and we know that by working together we can achieve things that we could not do alone.

During this financial year we have been successful with six Condition Improvement Fund bids across 5 of our schools. The funding of £1.5m has enabled our sites to be upgraded providing safer learning and working environments for our pupils and staff.

We have been able to support our schools with the use of reserves to enable them to implement and enhance their synthetic phonics programmes in line with the requirements of the DfE.

Additional central team capacity has meant we have been able to give schools additional support across all areas including Education, Operations, Finance & HR.

Strategic report (continued)

Financial review

a. Reserves policy

The Trust has a fiduciary responsibility to carry sufficient free reserves to:

a) manage potential future financial risks as a result of:
- structural deficits: maintaining schools with historic and/or structural deficits whilst executing robust deficit recovery plans; and
- growth: providing working capital and short-term deficit funding for new schools joining the Trust or growing their pupil numbers.

b) meet future capital requirements (e.g. building repairs, IT infrastructure) where it is anticipated that there may be a shortfall against future eligible capital funding, such that free reserves will need to be drawn upon to meet the strategic long- term capital plans of the Trust. Where a shortfall in capital funding is identified, the Trustees have the discretion to designate free reserves against this future funding requirement.

c) provide the Trust with a buffer of general reserves to be drawn down in times when income is disrupted or decreased – or costs are increased – unexpectedly, such that any given buffer will allow the Trust to continue to operate without material impact to educational outcomes or the Trust's pupils or staff.

The Trust also has a responsibility to ensure that reserves are not excessive and as such would represent an educational risk to maximising the educational outcomes of the Trust's pupils. The Trust therefore needs to balance financial risk and educational risk and believes that setting an amount equivalent to 10% of GAG share to be held is appropriate.

Subject to ESFA's constraints on permitted balances, the Trust's policy is to carry forward a prudent level of resources. At the 31 August 2022 the Trust had £2,867,841 (2021: £2,383,529) in reserves, excluding fixed asset and pension funds. The total funds carried forward at 31 August 2022 were £24,021,732 (2021: £19,246,215). In the year ended 31 August 2022 the Trust made an overall deficit of £1,168,657 (2021: £9,062,120), excluding actuarial gains or losses on pension liabilities and impairment of fixed assets but including the transfer on conversion of (£84,279) (2021: £9,572,106).

The policy of the academy was reviewed by the trustees and is to maintain a level of reserves equivalent to one month's GAG share. This is so that the trust can continue to operate for at least an academic term, at any given point in time, while balancing the financial and educational risk. The desired level of reserves was deemed by the trustees to be at least £695,000. At 31 August 2022 the Trust held sufficient reserves to meet such requirements.

b. Investment policy

In accordance with the Academy Trust Handbook the board of trustees may invest to further the trust's charitable aims but must ensure that investment risk is properly managed. When considering an investment, the board must:

- act within its powers to invest as set out in its articles
- exercise care and skill in investment decisions, taking advice as appropriate from a professional adviser
- ensure that exposure to investment products is tightly controlled so that security of funds takes precedence over revenue maximisation
- ensure that investment decisions are in the best interests of the trust
- review the trust's investments and investment policy regularly

Trustees follow the Charity Commission's guidance: CC14 Charities and investment matters: A guide for trustees. ESFA's approval must be obtained for investment transactions that are novel, contentious and/or repercussive.

The priority is to avoid high levels of risk by ensuring any investment vehicle has adequate credit rating measured by a reputable credit rating agency. The Trust will avoid volatile investment instruments, ensuring security takes precedence over revenue generation.

The Trust, through its Finance, Audit & Strategy Committee, will review investment of funds to ensure appropriate reflection of risk/reward at least an annual basis.

c. Principal risks and uncertainties

During the year the Trust has continued to develop its Risk Management process. Risk Registers are in place for all schools and are reviewed quarterly.

The main identified risks for the Trust are:

- Funding and delayed confirmation of teacher and support pay rises
  Schools estimate pay increments based on latest guidance from the DfE and the local authority, but increases announced after budget setting, without additional funding may cause schools to have deficit budgets. At the current time reserves are held to mitigate these risks but these will not be available indefinitely
- Educational Underperformance – a decline of pupils' attainment and school performance
  This is mitigated by rigorous monitoring of performance, a continued focus on high quality teaching, early identification and tracking of vulnerable and under-performing groups and developing and improving governance.
- Loss of staff - To mitigate the risk, the trust has procured the services of external consultants Edurio to develop an annual staff survey to better understand any risks around likely staff losses, staff morale and wellbeing
- New academies joining the Trust; risk that the Trust grows too quickly and there is impact upon improvement and sustainability

A realistic growth plan is in place to ensure that the trust has capacity to take on additional schools prior to commitment. A TCAF funding grant has been successful to support additional central team staffing to support growth.

d. Financial Risk Management Objectives and Policies

Sufficient cash is held in reserve to enable the Trust to support any financial issues that it may experience. Review of monthly financial reports enable any issues to be identified at an early stage. Despite the pension scheme being in deficit, it is not considered to impact the Trust on the basis that that this is not an immediately crystalizing liability.

Fundraising

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

Streamlined energy and carbon reporting

The data demonstrated below contains information for 2021-22 period as prior to this time we were not required to report on our consumption and Intensity Ratios

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

	2022
Energy consumption used to calculate emissions (kWh)	**1,931,197**
Scope 1 emissions (in tonnes of CO2 equivalent):	
Gas consumption	**207.50**
Total scope 1	**207.50**
Scope 2 emissions (in tonnes of CO2 equivalent):	
Purchased electricity	**151.08**
Scope 3 emissions (in tonnes of CO2 equivalent):	
Business travel in employee-owned or rental vehicles	**3.15**
Total gross emissions (in tonnes of C02 equivalent):	**361.73**
Intensity ratio:	
Tonnes of CO2 equivalent per pupil	**0.18**

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

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

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

During the 2021-22 academic year through CIF and Trust investment we have replaced boilers at two of our academies.

A review has taken place in Autumn Term 2022 to evaluate which sites require internal and external installation of LED lighting to reduce the energy consumption.

Plans for future periods

A 5 year strategic plan has been developed and implemented in conjunction with Trustees. The strategic Priorities and ambitions are:

Grow High Performing Schools

All Infinity Schools are known and recognised for having ambitious curriculums that meet the needs of their children and their communities.

The curriculums across our schools are underpinned by effective research and go beyond the National Curriculum to prepare our children for life in modern Britain and for the next phase of their education.

We ensure every decision keeps “children at the centre of all we do” and our schools thrive as inclusive places of learning.

Infinity provides all our children with the best possible teaching and learning experience and enables them to make strong progress regardless of starting points and backgrounds.

Empower People and Build Relationships

Infinity believes in developing people and provides opportunities for all colleagues to realise their potential through impactful CPD and excellent professional networks.

As a Trust, Infinity has a relentless focus on building positive relationships with our children, our teams, across our Trust and our communities. We prioritise this above all else as we know we can achieve nothing without effective relationships.

Infinity is future focussed and invests in identifying, coaching and developing individuals from both in the Trust and beyond to ensure effective succession planning and enable individuals to reach their personal goals.

Create Enabling Environments

Infinity is committed to professional reciprocity and our network and partnerships evolve to continue to support and encourage new and existing schools to meet the needs of all children.

At Infinity we create first class environments that provide our children with exciting places to learn and our colleagues with excellent places to work ensuring they have all the tools they need to deliver our ambitious curriculum.

Infinity continually challenges itself to be better and do better through purposeful leadership at all levels. We are robust in our self-evaluation and act to improve and grow as an organisation.

Effective collaboration is central to all we do at Infinity and through careful strategic alignment throughout our expanding Trust we ensure that we maximise our resources in the interest of our communities.

Funds held as custodian on behalf of others

The Trust does not act as custodian trustee, no funds are held on behalf of other charities.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

Auditor

The auditor, Streets Audit LLP, has indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2022 and signed on its behalf by:

S Westaway
(Chair of Trustees)

S J Brackenbury
(Trustee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Infinity Academies Trust Ltd 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 Infinity Academies Trust Ltd 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 and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
S Westaway, Chair of Trustees	6	6
T C Wellberry	5	6
S P Griffiths	6	6
R E Chipperfield	3	6
S J Brackenbury	5	6
D C R Mcloughlin	5	6
W Norrie	4	6

The Finance, Audit, Risk and Strategy Committee is a sub-committee of the main board of Trustees. Its purpose is to support the Accounting Officer in their day to day running of the financial affairs of the Multi Academy Trust.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Westaway	3	3
Sue Brackenbury	3	3
T C Wellberry	2	3

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 the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting officer for the Trust has delivered improved value for money during the year by:
-careful scrutiny of the budgets provided for review.
-ensuring that the procurement process has been complied with across the Trust.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Infinity Academies Trust Ltd for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

The Board of Trustees has decided to employ Audit Lincolnshire as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included
- testing of payroll/purchase systems
- testing of control account/bank reconciliations

On a semi-annual basis, the internal auditor reports to the board of Trustees through the audit and risk

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

During the year the Trust's Chief Financial Officer has liaised with the School Business Managers to offer advice and support.

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee 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 and signed on their behalf by:

S Westaway
Chair of Trustees

G Booth
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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.

G Booth
Accounting Officer
Date: 07/12/2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company'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 7 December 2022 and signed on its behalf by:

S Westaway	**S J Brackenbury**
(Chair of Trustees)	(Trustee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF INFINITY ACADEMIES TRUST LTD

Opinion

We have audited the financial statements of Infinity Academies Trust Ltd (the 'trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions 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 Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Trust and its environment obtained 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 Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, SORP 2015 (FRS 102), taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- reviewed Trustee meeting minutes for evidence of appropriate decision-making and management controls.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

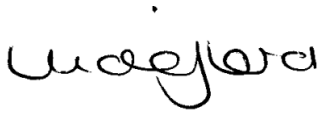
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Linda Lord (Senior Statutory Auditor)
for and on behalf of
Streets Audit LLP
Chartered Accountants and Statutory Auditor
Tower House
Lucy Tower Street
Lincoln
Lincolnshire
LN1 1XW

Date: 22/12/2022

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

In accordance with the terms of our engagement letter dated 23 November 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Infinity Academies Trust Ltd during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Infinity Academies Trust Ltd's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Infinity Academies Trust Ltd's funding agreement with the Secretary of State for Education dated 1 February 2013 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Linda Lord BSc BFP FCA TEP
Streets Audit LLP
Chartered Accountants and Statutory Auditor

Date: 22/12/2022

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	*As restated Total funds 2021 £*
Income from:						
Donations and capital grants:	3					
Transfer from existing academy trust		**97,661**	**(778,446)**	**7,703**	**(673,082)**	-
Wygate Foundation Nursery School		**-**	**538,977**	**49,826**	**588,803**	-
Transfer from local authority on conversion		**-**	**-**	**-**	**-**	*9,572,106*
Other donations and capital grants		**44,162**	**32,321**	**1,557,776**	**1,634,259**	*156,466*
Other trading activities		**211,538**	**-**	**-**	**211,538**	*74,610*
Investments	6	**1,182**	**-**	**-**	**1,182**	*784*
Charitable activities		**-**	**10,822,050**	**-**	**10,822,050**	*8,092,298*
Other income	7	**193,868**	**-**	**-**	**193,868**	*76,803*
Total income		**548,411**	**10,614,902**	**1,615,305**	**12,778,618**	*17,973,067*
Expenditure on:						
Charitable activities	9	**368,689**	**11,933,394**	**1,645,192**	**13,947,275**	*8,910,947*
Total expenditure		**368,689**	**11,933,394**	**1,645,192**	**13,947,275**	*8,910,947*
Net income/(expenditure)		**179,722**	**(1,318,492)**	**(29,887)**	**(1,168,657)**	*9,062,120*
Transfers between funds	20	**(10,918)**	**-**	**10,918**	**-**	-
Net movement in funds before other recognised gains/(losses)		**168,804**	**(1,318,492)**	**(18,969)**	**(1,168,657)**	*9,062,120*
Other recognised gains/(losses):						
Losses on revaluation of fixed assets		**-**	**-**	**(49,826)**	**(49,826)**	-
Actuarial gains/(losses) on defined benefit pension schemes	27	**-**	**5,994,000**	**-**	**5,994,000**	*(688,000)*
Net movement in funds		**168,804**	**4,675,508**	**(68,795)**	**4,775,517**	*8,374,120*

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	*As restated Total funds 2021 £*
Reconciliation of funds:						
Total funds brought forward		**586,582**	**(3,810,053)**	**22,469,686**	**19,246,215**	*10,872,095*
Net movement in funds		**168,804**	**4,675,508**	**(68,795)**	**4,775,517**	*8,374,120*
Total funds carried forward		**755,386**	**865,455**	**22,400,891**	**24,021,732**	*19,246,215*

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

The notes on pages 34 to 68 form part of these financial statements.

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08358124

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	16		**21,815,757**		*22,243,718*
Current assets					
Debtors	17	**1,433,485**		*876,934*	
Cash at bank and in hand		**3,850,554**		*2,320,771*	
		5,284,039		*3,197,705*	
Creditors: amounts falling due within one year	18	**(1,831,064)**		*(588,208)*	
Net current assets			**3,452,975**		*2,609,497*
Total assets less current liabilities			**25,268,732**		*24,853,215*
Defined benefit pension scheme liability	27		**(1,247,000)**		*(5,607,000)*
Total net assets			**24,021,732**		*19,246,215*
Funds of the Trust					
Restricted funds:					
Fixed asset funds	20	**22,400,891**		*22,469,686*	
Restricted income funds	20	**2,112,455**		*1,796,947*	
Restricted funds excluding pension asset	20	**24,513,346**		*24,266,633*	
Pension reserve	20	**(1,247,000)**		*(5,607,000)*	
Total restricted funds	20		**23,266,346**		*18,659,633*
Unrestricted income funds	20		**755,386**		*586,582*
Total funds			**24,021,732**		*19,246,215*

The financial statements on pages 30 to 68 were approved by the Trustees, and authorised for issue on 07 December 2022 and are signed on their behalf, by:

S Westaway
(Chair of Trustees)

S J Brackenbury
(Trustee)

The notes on pages 34 to 68 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	*2021 £*
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	**(87,704)**	*280,490*
Cash flows from investing activities	23	**1,617,487**	*62,234*
Change in cash and cash equivalents in the year		**1,529,783**	*342,724*
Cash and cash equivalents at the beginning of the year		**2,320,771**	*1,978,047*
Cash and cash equivalents at the end of the year	24, 25	**3,850,554**	*2,320,771*

The notes on pages 34 to 68 form part of these financial statements

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction *2021* to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

Tthe UK has experienced a pandemic of the coronavirus during the year. The Academy has been able to adapt its teaching and learning methods since March 2020 but the academy's day to day activities have been significantly affected. Whilst the Academy is continuing to develop new ways of working in a covid-secure environment, the long-term effects of the pandemic on the academy, and its future prospects, cannot be fully quantified. The governors remain committed to the protection of the academy's activities and believe that they will be able to continue to operate for the forseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

1. Accounting policies (continued)

1.3 Income

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

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

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

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

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

- **Transfer of existing academies into the Trust**
  Where assets and liabilities are received on the transfer of an existing academy into the Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised for the transfer of an existing academy into the Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

- **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.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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:

Depreciation is provided on the following bases:

Long Term Leasehold Property	- 50 years straight line
Plant and machinery	- 3 years straight line basis

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

Land included in Long Term Leasehold Property is not depreciated.

1. Accounting policies (continued)

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

1. Accounting policies (continued)

1.12 Pensions

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

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

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

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

1.13 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	**Restricted funds 2022 £**	**Restricted fixed asset funds 2022 £**	**Total funds 2022 £**	*Total funds 2021 £*
Donations					
Transfer on conversion from Local Authority	-	-	-	**-**	*9,572,106*
Transfer on conversion from existing academy trust	97,661	(778,446)	7,703	**(673,082)**	-
Wygate Nursery Transfer	-	538,977	49,826	**588,803**	-
Total on conversion	97,661	(239,469)	57,529	**(84,279)**	*9,572,106*

3. Income from donations and capital grants (continued)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Donations	44,162	32,321	-	**76,483**	*106,427*
Capital Grants	-	-	57,906	**57,906**	*50,039*
Government grants	-	-	1,499,870	**1,499,870**	-
Total grants and donations	44,162	32,321	1,557,776	**1,634,259**	*156,466*
Total 2022	141,823	(207,148)	1,615,305	**1,549,980**	*9,728,572*
Total 2021	*19,893*	*(386,167)*	*10,094,846*	*9,728,572*	

Income from donations and capital grants includes the transfer in of the assets and liabilities of Little Gonerby Primary Academy (as disclosed in note 31) at 1 April 2022 for nil consideration. In addition, the assets and liabilities of Wygate Foundation Nursery School was acquired by the trust on 17th March 2022 for nil consideration.

4. Charitable Activities

	Restricted funds 2022 £	Total funds 2022 £	*As restated Total funds 2021 £*
DfE/ESFA grants			
General Annual Grant (GAG)	8,662,216	**8,662,216**	*6,231,953*
Other DfE/ESFA grants			
GAG Start Up Grant	25,000	**25,000**	*50,000*
Rates Relief	35,157	**35,157**	*13,941*
Pupil Premium	629,273	**629,273**	*444,112*
UIFSM	198,602	**198,602**	*154,352*
Teachers Pay & Pension	-	**-**	*261,443*
Other DFE Revenue Grants	12,116	**12,116**	*112,340*
PE & Sports	135,448	**135,448**	*105,781*
Tutoring Grant	60,176	**60,176**	-
ESFA Supplementary Grant	112,157	**112,157**	-
TCAF Funding	50,596	**50,596**	-
	9,920,741	**9,920,741**	*7,373,922*
Other Government grants			
SEN	418,926	**418,926**	*389,524*
Early Years Funding	217,823	**217,823**	*107,358*
Reorganisation Funding	-	**-**	*71,125*
Other LA Funding	199,430	**199,430**	*111,036*
	836,179	**836,179**	*679,043*
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	65,130	**65,130**	*39,333*
	65,130	**65,130**	*39,333*
	10,822,050	**10,822,050**	*8,092,298*
	10,822,050	**10,822,050**	*8,092,298*
Total 2021 as restated	*8,092,298*	*8,092,298*	

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	*As restated Total funds 2021 £*
Hire of facilities	9,117	**9,117**	*6,941*
Insurance income	96,863	**96,863**	*30,639*
Nursery income	28,877	**28,877**	*15,941*
Wraparound care	51,945	**51,945**	*11,848*
Other trading income	24,736	**24,736**	*9,241*
Total 2022	211,538	**211,538**	*74,610*
Total 2021 as restated	*74,610*	*74,610*	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Investment income	1,182	**1,182**	*784*
Total 2021	*784*	*784*	

7. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	*As restated Total funds 2021 £*
Other Income	37,455	**37,455**	*3,893*
Educational Trips and Visits	82,974	**82,974**	*25,779*
Catering Income	73,439	**73,439**	*47,131*
Total 2022	193,868	**193,868**	*76,803*
Total 2021 as restated	*76,803*	*76,803*	

8. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	*Total 2021 £*
Direct costs:					
Direct costs	7,339,410	-	739,944	**8,079,354**	*5,796,019*
Allocated support costs	2,292,845	2,217,188	1,357,888	**5,867,921**	*3,114,928*
Total 2022	9,632,255	2,217,188	2,097,832	**13,947,275**	*8,910,947*
Total 2021	*6,853,495*	*645,691*	*1,411,761*	*8,910,947*	

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	*Total 2021 £*
Direct costs	368,689	13,578,586	**13,947,275**	*8,910,947*
Total 2021	*149,756*	*8,761,191*	*8,910,947*	

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Direct costs	8,079,354	5,867,921	**13,947,275**	*8,910,947*
Total 2021	*5,796,019*	*3,114,928*	*8,910,947*	

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	*Total funds 2021 £*
Pension costs	**31,000**	*21,000*
Staff costs	**7,339,410**	*5,436,016*
Educational Supplies	**404,844**	*178,798*
Educational Consultancy	**185,941**	*109,541*
Other Direct Costs	**118,159**	*50,664*
Total 2022	**8,079,354**	*5,796,019*

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Pension costs	61,000	**61,000**	*41,000*
Staff costs	2,292,845	**2,292,845**	*1,417,479*
Depreciation	446,582	**446,582**	*340,078*
Repairs and maintenance	1,513,111	**1,513,111**	*251,434*
Cleaning	104,604	**104,604**	*100,128*
Energy	106,866	**106,866**	*80,614*
Rates	39,005	**39,005**	*12,266*
Operating Leases	13,426	**13,426**	*14,092*
Administration	33,642	**33,642**	*22,295*
Insurance	38,576	**38,576**	*20,524*
Other Premises Costs	83,832	**83,832**	*69,434*
Licences & Subscriptions	113,912	**113,912**	*90,547*
Recruitment	46,573	**46,573**	*29,413*
Catering	519,122	**519,122**	*320,231*
Legal & Professional	124,452	**124,452**	*114,120*
ICT costs	66,227	**66,227**	*58,830*
Other	73,417	**73,417**	*41,609*
Bank charges	1,671	**1,671**	*1,469*
Indirect Employee Expenses	178,579	**178,579**	*83,242*
Security	10,479	**10,479**	*6,123*
Total 2022	5,867,921	**5,867,921**	*3,114,928*
Total 2021	*3,114,928*	*3,114,928*	

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	**14,832**	*3,557*
Depreciation of tangible fixed assets	**446,582**	*340,078*
Fees paid to auditor for:		
- audit	**15,000**	*12,000*

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	**6,558,728**	*4,788,802*
Social security costs	**585,100**	*409,955*
Pension costs	**2,244,836**	*1,592,125*
	9,388,664	*6,790,882*
Agency staff costs	**243,591**	*62,613*
	9,632,255	*6,853,495*

b. Severance payments

The Trust paid 2 severance payments in the year *(2021* - £nil*)*, disclosed in the following bands:

	2022 No.	2021 No.
£0 - £25,000	**2**	-

12. Staff (continued)

c. Staff numbers

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

	2022	*2021*
	No.	*No.*
Teaching Staff	**97**	*71*
Administration and Support Staff	**228**	*154*
Management	**9**	*6*
	334	*231*

12. Staff (continued)

d. Higher paid staff

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

	2022	*2021*
	No.	*No.*
In the band £60,001 - £70,000	**3**	*1*
In the band £70,001 - £80,000	**1**	-
In the band £80,001 - £90,000	**1**	*1*
In the band £90,001 - £100,000	**1**	-

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel - 11 members (2021: 9) was £788,804 *(2021 - £651,372)*.

13. Central services

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

- financial services
- educational support services
- governance services; and
- other services as they arise

The Trust charges for these services on the following basis:

5% for schools in the trust (2021: 4%) of the ESFA General Annual Grant Funding.

The actual amounts charged during the year were as follows:

	2022	*2021*
	£	*£*
Gipsey Bridge	**23,292**	*18,475*
Spilsby	**47,637**	*35,544*
St Thomas	**83,600**	*60,600*
Wyberton	**45,559**	*33,480*
St Nicholas	**50,029**	*37,052*
Spalding	**85,272**	*42,368*
Pinchbeck	**82,764**	*37,694*
Little Gonerby	**14,348**	-
Total	**432,501**	*265,213*

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year, retirement benefits were accruing to no Trustees *(2021 - no)* in respect of defined benefit pension schemes.

During the year ended 31 August 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

15. Trustees' and Officers' insurance

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

16. Tangible fixed assets

	Long-term leasehold property £	Computer equipment £	Total £
Cost or valuation			
At 1 September 2021	**23,051,895**	**127,020**	**23,178,915**
On acquisition of subsidiaries	**68,447**	**-**	**68,447**
Impairment of Fixed Assets	**(49,826)**	**-**	**(49,826)**
At 31 August 2022	**23,070,516**	**127,020**	**23,197,536**
Depreciation			
At 1 September 2021	**834,737**	**100,460**	**935,197**
Charge for the year	**435,798**	**10,784**	**446,582**
At 31 August 2022	**1,270,535**	**111,244**	**1,381,779**
Net book value			
At 31 August 2022	**21,799,981**	**15,776**	**21,815,757**
At 31 August 2021	*22,217,158*	*26,560*	*22,243,718*

16. Tangible fixed assets (continued)

The land and buildings at the Gipsey Bridge site from which the Academy operates are owned by the Lincoln Diocesan Trust and Board of Finance Limited and used under the terms of a supplemental agreement. The terms of the agreement do not transfer the benefits of ownership to the Academy and, consequently, the value of these assets has not been recognised in the financial statments.

Splisby Primary converted to academy status on 1 April 2016. The assets of the school were subject to a formal valuation on conversion. An appropriate percentage of the insurance valuation, as determined by the trustees of the academy, has been included in fixed assets.

The addition on conversion of the acquisition of the leasehold interests in St Thomas' CE Primary School and Wyberton Primary Academy. Independent valuations were conducted by Kier Business Services Limited in December 2019. The value of the interest at St Thomas' CE Primary School was considered to be £6,450,000 including £270,000 of land. The value of the interest at Wyberton Primary Academy was considered to be £2,050,000 including £152,000 of land. Buildings have been depreciated over 50 years straight line in accordance with the academy trust's depreciation policy. Land is not depreciated.

The addition on conversion of the acquisition of the leasehold interests in St Nicholas CE Primary Academy. Independent valuations were conducted by Kier Business Services Limited in August 2020. The value of the interest at St Nicholas CE Primary Academy was considered to be £1,580,000 including £150,000 of land. Buildings have been depreciated over 50 years straight line in accordance with the academy trust's depreciation policy. Land is not depreciated.

The addition on conversion of the acquisition of the leasehold interests in Spalding Primary Academy & Pinchbeck East CofE Primary Academy. Independent valuations were conducted by Kier Business Services Limited in April 2021. The value of the interest at Spalding Primary Academy was considered to be £5,120,000 including £345,000 of land. The value of the interest at Pinchbeck East CofE Primary Academy was considered to be £4,820,000 including £345,000 of land. Buildings have been depreciated over 50 years straight line in accordance with the academy trust's depreciation policy. Land is not depreciated.

17. Debtors

	2022	*2021*
	£	*£*
Due within one year		
Trade debtors	**7,835**	*1,368*
VAT debtor	**247,439**	*77,441*
Prepayments and accrued income	**1,178,211**	*798,125*
	1,433,485	*876,934*

18. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	**1,110,178**	*220,492*
Other taxation and social security	**304,964**	*204,376*
Accruals and deferred income	**415,922**	*163,340*
	1,831,064	*588,208*

19. Accruals and deferred income

	2022 £	2021 £
Deferred income at 1 September 2021	**146,343**	*77,288*
Resources deferred during the year	**149,950**	*146,343*
Amounts released from previous periods	**(146,343)**	*(77,288)*
Deferred income at 31 August 2022	**149,950**	*146,343*

Deferred income brought and carried forward relates to income received in advance of the year ended 31 August 2022 and is in respect of Universal Infant Free School Meals funding and Rates Relief.

20. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	**586,582**	**548,411**	**(368,689)**	**(10,918)**	**-**	**755,386**
Restricted general funds						
General Annual Grant (GAG)	**1,746,505**	**8,662,770**	**(8,786,911)**	**-**	**-**	**1,622,364**
Other DfE/ESFA Grants	**35,442**	**1,273,059**	**(1,254,716)**	**-**	**-**	**53,785**
Government grants	**-**	**836,179**	**(836,179)**	**-**	**-**	**-**
Other income	**15,000**	**32,321**	**(47,321)**	**-**	**-**	**-**
Spalding Nursery	**-**	**538,977**	**(102,671)**	**-**	**-**	**436,306**
TCAF Funding	**-**	**50,596**	**(50,596)**	**-**	**-**	**-**
Pension reserve	**(5,607,000)**	**(779,000)**	**(855,000)**	**-**	**5,994,000**	**(1,247,000)**
	(3,810,053)	**10,614,902**	**(11,933,394)**	**-**	**5,994,000**	**865,455**
Restricted fixed asset funds						
Restricted Fixed Asset Funds	**22,243,718**	**57,529**	**(446,583)**	**10,918**	**(49,826)**	**21,815,756**
Devolved Formula Capital Grants	**225,968**	**57,906**	**-**	**(237,971)**	**-**	**45,903**
CIF- Boiler Replacement (Gipsey Bridge)	**-**	**181,375**	**(204,108)**	**48,213**	**-**	**25,480**
CIF- Fire Safety Works (Spilsby)	**-**	**324,114**	**(245,448)**	**40,058**	**-**	**118,724**
CIF- Fire Safety Works (St Thomas)	**-**	**342,758**	**(212,608)**	**42,400**	**-**	**172,550**
CIF- Roof Refurbishment (Wyberton)	**-**	**275,756**	**(194,381)**	**76,000**	**-**	**157,375**

20. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
CIF- Drainige Repair Works (Wyberton)	-	55,832	(67,373)	14,100	-	2,559
CIF- Fire Safety (Pinchbeck)	-	320,035	(274,691)	17,200	-	62,544
	22,469,686	1,615,305	(1,645,192)	10,918	(49,826)	22,400,891
Total Restricted funds	18,659,633	12,230,207	(13,578,586)	10,918	5,944,174	23,266,346
Total funds	19,246,215	12,778,618	(13,947,275)	-	5,944,174	24,021,732

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

Unrestricted funds:
General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the trustees. These are not currently designated for particular purposes.

Restricted funds:
General Annual Grant (GAG) must be used for the normal running costs of the academy.

Other ESFA Income is made up of grants for insurance costs and rates relief. It includes Pupil Premium, which may be spent for the educational benefit of pupils registered at that school, or for the benefit of pupils registered at other schools; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils at the school or their families, or people who live or work in the locality in which the school is situated. In addition, other ESFA income includes Universal Infant Free School Meals income which must be used to provide all pupils in reception, year 1 and year 2 with a free school lunch.

Other Government Grants are received to help make special educational provision to meet children's Special Educational Needs.

Pension Reserve represents the current deficit balance of the pension scheme.

The Restricted Fixed Asset Fund represents the net book value of fixed assets held by the academy.

Other income comprises restricted donations and consultancy income from a variety of sources.

Devolved Formula Capital either allocated direct by the DfE or transferred on conversion from the local authority must be spent on capital purposes. A transfer of £10,918 has been made from this fund to reflect monies used to purchase capital assets.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the

20. Statement of funds (continued)

amount of GAG it could carry forward at 31 August 2022.

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

	Balance at 1 September 2020 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*As restated Gains/ (Losses) £*	*Balance at 31 August 2021 £*
Unrestricted funds						
General Funds - all funds	*521,247*	*172,090*	*(126,569)*	*19,814*	*-*	*586,582*
Restricted general funds						
General Annual Grant (GAG)	*909,840*	*6,527,379*	*(5,663,102)*	*(27,612)*	*-*	*1,746,505*
Other DfE/ESFA Grants	*165,748*	*1,399,280*	*(1,529,586)*	*-*	*-*	*35,442*
Government grants	*-*	*683,144*	*(683,144)*	*-*	*-*	*-*
Other income	*23,805*	*26,328*	*(15,319)*	*(19,814)*	*-*	*15,000*
Pension reserve	*(3,448,000)*	*(930,000)*	*(541,000)*	*-*	*(688,000)*	*(5,607,000)*
	(2,348,607)	*7,706,131*	*(8,432,151)*	*(47,426)*	*(688,000)*	*(3,810,053)*

	Balance at 1 September 2020 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*As restated Gains/ (Losses) £*	*Balance at 31 August 2021 £*
Restricted fixed asset funds						
Restricted Fixed Asset Funds	*12,550,401*	*9,940,000*	*(340,078)*	*93,395*	*-*	*22,243,718*
Devolved Formula Capital Grants	*149,054*	*94,846*	*(12,149)*	*(5,783)*	*-*	*225,968*
SEND Programme Funding	*-*	*60,000*	*-*	*(60,000)*	*-*	*-*
	12,699,455	*10,094,846*	*(352,227)*	*27,612*	*-*	*22,469,686*

20. Statement of funds (continued)

	Balance at 1 September 2020 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*As restated Gains/ (Losses) £*	*Balance at 31 August 2021 £*
Total Restricted funds	*10,350,848*	*17,800,977*	*(8,784,378)*	*(19,814)*	*(688,000)*	*18,659,633*
Total funds	*10,872,095*	*17,973,067*	*(8,910,947)*	*-*	*(688,000)*	*19,246,215*

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances for each academy at 31 August 2022 and 31 August 2021 were zero, hence a breakdown by academy is not included in these accounts.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	*Total 2021 £*
Central Services	338,039	1,040,856	64,358	1,626,984	**3,070,237**	*1,008,562*
Gipsey Bridge Academy	331,585	92,420	28,556	110,529	**563,090**	*543,332*
Spilsby Primary Academy	838,483	207,571	39,169	278,211	**1,363,434**	*1,216,286*
St Thomas Primary Academy	1,190,776	236,432	52,137	422,691	**1,902,036**	*1,778,203*
Wyberton Primary Academy	751,529	142,999	52,188	194,193	**1,140,909**	*1,064,963*
St Nicholas Primary Academy	670,370	171,049	57,143	281,441	**1,180,003**	*1,125,672*
Spalding Primary Academy	1,435,852	211,548	46,519	361,207	**2,055,126**	*963,874*
Pinchbeck Primary Academy	1,272,044	233,737	45,894	297,491	**1,849,166**	*869,977*
Little Gonerby Primary Academy	241,316	74,056	18,880	42,440	**376,692**	-
Trust	7,069,994	2,410,668	404,844	3,615,187	**13,500,693**	*8,570,869*

Central Services- Other Support costs includes net costs of £855,000 in respect of the LGPS pension scheme which cannot be attributed between the individual academies in the trust. In the prior year, the equivalent cost of £541,000 has been attributed between the individual academies.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	21,815,757	**21,815,757**
Current assets	755,386	3,851,610	677,043	**5,284,039**
Creditors due within one year	-	(1,739,155)	(91,909)	**(1,831,064)**
Provisions for liabilities and charges	-	(1,247,000)	-	**(1,247,000)**
Total	755,386	865,455	22,400,891	**24,021,732**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Restricted fixed asset funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	-	-	*22,243,718*	*22,243,718*
Current assets	*592,329*	*2,379,408*	*225,968*	*3,197,705*
Creditors due within one year	*(5,747)*	*(582,461)*	-	*(588,208)*
Provisions for liabilities and charges	-	*(5,607,000)*	-	*(5,607,000)*
Total	*586,582*	*(3,810,053)*	*22,469,686*	*19,246,215*

22. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	**(1,168,657)**	*9,062,120*
Adjustments for:		
Fixed Assets transferred on conversion	**(68,447)**	*(9,940,000)*
Depreciation	**446,582**	*340,078*
Capital grants from DfE and other capital income	**(1,616,305)**	*(154,845)*
Interest receivable	**(1,182)**	*(784)*
Defined benefit pension scheme obligation inherited	**779,000**	*930,000*
Defined benefit pension scheme cost less contributions payable	**763,000**	*479,000*
Defined benefit pension scheme finance cost	**92,000**	*62,000*
(Increase)/Decrease in debtors	**(556,551)**	*(721,117)*
Increase/(Decrease) in creditors	**1,242,856**	*224,038*
Net cash (used in)/provided by operating activities	**(87,704)**	*280,490*

23. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	**1,182**	*784*
Purchase of tangible fixed assets	**-**	*(93,395)*
Capital grants from DfE Group	**1,616,305**	*94,845*
Capital funding received from LA	**-**	*60,000*
Net cash provided by investing activities	**1,617,487**	*62,234*

24. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	**3,850,554**	*2,320,771*
Total cash and cash equivalents	**3,850,554**	*2,320,771*

25. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	Acquisition and disposal of subsidiaries £	At 31 August 2022 £
Cash at bank and in hand	**2,320,771**	**1,441,960**	**87,823**	**3,850,554**
	2,320,771	**1,441,960**	**87,823**	**3,850,554**

26. Contingent liabilities

In the event of the constituent academies of Infinity Academies Trust ceasing to operate as academies, provisions are included in the funding agreements relating to the clawback of assets and monies paid to the constituent academies.

27. Pension commitments

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

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

Contributions amounting to £62,577 were payable to the schemes at 31 August 2022 *(2021 - £53,859)* and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

27. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £816,000 *(2021 - £695,000)*.

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £773,000 *(2021 - £506,000)*, of which employer's contributions totalled £624,000 *(2021 - £410,000)* and employees' contributions totalled £ 149,000 *(2021 - £96,000)*. The agreed contribution rates for future years are 20.9 to 25.5 per cent for employers and a variable per cent for employees.

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

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

Principal actuarial assumptions

Lincolnshire Pension Fund

	2022	*2021*
	%	*%*
Rate of increase in salaries	**3.25**	*3.2*
Rate of increase for pensions in payment/inflation	**2.95**	*2.9*
Discount rate for scheme liabilities	**4.25**	*1.65*

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

	2022	*2021*
	Years	*Years*
Retiring today		
Males	**21.2**	*21.2*
Females	**23.7**	*23.6*
Retiring in 20 years		
Males	**22.1**	*22.0*
Females	**25.1**	*25.1*

27. Pension commitments (continued)

Sensitivity analysis

Lincolnshire Pension Fund

	2022 £000	*2021 £000*
Discount rate -0.5%	**925**	*1,285*
Salary increase rate +0.5%	**75**	*120*
Pension increase rate +0.5%	**840**	*1,145*

Share of scheme assets

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

	At 31 August 2022 £	*At 31 August 2021 £*
Equities	**4,764,000**	*3,495,000*
Corporate bonds	**770,000**	*694,000*
Property	**826,000**	*504,000*
Cash and other liquid assets	**153,000**	*186,000*
Total market value of assets	**6,513,000**	*4,879,000*

The actual return on scheme assets was £(7,000) *(2021 - £721,000)*.

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

	2022 £	*2021 £*
Current service cost	**(1,384,000)**	*(887,000)*
Interest income	**93,000**	*58,000*
Interest cost	**(185,000)**	*(120,000)*
Total amount recognised in the Statement of Financial Activities	**(1,476,000)**	*(949,000)*

27. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	**10,486,000**	*6,014,000*
Transferred in on existing academies joining the trust	**1,678,000**	*1,936,000*
Current service cost	**1,384,000**	*887,000*
Interest cost	**185,000**	*120,000*
Employee contributions	**149,000**	*96,000*
Actuarial (gains)/losses	**(6,094,000)**	*1,351,000*
Benefits paid	**(28,000)**	*82,000*
At 31 August	**7,760,000**	*10,486,000*

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

	2022 £	2021 £
At 1 September	**4,879,000**	*2,566,000*
Transferred in on existing academies joining the trust	**899,000**	*1,006,000*
Interest income	**93,000**	*58,000*
Actuarial (losses)/gains	**(100,000)**	*663,000*
Employer contributions	**621,000**	*408,000*
Employee contributions	**149,000**	*96,000*
Benefits paid	**(28,000)**	*82,000*
At 31 August	**6,513,000**	*4,879,000*

28. Operating lease commitments

At 31 August 2022 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	**10,273**	*12,213*
Later than 1 year and not later than 5 years	**11,089**	*11,393*
	21,362	*23,606*

29. Members' liability

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

30. Related party transactions

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

Owing to the nature of the academy 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. The following related party transactions took place in the financial period.

Expenditure related party transactions

Greenwood Academies Trust – a trust in which the CEO (W Norrie) is also a trustee :
• The academy trust utilised consultancy services from GAT totalling £9,000 (2021: £nil) during the period. There were no amounts outstanding at 31 August 2022 (2021: £nil)
• The academy trust made the purchase at arms' length in accordance with its financial regulations, which Mr Norrie neither participated in, nor influenced.

The Boston Blind & Shutter Company Ltd – a limited company which is owned by a trust member/trustee/relative of a truste member/relative of trustee:
• The academy trust purchased roller blinds and services for fittings totalling £6,233 (2021: £nil) during the period. There were no amounts outstanding at 31 August 2022 (2021: £nil).
• The academy trust made the purchase at arms' length in accordance with its financial regulations, which the related party neither participated in, nor influenced.

In entering into the following transactions, the academy trust has complied with the requirements of the Academy Trust Handbook.

In addition, there are members of staff who are related to members of key management personnel. These relationships have been appropriately disclosed to trustees and relevant key management personnel are not involved in ongoing pay discussions or decisions directly related to these staff members.

31. Transfer of existing academies into the trust

Little Gonerby

	Value reported by transferring trust £	Fair value adjustments £	Transfer in recognised £
Intangible assets			
Tangible fixed assets			
Furniture and equipment	18,623	-	**18,623**
Current assets			
Debtors due within one year	31,844	-	**31,844**
Cash at bank and in hand	87,823	-	**87,823**
Liabilities			
Creditors due within one year	(32,372)	-	**(32,372)**
Pensions			
Pensions - pension scheme assets	1,153,000	(254,000)	**899,000**
Pensions - pension scheme liabilities	(1,602,000)	(76,000)	**(1,678,000)**
Net liabilities	(343,082)	(330,000)	**(673,082)**