

LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



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**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

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**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr J Field (Chair) (Elected 1 September 2021) Mrs S Brownlow (Askel Veur) (resigned 31 December 2021) Mrs K Alcock (Appointed 20 January 2022) Mrs S Davey Mr D Elliott Mr M Lees (Askel Veur) (appointed 1 January 2022)
Trustees	Mrs J Eason, Chair of Trustees ^{1,2,3,4} Mr D Sharp, Vice Chair ³ Mr G Anderson ^{1,4} Mrs M Andrews (Appointed 11 October 2021) ^{1,3} Canon P Gay (Askel Veur), Askel Veur ^{1,3,4} Mrs J Osborne (Askel Veur), Askel Veur ^{2,3} Mr P Taylor-McCartney (Resigned 20 September 2022) ¹ Dr A Parfitt (Appointed 11 October 2021) ¹ Mr R Webb (Resigned 31 July 2022) ^{2,4} K Butcher, CEO and Accounting Officer (Resigned 31 August 2022) ^{1,2,3,4} Mr A Cooke (Appointed 9 November 2021) ^{2,3,4} ¹ Education Committee ² Finance and Resources Committee ³ Audit and Risk Committee ⁴ Pay Committee
Company registered number	07657923
Company name	Leading Edge Academies Partnership
Principal and Registered office	Unit H Pattern Shop Trevoarn Hayle Cornwall TR27 4EZ
Company secretary	L Sadler
Accounting Officer	K Butcher
Senior management team	D Teasdale, Chief Operating Officer L Sadler, Governance Professional K Butcher, Chief Executive Officer
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Chy Nyverow Newham Road Truro Cornwall TR1 2DP

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

Bankers	Lloyds Bank PLC Market House Penzance Cornwall TR18 2TN
Solicitors	Browne Jacobson 1st Floor The Mount 72 Paris Street Exeter Devon EX1 2JY
Actuary	Hymans Robertson LLP One London Wall London EC2Y 5EA

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' report and a Directors' report under company law.

The Trust operates three primary academies, two secondary academies and one 'all-through' academy in Cornwall and the Isles of Scilly. Its academies have a combined pupil capacity of 2880 and had a roll of 2427 in the school census on October 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust was incorporated on 3 June 2011 and opened as a Multi Academy Trust with just one member school, Mounts Bay Academy, on the same date. It is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of Leading Edge Academies Partnership are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as 'Leading Edge Academies Partnership'.

No other academies have joined the Trust in the last twelve months.

Details of the Trustees who have served throughout the year ended 31 August 2022 and to the date the accounts are approved are included in the Reference and Administration Details.

Members' Liability

Each Member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while they are a Member, or within one year after they cease to be a Member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a Member.

Two Members were recruited in the year covered by this report.

Trustees' Indemnities

The Companies Act 2006 s236 requires disclosure concerning qualifying third-party indemnity provisions. As required in the Trust's Articles of Association, indemnity insurance has been taken out to cover the liability of Trustees, which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission, which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees. The limit of this indemnity is £10.

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £1 million on any one claim.

Method of recruitment and appointment or election of Trustees

Trustees are appointed on the basis of the specific skills they can bring to the Board of Trustees, to ensure a strong and varied skill set from a range of business and educational backgrounds, including Church representation. An initial assessment of applicants is undertaken in consultation with the Members, Chair and Vice-Chair of the Board. Interviews of suitable candidates are co-ordinated by the Governance Professional, Chair and Vice-Chair and all appointments are reviewed and ratified by the Trustees/Members (as appropriate) before being formally confirmed in post.

As set out in its Articles of Association and Funding Agreement, the Trust shall have the following Trustees:

- Up to 6 Member appointed Trustees (which can include the CEO)
- Up to 2 Representative Trustees from the Diocese (*Askel Veur*)

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

- Up to 2 co-opted Trustees who are appointed by the Trustee Board
- There is no maximum for Trustees appointed by ordinary resolution by the Board.

Trustees are appointed for a four-year period initially. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

The Diocese body referred to as 'Askel Veur' is empowered to appoint two Trustees. When appointing new Trustees, consideration will be given by the Board to the mix of skills and experience of existing Trustees to ensure the Board has the necessary skills to contribute fully to the development of the Trust's academies.

Three Trustees were recruited in the year covered by this report.

Policies and Procedures adopted for the Induction and Training of Trustees

Upon the appointment of Trustees, induction is undertaken via a face-to-face session with the CEO, Chair of the Trust Board and Governance Professional to appraise them of the role of Trustee and familiarise them with the Scheme of Delegation, policies, procedures and the Trust's current position.

The training and induction provided for new Trustees will depend upon their existing experience and always include a visit to one of the academies, with an opportunity to meet staff and pupils. All Trustees are provided with copies of documents essential to their role, for example a copy of the National Governance Association's (NGA's) publication entitled 'Welcome to a Multi Academy Trust, a guide for newly appointed trustees', Trust's Articles of Association, Academy Trust Handbook, Scheme of Delegation, Strategic Plan, safeguarding policies, minutes, accounts, budgets, plans and other documents they need to undertake their role as Trustees in the form of a 'Governance Handbook'. As there are normally only two or three new Trustees appointed each year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies such as the National Governance Association (NGA).

A training day ('Governance Development Day') for all Trustees and Local Academy Committee governors is organised each year, which includes training sessions to keep the Trustees/governors updated on relevant developments impacting on their roles and responsibilities.

Organisational Structure

The organisation is set up as a Multi Academy Trust model where the Members hold the Trust Board to account for the effective governance of the Trust and ensure that the Trust meets its charitable objectives. Members are responsible for the appointment of Trustees and external auditor. During the year two new Members have been appointed to the Trust with a comprehensive training/induction programme led by the Trust Governance Professional.

The Trust's Scheme of Delegation, clearly defines the relationship between the Board of Trustees, CEO, Executive Team, LACs and Headteachers/Principals. The green shaded boxes indicate at a glance who has authority to make decisions. The Chief Executive Officer (CEO) is the accounting officer for the Trust.

The Board of Trustees usually meets twice in the Autumn term, then once per term thereafter to discuss the strategic objectives with the CEO. The Board establishes an overall framework for the governance of the academies and determines membership, terms of reference and procedures of the committees and other groups. It receives reports including policies from its committees for ratification. The Board also monitors the activities of the committees through the minutes of their meetings and may from time to time establish working groups to perform specific tasks over a limited timescale.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academies by the use of budgets and other data, and making major decisions about the direction of the academies, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for the day-to-day management of the academies to the CEO, who works with the six Headteachers and their Senior Leadership Teams (SLT). The

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**TRUSTEES' REPORT (CONTINUED)
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SLTs of each of the academies comprise the Headteacher/Principal, Deputy Headteacher, Assistant Headteachers and in some instances Associate Assistant Headteachers. The Headteachers and SLTs in each academy implement the policies laid down by the Trustees and CEO. Decisions on policy are developed with the guidance of the Executive Headteachers. The Headteachers report to the CEO on their performance and the CEO reports to the Chair of the Trust Board.

The Trust leadership structure consists of five Members, up to ten Trustees, an Executive Leadership Team and separate Academy Senior Leadership Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trust's Executive Leadership Team (ELT) consists of the CEO, Chief Operating Officer (COO), Finance Director, Governance Professional, Director of People and the Headteachers/ Principals of the six academies. The CEO as Accounting Officer, COO, Finance Director and the Finance and Resources Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is detailed in the Scheme of Delegation. Some spending control is devolved to budget holders, which must be authorised in line with the Scheme of Delegation. The individual Headteachers/Principals, in consultation with the CEO, are responsible for the appointment of staff, though appointment panels for teaching posts should always include a Local Governor where possible.

The Trust comprises two secondary schools, three primary schools and one all through school. Each school has its own Local Academy Committee (LAC), which is responsible for the day-to-day operations and management of the school. The budget responsibility is held with the CEO/Accounting Officer and Trust Board.

Arrangements for setting pay and remuneration of key management personnel

Performance management is used to determine pay progression for all posts across the Trust. The CEO advises the board of Trustees in respect of the Executive Team. The CEO receives recommendations from the Headteachers/Principals for all teaching and support staff across the academies within the Trust. The Trust's pay policies for support and teaching staff are reviewed annually by the Pay Committee and submitted to the Board for ratification.

CEO pay is determined by the 'Performance Management Committee'; a working group of Trustees, who will benchmark examples from similar sized trusts with reference to the Academy Trust Handbook best practice. All Trustees give their time freely and no Trustee has received any remuneration for duties undertaken during the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
5	5

Whilst administrative support was made available, no additional time was requested over the year by the representatives.

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	5
1%-50%	0
51%-99%	0
100%	0

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**TRUSTEES' REPORT (CONTINUED)
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Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	0
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	0
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Related Parties and other Connected Charities and Organisations

The Trust has a policy in place for staff and Trustees to disclose and handle related party transactions in line with company and charity law and ESFA guidance (particularly in relation to the Academy Trust Handbook). There are no related party transactions to report and the Trust has no related parties that control or significantly influence the decisions or operations of Trust schools.

Engagement with employees (including disabled persons)

The Trust places great emphasis on its values system and principles by which it works. Through consultation and discussion with the Executive Team and staff at all levels, the Trust's vision and values have been placed at the heart of everything we do at the Trust.

In light of the ongoing Covid-19 pandemic, the wellbeing of staff has been placed at the forefront of our work and anonymous staff surveys have been used successfully to monitor staff wellbeing and how well individual schools are helping staff feel supported.

Our employees are vital to the Trust and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular feedback and joint communication sessions. We address any issues raised by our employees as quickly as possible and communicate back to them what we have done. All staff are offered access to a well-being support service through the Trust's membership of the employee assistance programme 'Education Support' and the Trust seeks to ensure that staff welfare is actively considered and addressed. Through our health and safety policies, as well as through the LACs, we also actively seek to ensure that the working environments are of a high standard, safe and secure.

The Trust engages with its employees through many other means and methods, including:

- Encouraging the involvement of employees in the company's performance and related activities eg Research Circles, TeachMeets
- Consulting with employees on key matters, including engaging the relevant union officials
- Having a staff representative on the Local Academy Committees
- Regular updates to all staff Trustees, via half termly updates and newsletters, including covering both financial and non-financial performance
- Regular updates to the Members and Local Academy Committees (LACs) via copies of key documentation, minutes and correspondence from the CEO
- Consulting with staff on Trust strategy and future plans
- Achieving a common awareness on the part of all employees of the factors affecting the performance of the Trust via local updates

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

- Policies and processes around the employment of persons with disabilities, their career development and training

The Trust encourages the involvement of its employees in its management through the regular meetings and receiving their views on important matters of policy and strategy eg all Trustees, governors and headteachers were invited to the Strategy Day held on 27 June 2021 to contribute to the future strategy.

In addition to the above, Link Trustees have been assigned to the six schools in the Trust (two per school) to carry out termly visits, with a specific focus for their visits determined by the CEO. The role of the Link Trustees is aligned with the Trust's Strategic Plan.

In line with the Trust's equal opportunities and recruitment policy, every effort is made to ensure that full and fair consideration is given to all applicants, including those with disabilities, when such vacancies arise.

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

Section 172 of the Companies Act 2006 requires the Trustees to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes.

The Trust makes all key decisions through reference to its long-term strategic plan and after projecting the timing and impact of such decisions. This strategy is primarily designed around the objective to improve the educational outcome for students and every decision and operational approach is regularly reviewed for its impact on all stakeholders and the need for any changes or modifications to decisions previously taken.

Our relationships with partners and suppliers are key to our effectiveness. The Trust actively seeks to engage in service reviews with all key suppliers. These reviews are focussed on a two-way relationship with the Trust with an aim of helping one another to achieve an optimum service as efficiently as possible and according to the best value for money. Where the Trust has procured outsourced services, we seek to ensure that staff and management from that contractor are supported as an equal member of the school community and stakeholders.

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our Strategic Plan and school curriculum, the Trust encourages all staff and students to participate in initiatives to reduce negative environmental impacts. These include the promotion of the recycling of waste and actions to maximise efficiency in energy consumption.

During the year, a focus has been to improve contractual transparency with energy providers, providing some cost saving and considerable cost avoidance in the future. Regarding IT provision across the Trust, work has commenced on the development of an IT Strategy, to ensure continuous value for money and an improved quality of service critical to our schools in the provision of a quality educational offer. This will also help us to ensure we are fully compliant with safeguarding needs, GDPR and enhanced cyber security.

Our reputation and public trust in its constituent schools, is fundamental to our future success. We use our organisational values and behaviours in our recruitment and training for our employees to ensure we maintain high standards and these are incorporated into our performance management processes. Our procurement and ethical policies and procedures ensure that our values also form part of our selection of partners and suppliers.

In terms of members of the Trust, fairness in our dealings is upheld through having a clear and well communicated strategy and financial discipline, supported by strong internal controls. We have transparent reporting at regular intervals throughout the year, continual access to senior management and a track record of successful growth through new school joiners, which have been appropriately integrated into the Trust. We aim to be a fully inclusive organisation and we will not unfairly discriminate against our students, staff or any other member of our community and stakeholders.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular, by establishing, maintaining, carrying on, managing and developing Leading Edge schools that offer a broad range of curriculum opportunities for pupils of different abilities.

The Academy Trust bases all its decisions on three core values adopted within an ecological framework. These are our three Es and they include the following:

- Excellence
- Evolution
- Equity

These values also inform the 'Learner Habits' or expected behaviour for all staff and students in the Trust. They are evident in the ethos of the organisation and support our collective aim of developing an affirmative culture for all.

Objectives, Strategies and Activities

Our 'Strategic Plan' details our 5-year strategic priorities (2020-2025):

- Priority 1: Increasing quality of provision in our education system to ensure excellent opportunities and outcomes for all.
- Priority 2: Building a positive and expectant culture across the Trust, striving for excellence in all that we do through partnership working and a research-led approach.
- Priority 3: Developing a financially viable, sustainable and ethically driven Multi-Academy Trust which nurtures the talents of all.

In 2021-2022 these long-term priorities were further broken down into the following:

Under Priority 1: Curriculum Development, Curriculum Breadth and Collaborative Opportunities for Learning

Curriculum Development

During 2020-2021 the focus switched from curriculum development to providing the highest quality online learning due to the pandemic. Therefore, with a more settled period in 2021-2022 we were able to refocus on this area.

Government 'Catch-up funding' was made available and a range of strategies were used across our schools to ensure effective spend and impact. Our Trust SEND networks worked collaboratively on effective strategies and the impact of these were shared with the Trust education committee.

During this year, Subject Champions were introduced and tasked with facilitating termly research circles. Some Research Circle groups chose to collaborate outside of the formal meetings with strong work on moderation of subjects across schools taking place.

As staff were able to move across schools without pandemic restrictions, we took the opportunity to develop curriculum capacity in music by utilising the skills and experience of a music teacher in one school to support another.

Technology is a key part of our curriculum delivery with 1:1 devices in place in all schools. This was an important year for ensuring that technologies were being used effectively and impact measured ensuring best value for money. An impact report was provided to the Trust board.

The intention during this year was to maximise opportunities for community involvement in learning. This was a challenge due to the pandemic and we did not get as far as we would have liked. However, a community outreach sustainability project has been planned for 2022-2023 aimed at pupils who are generally 'less engaged'.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Curriculum Breadth

Despite the pandemic-related challenges, all schools sought opportunities to ensure that breadth of curriculum was strong. This year brought the return of after school activities and residential visits, with all schools having an extensive offer. Groups of children travelled to London, Isles of Scilly and took part in adventurous activities such as 'ten Tors' and the 'Three Peaks Challenge'.

Five Islands Academy and Mounts Bay Academy took part in successful collaborations in both Music and Sport.

Five Islands Academy had a really successful 5-day residential trip to Penzance with Year 10 pupils as part of their 'Preparing for adulthood' curriculum. This was run in partnership with the Isles of Scilly safety partnership.

Collaborative Opportunities for Learning

All schools were engaged with Challenge Partners for External Quality Assurance, with the exception of Ludgvan, who worked as part of a nationally based 'triad' - 'Growing the Top'. Membership of Challenge Partners also included a range of networking events, which were attended by School Senior Leaders.

Five Islands Academy took part in two reviews; the first judging them as 'effective' and the second judging them as 'leading'.

During this year, the Trust remained members of 'Whole Education'. Historically, this membership has been beneficial, however, we did not feel this represented best value for us moving into the future and membership ceased at the end of the academic year.

Termly Trust Leader conferences and fortnightly CST briefings have been attended and found to be extremely valuable.

A successful link was made with the Roseland Community Trust via the RSC TSFI grant. This gave us the opportunity to reflect on our strategy and have an external eye cast over Fowey River Academy via learning walks. One of the key areas of impact of this work was clearer links between strategy and layered Continuing Career Development (CCD) across the Trust.

The Trust has committed to a Challenge Partner Trust peer review in Spring 2023.

Under Priority 2: Wellbeing, Career Progression and Development and Communications and Collaboration

As we considered delivery against priority 2 of the Trust Strategy, we recognised that it was essential to undertake a full review of HR practice and procedures within the Trust and that this should be done by a competent person with the appropriate range of skills and expertise. This in turn would lead to the production of a more holistic People Strategy that would meet the needs of our evolving Trust.

Following the development of a business case, which was presented to and scrutinised by trustees, we worked in collaboration with our third-party HR and payroll support provider to appoint a Director of People. We believe this to be a real step forward for the Trust and are excited about the impact this role will have going forward.

Wellbeing

Whilst the development of a wellbeing strategy was paused pending inclusion in the wider HR review, we were pleased to see many wellbeing initiatives being rolled out in individual schools. We were also pleased to see the appointment and training of mental health leads in all schools, who will be engaged in the development of the wellbeing strategy.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Career Progression and Development

A wide array of NPQ and other appropriate qualifications were completed across the Trust by staff at all levels. Mapping these qualifications and producing a more formal, Trust-wide approach has been included in the Director of People job description and will be included in the future strategy.

Communications and Collaboration

The move to Microsoft 365 and Teams has transformed the way we work across the Trust and allowed improved communication and collaboration between schools, governors, trustees, and members.

This was the first year the Trust produced a formal strategy, school improvement strategy and annual report, which was designed and shared with a range of audiences. This provided an excellent opportunity to share the Trust's priorities for the coming year and reflect on the successes of the previous one.

The increased communication and collaboration between staff across the Trust have been the greatest successes and formal research circles and professional networks continue to go from strength to strength. The delivery of a Trust Strategy Day with staff and governors attending from all schools, will ensure that the future strategy meets the needs of all Trust schools.

**Under Priority 3: Trust growth, Environmental Sustainability and Efficient Business Services
Trust growth**

Our initial focus was the quality of provision in existing Trust schools and this was supported by the roll out of the Trust School Improvement Strategy. Following the publication of the Government's White Paper, we recognised the need to develop a growth strategy for the Trust and produced the 'Leading Edge Way' guide, summarising the offer to prospective schools. This strategy was discussed at the Trust Strategy Day in June 2021.

We welcomed the opportunity to work closely with other schools in the local area, allowing them to understand the Trust model and share expertise where appropriate. We are keen to celebrate the formal and informal relationships that exist in the area.

We are excited about the future of the Trust and the implications of the White Paper on the sector.

Environmental Sustainability

We were pleased to attend the Eden Project Changemakers programme, which provided insight into the wider challenges facing schools nationally. This programme also allowed us to build relationships with staff at the Eden Project and with other schools in various parts of the country.

Whilst the development of the formal strategy was carried over to the next academic year, there were various pieces of work undertaken across our Schools and the Trust, which had environmental sustainability as their focus. This included a change in waste management contracts, introduction of environmentally friendly cleaning products, Salix LED lighting projects in two schools and significant CIF project delivery, including thermal comfort works projects.

Efficient Business Services

We continue to invest significant energy and resources into improving business services across the Trust and made considerable progress in the production of a digital strategy following detailed audits being carried out in all Trust schools. The Trust computing research circle met to develop a plan for creating the strategy over the 22/23 academic year.

The focus for developing HR systems and processes was paused while we undertook the recruitment of the Director of People. We were pleased to appoint to this role and benefit from changes to process and more robust HR management from the summer term.

We continued to identify opportunities to make savings through efficiencies and the Finance and Resources Committee rightly focused on the top ten non-salary spend priorities for scrutiny and review. This has led to changes such as appointing an energy broker to rationalise contracts.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

The development of the Audit and Risk Committee has been a particular success for the Trust and we undertook significant internal and external scrutiny across our business functions. The development of the Trust's risk management strategy has driven improvement in systems and processes at Trust level and we continue to develop a risk-based approach to strategic management.

We welcomed an external governance review carried out by the National Governance Association which celebrated the good practice that exists at all levels across the Trust. We were also pleased to receive recommendations, which have been fed into the development of the governance priorities in our 22/23 Trust strategy.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The Academy Trust aims to advance for the public benefit, education in Cornwall and the Isles of Scilly. In particular, without prejudice to the generality of the foregoing, by estimating, maintaining, managing and developing schools, offering a broad curriculum.

Academies within the Trust provide facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

As an Academy Trust we have a duty to support other local schools. In particular, the secondary schools support the local Primary schools through use of our premises and specialist skills in all subjects.

STRATEGIC REPORT

Achievements and Performance

The Academy Trust remained as six schools with all schools contributing 5% of GAG to the central fund. The achievement and performance data have been included below, although it should be noted that this year's results should be used with caution and not directly compared to previous years or other schools, due to the uneven impact of the pandemic on pupils and schools.

Secondary GCSE Results 2021-2022

	Mounts Bay Academy	Fowey River Academy	Five Islands Academy	Cornwall Local Authority	All state-funded schools in England
No. of pupils	199	114	15	N/A	N/A
Progress 8	-0.38	-0.8	0.46	-0.15	-0.03
Entering EBac	45	55	27	27	39
EBacc average point score	4.17	3.25	4.47	3.97	4.27
Grade 5 or above in English and Maths	46	25	67	43	50
Attainment 8 Score	47.6	37.1	52.1	46.7	48.7
Staying in education or entering employment	97	88	94	93	94

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Primary Statutory Tests

Primary assessment data for 2021-2022 will not be published this year due to the pandemic and as with the GCSEs, it is not advisable to make comparisons between other schools and previous years.

The most pleasing data is Five Islands Academy with well above national averages.

St Hilary School is lower than the National Average in writing and as a result this is priority 1 on their school improvement plan for 2022-2023.

St Buryan Academy had below national averages, although small cohorts mean that the data must be treated with caution. The school improvement plan for 2022-2023 will focus on the English subjects, specifically, quality of teaching and learning in all classrooms and more precise tracking of pupils. However, the end of year data for all cohorts is more positive. The Trust has taken swift action with the introduction of an Interim Board, intensified support from the CEO and support with Q and A of teaching and learning from across the Trust. External training and support are also being accessed.

Phonics outcomes are above national averages in 3 out of the 4 settings. Plans are in place to address the fourth school.

KS2 SATs	Maths (%)	Reading (%)	Writing (%)	GPS (%)
National	71	74	69	72
Ludgvan	74	85	69	88
St Buryan	62	62	44	56
St Hilary	66	79	58	79
Five Islands Academy	91	81	86	81

Y2 Phonics	% of pupils passing (number of pupils)
National	75.5%
Ludgvan	85% (22 out of 26)
St Buryan	85.7% (1 child not passing)
St Hilary	64% (21 out of 33)
Five Islands Academy	89% (16 out of 18)

We know that outcomes for disadvantaged pupils are the biggest concern nationally, regionally and locally, particularly due to the pandemic. This is also the case in our Leading Edge schools and will be a focus for us in 2022-2023.

Mounts Bay Academy was the only school to receive an Ofsted inspection during 2021-2022, which was graded as a strong 'good' under the new, considerably tougher, framework.

Numbers on roll have remained stable across the Trust, with a slight increase in the number of pupils at Fowey River Academy.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against total income. In the period under review, £1,025,025 was carried forward representing 6 % of total income.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

As funding is based on pupil numbers, this is also a key performance indicator. Pupil numbers for the 2021/2022 year-end was 2366, remaining steady.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2022 this was 75.12% compared to 75.5% in 2021.

	Target	Actual
Total unrestricted funds balance	£845,145 (5% of Total Income)	£1,025,025
Pupil to teacher ratio	20.2	15.2
Teaching to non-teaching staff ratio	1	1.26
Student attendance %	Target adjusted to 1% above the National Average due to ongoing Covid-19 pandemic.	92%
Ratio of staff costs to total income	80%	75.12%

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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.

FINANCIAL REVIEW

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to specific purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities. The Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

During the year ended 31 August 2022, the Trust received a total income of £16,852,761 and incurred a total expenditure of £17,877,891. The excess of expenditure over income for the year was £1,025,130 which was largely due to expenditure from the CIF brought forward balance.

As at 31 August 2022 the net book value of fixed assets was £36,389,995 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The land, buildings and other assets were transferred to the Trust upon conversion. Assets have been included in the financial statements at a best estimate, taking account of the purchase price and remaining useful lives.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, headteachers,

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

Reserves Policy

As part of the overall governance of the Trust, there is transparency across the Trust in relation to the level of reserves that exist, how they are to be maintained and a clear understanding of the capacity in which these reserves may be utilised.

The Trustees review the reserve levels of the Trust regularly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Trust.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Reserve levels are reviewed and cash flows are monitored regularly to ensure that immediate financial commitments can be met.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

Financial (income) – the Trust has considerable reliance on continued Government funding through the ESFA. In the last year most of the Academies' incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Financial (expenditure) – The Trust continues to monitor increased costs to the organisation, particularly the anticipated increased cost of energy. The Finance and Resources Committee scrutinise non-salary spend at each meeting, challenging leaders to identify efficiencies and savings. Budget forecast scenarios are presented to Trustees for review and reflect anticipated price increases and the potential impact on Trust reserves.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. Robust recruitment processes have ensured that Executive and Trustee appointments are made based on skills, experience, and requirements of the Trust.

Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Staffing - the success of the Trust is reliant upon the quality of its staff. Trustees monitor and review policies and procedures to ensure the continued development and training of staff, as well as to ensure there is clear succession planning. The Trustees have agreed to the appointment of a Director of People who is responsible for the development and delivery of effective HR systems. The Director of People will also be responsible for the development of the Trust People and Wellbeing Strategies.

Fraud and mismanagement of funds - The Trust has appointed the Cornwall Council Financial Audit Team to carry out checks on financial systems and records, as part of their Trust audit function and as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. Internal Audit has also been carried out by an appropriately trained staff member across all high-risk aspects of financial management.

Creditors / debtors – at the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

Pension liability – the Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 28 to the financial statements, represents a significant potential liability. However, as the Trustees consider the Trust can meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

Risk management - The Trust has continued to strengthen its risk management process throughout the year following the introduction of the Audit and Risk Committee. This has facilitated improved risk management processes across the Trust which, have been communicated to staff in all schools.

The Trust has agreed a Risk Management Strategy, a Risk Register, and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register is regularly reviewed considering any new information and formally reviewed annually. Significant risks at school level are escalated to the Audit and Risk Committee and significant organisational risks are escalated to full board for consideration.

Trustees have assessed the major risks to which the Trust is exposed. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Trustees also agreed a robust external assurance programme which has provided Trustees with the evidence that appropriate controls are in place. Where significant financial risk remains, Trustees have ensured they have adequate insurance cover.

Trustees examine the financial health formally every quarter and review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance and Resources Committee meetings. Trustees also regularly review cashflow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

FUNDRAISING

Under the provisions of the Charities (Protection and Social Investment) Act 2016, the Trust does not work with commercial participators or professional fundraisers and does not engage third parties to undertake fundraising activities on its behalf.

Should individuals wish to make a complaint about any fundraising activities conducted by the Trust, they should follow the complaints policy or whistleblowing policy as appropriate.

STREAMLINED ENERGY AND CARBON REPORTING

In the year a report was published which summarises our energy usage, associated emissions, energy efficiency actions and energy performance under the government policy Streamlined Energy & Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

**LEADING EDGE ACADEMIES PARTNERSHIP
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Leading Edge Academies Partnership are a UK incorporated business. Under SECR legislation we are mandated to include energy consumption, emissions, intensity metrics and all energy efficiency improvements implemented in our most recent financial year. An organisational boundary has been applied for the purposes of the reporting.

41% of consumption data used for SECR has been required to be estimated to achieve 100% data coverage.

Leading Edge Academies Partnership's Scope 1 and 3 direct emissions (combustion of natural gas and transportation fuels) for this year of reporting are 355.59 tCO₂e, resulting from the direct combustion of 1,639,027 kWh of fuel. This represents a carbon reduction of 18.76% from last year.

Scope 2 indirect emissions (purchased electricity) for this year of reporting are 249.67 tCO₂e, resulting from the consumption of 1,291,076 kWh of electricity purchased and consumed in day-to-day business operations. This represents a carbon increase of 5.70% from last year.

Our operations have an intensity metric of 0.26 tCO₂e per student for this reporting year. This represents a reduction in operational carbon intensity of 1.36% from our previous reporting year.

Data Completeness

All Leading Edge Academies Partnership's electricity and gas invoices have been entered into a fully managed energy database up to 31st August 2022, and data quality checks have been carried out for data completeness and accuracy. All transport information has also been entered into the energy database up to 31st August 2022.

Consumption (kWh) and Greenhouse Gas emissions (tCO₂e) Totals

The following figures show the consumption and associated emissions for this reporting year for our operations, with figures from the previous reporting period included for comparison. Scope 1 consumption and emissions relate to direct combustion of natural gas, and fuels utilised for transportation operations, such as company vehicle fleets. Scope 2 consumption and emissions relate to indirect emissions relating to the consumption of purchased electricity in day-to-day business operations. Scope 3 consumption and emissions relate to emissions resulting from sources not directly owned by us. This relates to grey fleet (business travel undertaken in employee-owned vehicles) only.

UK Greenhouse gas emissions and energy use data for the period	1 September 2021 to 31 August 2022	1 September 2020 to 31 August 2021
Energy consumption break down (kWh) (optional)		
• gas,	1,469,982	1,108,025
• electricity,	1,291,076	1,112,564
• transport fuel	169,046	6,667
<u>Scope 1 emissions in metric tonnes CO₂e</u>		
Gas consumption	316.6	367
Owned transport – mini-buses	35.03	
<u>Total scope 1</u>		
<u>Scope 2 emissions in metric tonnes CO₂e</u>		
Purchased electricity	249.67	236.2

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	3.96	70.7
Total gross emissions in metric tonnes CO2e	605.26	673.9
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.26	0.26

Intensity measurement

An intensity metric of tCO2e per student has been applied to our annual total emissions. An intensity metric of tCO2e per staff FTE has also been applied to our annual total emissions. The results of this analysis is as follows:

Intensity Metric	2021/22	2020/21
tCO2e / student	0.26	0.26
tCO2e / Staff FTE	2.15	n/a

Energy Efficiency Improvements

We are committed to year-on-year improvements in our operational energy efficiency. As such, a register of energy efficiency measures available to us has been compiled, with a view to implementing these measures in the next 5 years.

Measures ongoing and undertaken through 2021/22:

Waste Management

Operationally, we changed our waste management contract to increase recycling and ensure that waste is not sent to landfill. We introduced environmentally friendly cleaning products across several sights.

LED Lighting Refurbishment

Lighting refurbishments replacing existing fluorescent installations in several academies have been undertaken this reporting year. These installations will further reduce the energy consumption of the academies.

Building Thermal Performance Improvements

Significant building works have been carried out at Mounts Bay Academy to improve thermal comfort and energy efficiency across the school site.

Sustainability program involvement

We were pleased to attend the Eden Project Changemakers programme which focused on the development of sustainability strategies in schools. This programme also allowed us to build relationships with staff at the Eden Project and with other schools in various parts of the country.

Reporting Methodology

Scope 1, 2 and 3 consumption and CO2e emissions data has been calculated in line with the 2019 UK Government environmental reporting guidance. Emissions Factor Database 2022 version 1 has been used, utilising the published kWh gross calorific value (CV) and kgCO2e emissions factors relevant for reporting period 01/09/2021 – 31/08/2022.

Estimations undertaken to cover missing billing periods for properties directly invoiced to Leading Edge Academies Partnership were calculated on a kWh/day pro-rata basis at meter level.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

For properties where Leading Edge Academies Partnership is indirectly responsible for utilities (ie via a landlord or service charge), a median consumption for properties with similar operations was calculated at meter level and applied to the properties with no available data.

These full year estimations were applied to ten electricity supplies and three gas supplies.
All estimations equated to 41% of reported consumption.

Intensity metrics have been calculated using total tCO2e figures and the selected performance indicator agreed with Leading Edge Academies Partnership for the relevant report period:

- No. of Students 2,360
- Staff (FTE) 281.30

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels and aim to attract high quality teachers and support staff in order to deliver its objectives. In 2022-2023 the Trust will continue to work towards the 5 Year Strategic Priorities detailed under 'Objectives and Activities' (see pages 6-9).

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITOR

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, and signed on the board's behalf by:



Jackie Eason
Chair of Trustees
Date: 7 December 2022

**LEADING EDGE ACADEMIES PARTNERSHIP
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

The following statement is provided to enable readers of the Trust's financial statements to obtain a better understanding of its governance and legal structure. This statement covers the period from 1 September 2021 to 31 August 2022.

SCOPE OF RESPONSIBILITY

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

As Trustees, we have reviewed and taken account of the guidance contained in the DfE's Governance Handbook Competency Framework.

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The full Board of Trustees has formally met six times during the year ended 31 August 2022. In addition, the three main sub-committees of Education, Finance and Resources and Audit and Risk have also each met at least termly.

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

NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
Jackie Eason (Chair)	6	6
Dave Sharp (Vice Chair)	4	6
Gary Anderson	6	6
Canon Perran Gay (Askel Veur)	3	6
Jane Osborne (Askel Veur)	6	6
Paul Taylor-McCartney	2	6
Robin Webb (resigned 31/07/22)	4	6
Mandy Andrews (appointed 11/10/21)	5	5
Tony Cooke (appointed 09/11/21)	5	5
Anne Parfitt (appointed 11/10/21)	4	5

LEADING EDGE ACADEMIES PARTNERSHIP MEMBERS AND TRUSTEES

Changes in the Composition of the Members' Board 2021-22

During the reporting period, Jackie Eason stepped down from the Members' Board at the end of August 2021 in line with the Academy Trust Handbook 2022 [1.6], which states *"There should be significant separation between the individuals who are members and those who are trustees. If members sit on the board of trustees this may reduce the objectivity with which the members can exercise their powers."* However, Members' meetings continue to be attended by the Chair of Trustees to represent the Trust Board.

Earlier in the year, we are proud to report that our Chair of Trustees, Jackie Eason, was awarded an MBE for services in education.

Sue Brownlow (Askel Veur) stepped down at the end of December 2021 and was succeeded by Mark Lees, (Askel Veur) from the Diocese of Truro in January 2022.

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

New Member, Kate Alcock, was formally appointed via Ordinary Resolution at the Members' AGM in January 2022.

Changes in the Composition of the Board 2021-22

Over the course of the year, there have been no significant changes to the composition of the Board.

The following Trustees were re-appointed following the expiry of their term of office by the Members' Board on 14 July 2022: Jackie Eason, Perran Gay, Jane Osborne and Dave Sharp. Also at this meeting, the Members endorsed the decision for the CEO to step down as a Trustee at the end of the academic year, as recommended in the External Review of Governance outcome report. The Trust was advised that as the CEO was accountable to the Board, this was a conflict of interest. It was also noted that the advantage of the CEO not being a Trustee ensured the protection of board independence from the executive team.

The Chair and Vice-Chair of the Board, Jackie Eason and Dave Sharp, were re-elected at the Trust Board meeting on 14 September 2021.

The recruitment of new Trustees from a diverse range of backgrounds has continued very effectively bringing new skills and perspective. During the year, following a robust recruitment process, three new Trustees were appointed: Tony Cooke, Mandy Andrews and Anne Parfitt. One long-serving Trustee and former governor, Robin Webb, resigned at the end of his term of office in July 2022.

Our Trustees play a vital role on the Board, add value to the decision-making process and have a major impact on the overall success of the Trust. To ensure business continuity and as a part of our succession planning, an advertisement for new Trustees remains live on the Trust's website.

Coverage of the Work of the Board

Trustees have a detailed Governance Handbook that communicates the scope of their work and functions. The Handbook includes a calendar of meetings for the year, key documents, such as the Scheme of Delegation, Code of Conduct and detailed role descriptions, as well as other useful information. All essential documents can be located on the Trust's website at www.leadingedgeacademies.org and all paperwork is communicated via MicroSoft Teams.

The Audit and Risk sub-committee was constituted in the Autumn Term 2021 and the first meeting took place in December 2021.

The main Board of Trustees is now supported by four sub-committees as follows:

- **Finance and Resources Committee** – this Committee meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget, including setting staffing levels. It also incorporates the role of an admissions, premises and human resources committee.
- **Education Committee** – this Committee meets at least three times a year to monitor, evaluate and review Trust policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral and student welfare issues, including attendance.
- **Audit and Risk Committee** – this Committee meets at least three times a year on a termly basis to monitor, evaluate and review the adequacy and effectiveness of the Trust's governance, risk management, internal control and value for money systems and frameworks.
- **Pay Committee** – this Committee meets at least twice a year, to determine and agree with the Board, the framework for the remuneration of the Chief Executive Officer and such other members of the executive management of the Trust. This committee does not have delegated authority regarding the CEO's pay progression but will make a recommendation to the Trust Board on an annual basis. The remit of this

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

committee also includes oversight of the Trust's approach to executive pay and to review the Trust's annual pay policy and awards to ensure they are financially sustainable.

In adherence with the Academy Trust Handbook the Board and its sub-committees meet on a regular basis to discharge their respective responsibilities and ensure robust governance and effective management arrangements. The three main committees (Education, Finance and Resources and Audit and Risk) meet before the full Board meetings to ensure the effective and detailed scrutiny of all proposals before they are presented to the full Board for approval.

Attendance at the sub-committee meetings in the year was as follows:

NAME OF TRUSTEE	Attendance at Committee Meetings 2021-22				
	Audit & Risk	Education	Finance & Resources	Pay	Total
Kelley Butcher, CEO (Accounting Officer)	3/3	3/3	3/3	1/1	10/10
Jackie Eason	3/3	2/3	3/3	1/1	9/10
Dave Sharp	3/3	-	-	-	3/3
Gary Anderson	-	3/3	-	1/1	4/4
Mandy Andrews	2/3	2/2	-	-	4/5
Tony Cooke	2/3	-	3/3	0/1	5/7
Perran Gay	3/3	2/3	-	1/1	6/7
Jane Osborne	3/3	-	3/3	-	6/6
Anne Parfitt	-	1/2	-	-	1/2
Paul Taylor-McCartney	-	3/3	-	-	3/3
Robin Webb	-	-	1/3	0/1	1/4

Performance of the Board including Key Challenges

Over the year, the pre-Board and pre-Committee meetings introduced last year, attended by the CEO, COO and Trust Governance Professional have continued, to discuss and plan agendas in readiness for the full Board and respective sub-committee meetings. These meetings have proved to be very effective and help to maintain focus during the meeting.

Finance has been a challenge faced by all trusts in the country this year. This area has been closely scrutinised by the Board and with careful budget monitoring the Board has ensured there are sufficient reserves for good financial management protocol going forward.

Information and Data used by the Board

The Trust receives reports from the CEO, COO, Finance Director and the Executive Headteachers (Primary and Secondary), which include full sets of comparative data using agreed Key Performance Indicators (KPIs) that have been reviewed and adapted by the full Board over the year. The Board has recently re-evaluated the level of detail it requires, compared to the Local Academy Committees and agreed that the data is sufficiently strategic and robust to allow the Board to make rational and objective decisions. This is constantly reviewed by the Board as the Trust continues to grow.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

GOVERNANCE REVIEW

The Trust received a full External Review of Governance (ERG) in April 2022, which was undertaken by a national leader of governance from the National Governance Association (NGA). The report states:

"This is a strong Board, which has the skills to hold the executive to account for the performance of the Trust and its pupils".

This is a strong board that has the skills to hold the executive to account for the performance of the Trust schools and their pupils.

Trustees are aware of the key areas for improvement across the schools. They visit the schools on a rolling programme and so understand the context behind the decisions they make in the boardroom.

Trustees are aware of the areas for improvement within the governance structure and are particularly keen to develop communications with and between LACs.

Trustees are conscious of the need to reflect on opportunities for growth and have an away day planned for the summer term to reflect on progress over the past year, consider the Trust priorities for the year ahead and to look at the future of the trust over the next three to five years.

The areas for development arising from the report, of which there are few, have been incorporated into the Trust's Annual Strategic Plan 2022-2023.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the CEO 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 through:

- Robust financial governance and budget management and ensuring that the level of our top slice contribution is kept to the minimum necessary to allow the central functions of the Trust, thus ensuring the maximum resources are available to deliver a high-quality educational offer in all our schools
- Value for money purchasing, both in the central budget and across the Trust.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching using the preferred model of 'Curriculum Led Financial Planning'.
- Reviewing the quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote, an example being insurance.

During the year ending 31 August 2022, the Trust has:

- Operated with a top slice contribution of 5%.
- Aligned numerous contracts for the supply of goods and services across our schools to ensure best value.
- Worked closely with the DfE to negotiate additional funding for the capital build works at Fowey River Academy.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an 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 at Leading Edge Academies Partnership for the period 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 have been in place for the period from 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 Resources Committee of reports that indicate financial performance against Trust KPIs forecasts and of major purchase plans, capital works and expenditure programmes.
- Regular reviews by the Audit and Risk Committee of reports that assure the adequacy and effectiveness of the Trust's governance, risk management, internal control and value for money systems and frameworks.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (assets purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has agreed the following:

- Trustees have appointed the Local Authority Team to carry out a programme of internal checks.
- Trustees have re-appointed Bishop Fleming LLP as the external auditor, to perform additional checks.

The role of the LA's internal auditor/reviewer includes providing advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the reporting period included:

- Budget setting and monitoring
- Testing policies and procedures
- Testing of payroll systems
- Financial controls and transactions

**LEADING EDGE ACADEMIES PARTNERSHIP
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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

- Governance
- Testing of purchase systems.
- Testing of control account/bank account reconciliations.

On a termly basis the auditor/reviewer reports to the Board of Trustees through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. Any issues reported have been swiftly actioned by the Finance Director, COO and the Accounting Officer during the year.


REVIEW OF EFFECTIVENESS

As Accounting Officer, the CEO 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/reviewer.
- The work of the external auditor.
- The financial management.
- The external review of governance process.
- The work of the executive team within the Trust which has responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee and Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place as outlined in one of our three key values, 'evolution'.

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



Jackie Eason
Chair of Trustees
Date: 7 December 2022



Kelley Butcher
Accounting Officer
Date: 7 December 2022

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Leading Edge Academies Partnership I have considered my responsibility to notify the Academy 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 Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021 to 2022.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2021 to 2022.

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



Kelley Butcher
Accounting Officer
Date: 7 December 2022

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

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

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

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



Jackie Eason
(Chair of Trustees)
Date: 7 December 2022

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEADING EDGE ACADEMIES PARTNERSHIP**

OPINION

We have audited the financial statements of Leading Edge Academies Partnership (the 'academy 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 Academy 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEADING EDGE ACADEMIES PARTNERSHIP (CONTINUED)**

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEADING EDGE ACADEMIES PARTNERSHIP (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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.

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

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEADING EDGE ACADEMIES PARTNERSHIP (CONTINUED)**

to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LEADING EDGE ACADEMIES PARTNERSHIP (CONTINUED)**



Alison Oliver FCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Chy Nyverow

Newham Road

Truro

Cornwall

TR1 2DP

Date: 14 December 2022

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LEADING
EDGE ACADEMIES PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 17 June 2019 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 Leading Edge Academies Partnership 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 Leading Edge Academies Partnership and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Leading Edge Academies Partnership 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 Leading Edge Academies Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF LEADING EDGE ACADEMIES PARTNERSHIP'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Leading Edge Academies Partnership's funding agreement with the Secretary of State for Education dated June 2011 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 Academy Trust's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LEADING
EDGE ACADEMIES PARTNERSHIP 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.



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date: 14 December 2022

**LEADING EDGE ACADEMIES PARTNERSHIP
(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 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	31,290	-	389,088	420,378	3,607,727
Other trading activities	6	330,028	-	-	330,028	231,617
Investments	7	200	-	-	200	274
Charitable activities	4	801,277	15,689,966	-	16,491,243	15,633,260
Teaching schools		-	-	-	-	40,000
Total income		1,162,795	15,689,966	389,088	17,241,849	19,512,878
Expenditure on:						
Raising funds	9	117,543	-	-	117,543	69,915
Charitable activities	10	848,322	16,912,026	959,464	18,719,812	17,226,044
Teaching schools		-	-	-	-	40,000
Total expenditure		965,865	16,912,026	959,464	18,837,355	17,335,959
NET INCOME/ (EXPENDITURE)		196,930	(1,222,060)	(570,376)	(1,595,506)	2,176,919
Transfers between funds	20	(222,756)	(77,646)	300,402	-	-
Net movement in funds before other recognised gains/(losses)		(25,826)	(1,299,706)	(269,974)	(1,595,506)	2,176,919
Actuarial gains/(losses) on defined benefit pension schemes	28	-	7,926,000	-	7,926,000	(1,845,000)
Net movement in funds		(25,826)	6,626,294	(269,974)	6,330,494	331,919
Reconciliation of funds:						
Total funds brought forward		1,068,355	(7,543,140)	39,254,627	32,779,842	32,447,923
Net movement in funds		(25,826)	6,626,294	(269,974)	6,330,494	331,919
Total funds carried forward		1,042,529	(916,846)	38,984,653	39,110,336	32,779,842

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

The notes on pages 38 to 72 form part of these financial statements.

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07657923**

**BALANCE SHEET
AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	36,389,995	35,443,504
Current assets			
Debtors	17	3,670,067	4,683,592
Cash at bank and in hand	25	1,252,655	1,808,419
		<u>4,922,722</u>	<u>6,492,011</u>
Creditors: amounts falling due within one year	18	(1,134,757)	(1,452,376)
Net current assets		<u>3,787,965</u>	<u>5,039,635</u>
Total assets less current liabilities		<u>40,177,960</u>	<u>40,483,139</u>
Creditors: amounts falling due after more than one year	19	(43,624)	(6,297)
Defined benefit pension scheme liability	28	(1,024,000)	(7,697,000)
NET ASSETS		<u><u>39,110,336</u></u>	<u><u>32,779,842</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	38,984,653	39,254,627
Restricted income funds	20	107,154	153,860
		<u>39,091,807</u>	<u>39,408,487</u>
Restricted funds excluding pension reserve	20	39,091,807	39,408,487
Pension reserve	20	(1,024,000)	(7,697,000)
Total restricted funds	20	<u>38,067,807</u>	<u>31,711,487</u>
Unrestricted income funds			
Designated funds	20	203,781	203,781
General funds	20	838,748	864,574
		<u>1,042,529</u>	<u>1,068,355</u>
Total unrestricted income funds	20	<u>1,042,529</u>	<u>1,068,355</u>
Total funds		<u><u>39,110,336</u></u>	<u><u>32,779,842</u></u>

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07657923**

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022**

The financial statements on pages 34 to 72 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

A handwritten signature in black ink, appearing to read 'J. A. Eason', with a slightly stylized and cursive script.

Mrs J Eason
(Chair of Trustees)
Date: 7 December 2022

The notes on pages 38 to 72 form part of these financial statements.

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	887,009	(1,268,767)
Cash flows from investing activities	24	(1,491,742)	1,388,535
Cash flows from financing activities	23	48,969	-
Change in cash and cash equivalents in the year		(555,764)	119,768
Cash and cash equivalents at the beginning of the year		1,808,419	1,688,651
Cash and cash equivalents at the end of the year	25, 26	1,252,655	1,808,419

The notes on pages 38 to 72 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy 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 Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

1.4 EXPENDITURE

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

- **Expenditure on raising funds**

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE (CONTINUED)

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

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

1.6 TAXATION

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.7 TANGIBLE FIXED ASSETS

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset using a combination of straight line and reducing balance depreciation over its expected useful life, as follows:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on the following bases:

Freehold property	- 2% Straight Line
Long term leasehold land and buildings	- Over the lease term, with a 50 year maximum for buildings
Furniture and fixtures	- 20% Straight Line
Computer equipment	- 33% Straight Line
Motor vehicles	- 25% Reducing Balance

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

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

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

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 and cash on deposit that has a notice period of less than 30 days.

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 Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES (continued)

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.12 OPERATING LEASES

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

1.13 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary 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 Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES (continued)

1.14 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The valuation of land and buildings transferred on conversion to an academy. The Trustees use all information available including valuation reports and benchmarking these valuations to determine the fair value.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
DONATIONS				
Assets/(Liabilities) transferred from joining schools	-	-	-	-
Donations	31,290	-	-	31,290
Capital Grants	-	-	389,088	389,088
	<u>31,290</u>	<u>-</u>	<u>389,088</u>	<u>420,378</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
DONATIONS				
Assets/(Liabilities) transferred from joining schools	75,480	(137,803)	781,045	718,722
SUBTOTAL	<u>75,480</u>	<u>(137,803)</u>	<u>781,045</u>	<u>718,722</u>
Donations	23,524	-	-	23,524
Capital Grants	-	-	2,865,481	2,865,481
SUBTOTAL	<u>23,524</u>	<u>-</u>	<u>2,865,481</u>	<u>2,889,005</u>
	<u>99,004</u>	<u>(137,803)</u>	<u>3,646,526</u>	<u>3,607,727</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Education	801,277	15,574,606	16,375,883
Boarding	-	115,360	115,360
	<u>801,277</u>	<u>15,689,966</u>	<u>16,491,243</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

4. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Education	596,688	14,922,572	15,519,260
Boarding	-	114,000	114,000
	<u>596,688</u>	<u>15,036,572</u>	<u>15,633,260</u>

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
EDUCATION			
DfE/ESFA GRANTS			
General Annual Grant	-	13,920,081	13,920,081
Other DfE/ESFA Grants:			
Pupil Premium	-	465,905	465,905
Other DfE/ESFA grants	-	420,165	420,165
	<u>-</u>	<u>-</u>	<u>14,806,151</u>
OTHER GOVERNMENT GRANTS			
High Needs	-	206,683	206,683
Other Government Grants	-	395,924	395,924
	<u>-</u>	<u>602,607</u>	<u>602,607</u>
Other income from the Academy Trust's education	801,277	66,527	867,804
COVID-19 ADDITIONAL FUNDING (DfE/ESFA)			
12-15 Vaccination Program	-	4,504	4,504
Recovery Premium	-	58,800	58,800
	<u>-</u>	<u>63,304</u>	<u>63,304</u>
COVID-19 ADDITIONAL FUNDING (NON-DfE/ESFA)			
Mass Testing	-	36,017	36,017
	<u>-</u>	<u>36,017</u>	<u>36,017</u>
	<u>801,277</u>	<u>15,574,606</u>	<u>16,375,883</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES (CONTINUED)

	801,277	15,574,606	16,375,883
	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
EDUCATION			
DFE/ESFA GRANTS			
General Annual Grant	-	12,707,644	12,707,644
Other DfE/ESFA Grants:			
Pupil Premium	-	446,429	446,429
Teachers Pay and Pension Grant	-	597,400	597,400
Other DfE/ESFA grants	-	442,672	442,672
	-	-	14,194,145
OTHER GOVERNMENT GRANTS			
High Needs	-	224,278	224,278
Other Local Authority income	79,853	163,983	243,836
	79,853	388,261	468,114
Other income from the Academy Trust's education	516,835	135,631	652,466
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)			
Catch-up Premium	-	187,200	187,200
	-	187,200	187,200
COVID-19 ADDITIONAL FUNDING (NON-DFE/ESFA)			
Coronavirus Job Retention Scheme grant	-	17,335	17,335
	-	17,335	17,335
	596,688	14,922,572	15,519,260
	596,688	14,922,572	15,519,260

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings	245,949	245,949	88,394
Consultancy	60,945	60,945	120,059
Fees received	23,134	23,134	23,164
	<u>330,028</u>	<u>330,028</u>	<u>231,617</u>

All 2021 income related to unrestricted funds.

7. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	200	200	274
	<u>200</u>	<u>200</u>	<u>274</u>

All 2021 income related to unrestricted funds.

8. EXPENDITURE

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Cost of generating voluntary income				
Direct costs	-	-	117,543	117,543
Education:				
Direct costs	11,380,341	1,002,430	704,463	13,087,234
Allocated support costs	2,630,636	1,283,515	1,603,248	5,517,399
Boarding:				
Allocated support costs	74,847	-	40,332	115,179
Teaching school	-	-	-	-
	<u>14,085,824</u>	<u>2,285,945</u>	<u>2,465,586</u>	<u>18,837,355</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8. EXPENDITURE (CONTINUED)

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Costs of generating voluntary income:				
Direct costs	-	-	69,915	69,915
Education:				
Direct costs	10,641,838	402,216	768,264	11,812,318
Allocated support costs	2,235,461	1,601,840	1,440,074	5,277,375
Boarding:				
Allocated support costs	82,065	-	42,286	124,351
Teaching school	32,981	-	7,019	40,000
	<u>12,992,345</u>	<u>2,004,056</u>	<u>2,327,558</u>	<u>17,323,959</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

9. EXPENDITURE ON RAISING FUNDS

FUNDRAISING TRADING EXPENSES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Trips subsistence	15,030	15,030	9,139
Trips	102,513	102,513	60,776
	<u>117,543</u>	<u>117,543</u>	<u>69,915</u>

All 2021 income related to unrestricted funds.

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Education	13,087,234	5,517,399	18,604,633
Boarding	-	115,179	115,179
	<u>13,087,234</u>	<u>5,632,578</u>	<u>18,719,812</u>

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Education	11,812,318	5,277,375	17,089,693
Boarding	-	124,351	124,351
	<u>11,812,318</u>	<u>5,401,726</u>	<u>17,214,044</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Education 2022 £	Boarding 2022 £	Total funds 2022 £
Pension finance cost	74,000	-	74,000
Staff costs	2,630,636	74,847	2,705,483
Depreciation	551,359	-	551,359
Staff development	40,649	-	40,649
Other costs	70	-	70
Recruitment and support	22,396	-	22,396
Maintenance of premises and equipment	349,340	12,214	361,554
Cleaning	165,504	-	165,504
Rent and rates	226,220	708	226,928
Energy costs	253,740	2,229	255,969
Insurance	111,788	3,885	115,673
Security and transport	116,996	-	116,996
Catering	304,550	12,198	316,748
Technology costs	260,064	-	260,064
Office overheads	174,112	2,861	176,973
Legal and professional - other	235,872	6,237	242,109
Bank interest and charges	795	-	795
(Profit) / Loss on disposal of fixed assets	(24,925)	-	(24,925)
Governance costs	24,233	-	24,233
	5,517,399	115,179	5,632,578

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS (continued)

	Education 2021 £	Boarding 2021 £	Total funds 2021 £
Pension finance costs	46,000	-	46,000
Staff costs	2,224,894	82,065	2,306,959
Depreciation	906,887	-	906,887
Staff development	37,105	-	37,105
Other costs	15,757	-	15,757
Supply teachers	10,567	-	10,567
Recruitment and support	28,431	-	28,431
Maintenance of premises and equipment	355,836	10,128	365,964
Cleaning	158,625	-	158,625
Rent and rates	147,549	-	147,549
Energy costs	228,928	6,741	235,669
Insurance	78,584	-	78,584
Security and transport	97,515	-	97,515
Catering	323,505	11,418	334,923
Technology costs	276,928	-	276,928
Office overheads	120,799	13,999	134,798
Legal and professional - other	179,713	-	179,713
Bank interest and charges	445	-	445
Governance costs	39,307	-	39,307
	<u>5,277,375</u>	<u>124,351</u>	<u>5,401,726</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	292,677	310,570
Depreciation of tangible fixed assets	913,663	909,252
Fees paid to auditors for:		
- audit	18,500	14,200
- other services	4,250	15,185
	<u>18,500</u>	<u>15,185</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

12. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	9,749,001	9,298,839
Social security costs	946,387	884,502
Pension costs	3,255,823	2,645,168
	<u>13,951,211</u>	<u>12,828,509</u>
Agency staff costs	134,613	99,424
Staff restructuring costs	-	64,412
	<u>14,085,824</u>	<u>12,992,345</u>

Staff restructuring costs comprise:

	2022 £	2021 £
Redundancy payments	-	3,761
Severance payments	-	60,050
Other restructuring costs	-	600
	<u>-</u>	<u>64,411</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

In 2021, included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £60,050 comprising of 3 individual payments of £47,589, £9,500 and 2,961.

c. STAFF NUMBERS

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

	2022 No.	2021 No.
Management	31	9
Teaching	135	156
Administration/Support	215	208
	<u>381</u>	<u>373</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

12. STAFF (CONTINUED)

d. HIGHER PAID STAFF

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	8	7
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	1	1

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2022, pension contributions for employees whose emoluments fell within the above bands amounted to £227,420 (2021: £213,375).

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £265,897 (2021: £267,484).

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

13. CENTRAL SERVICES

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

- HR Services
- Financial Services
- Core Insurance
- Legal Services
- Educational Support
- Governance Support
- School Improvement Support & Management

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

Schools are charged 5% of their GAG allocations plus supplementary funding annually for these services.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Fowey River Academy	164,611	147,854
Five Islands Academy	145,269	140,030
St Hilary School	51,396	44,813
Ludgvan School	42,395	38,698
Mounts Bay Academy	286,700	253,857
St Buryan Primary School	19,258	16,244
TOTAL	709,629	641,496

14. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' gross salary in the year was as follows: K Butcher, £95,000 - £100,000 (2021: £90,000 - £95,000), employer's pension contributions: £20,000 - £25,000 (2021: £20,000 - £25,000).

During the year ended 31 August 2022, expenses totalling £1,218 were reimbursed or paid directly to 2 Trustees (2021 - £1,661 to 4 Trustees) to cover travel, office supplies and parking.

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £500 (2021 - £490). The cost of this insurance is included in the total insurance cost.

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

16. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST						
At 1 September 2021	748,768	37,548,062	654,380	363,371	24,734	39,339,315
Additions	9,743	1,392,480	409,797	95,605	-	1,907,625
Disposals	-	-	(42,623)	(99,174)	-	(141,797)
At 31 August 2022	758,511	38,940,542	1,021,554	359,802	24,734	41,105,143
DEPRECIATION						
At 1 September 2021	16,539	3,197,976	346,526	317,128	17,642	3,895,811
Charge for the year	15,170	762,943	134,269	45,309	1,773	959,464
On disposals	-	-	(42,560)	(97,567)	-	(140,127)
At 31 August 2022	31,709	3,960,919	438,235	264,870	19,415	4,715,148
NET BOOK VALUE						
At 31 August 2022	726,802	34,979,623	583,319	94,932	5,319	36,389,995
At 31 August 2021	732,229	34,350,086	307,854	46,243	7,092	35,443,504

17. DEBTORS

	2022 £	2021 £
Trade debtors	26,670	28,888
Prepayments and accrued income	3,554,569	4,523,671
VAT recoverable	88,828	131,033
	3,670,067	4,683,592

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other loans	14,161	2,519
Trade creditors	373,034	223,149
Other taxation and social security	238,488	215,122
Other creditors	251,925	245,975
Accruals and deferred income	257,149	765,611
	<u>1,134,757</u>	<u>1,452,376</u>
	2022 £	2021 £
Deferred income at 1 September 2021	168,695	160,837
Resources deferred during the year	172,631	168,695
Amounts released from previous periods	(168,695)	(160,837)
Deferred income at 31 August 2022	<u>172,631</u>	<u>168,695</u>

Deferred income represents income received in 2022 that relate to the subsequent school year. At the balance sheet date, the Academy Trust was holding funds received in advance that primarily relate to school trips, rates, ERASMUS, and UIFSM.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Other loans	<u>43,624</u>	<u>6,297</u>

Included within other loans are the remaining balances of a loan of £6,297 from Salix Finance Ltd which was provided on the following terms: Repayable over 7 years bi-annual payments and interest free with 3.5 years remaining. The loan was transferred from St Hilary School.

Also included within other loans are the remaining balances of a loan of £8,534 from Salix Finance Ltd provided to St Buryan Academy Primary School on the following terms: repayable over 5 years bi-annual payments and interest free with 4.5 years remaining; and the remaining balances of a loan of £48,190 provided to Mounts Bay Academy on the following terms: repayable over 5 years bi-annual payments and interest free with 4.5 years remaining.

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
3G pitch	203,781	-	-	-	-	203,781
GENERAL FUNDS						
General Funds	864,574	1,162,795	(965,865)	(222,756)	-	838,748
TOTAL UNRESTRICTED FUNDS	1,068,355	1,162,795	(965,865)	(222,756)	-	1,042,529
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	26,783	14,035,443	(13,988,379)	(71,810)	-	2,037
Higher needs	-	56,959	(56,959)	-	-	-
Pupil premium	4,647	465,905	(470,552)	-	-	-
Summer school	78,492	-	(78,492)	-	-	-
Universal infant free school meals	-	81,928	(81,928)	-	-	-
PE & sports	11,353	69,890	(81,243)	-	-	-
Other LA grants	-	287,428	(175,594)	(105,935)	-	5,899
Other restricted	32,585	692,413	(725,879)	100,099	-	99,218
Pension reserve	(7,697,000)	-	(1,253,000)	-	7,926,000	(1,024,000)
	(7,543,140)	15,689,966	(16,912,026)	(77,646)	7,926,000	(916,846)

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
RESTRICTED FIXED ASSET FUNDS						
Tangible fixed asset fund	35,443,504	-	(959,464)	1,905,955	-	36,389,995
Condition Improvement Fund (CIF)	3,764,887	132,432	-	(1,298,345)	-	2,598,974
Other DfE Grants	(210,297)	-	-	(26,000)	-	(236,297)
Devolved Formula Capital	-	60,559	-	(60,559)	-	-
Other Restricted Funds	7,942	196,097	-	(80,195)	-	123,844
School Condition Allocation (SCA)	248,591	-	-	(140,454)	-	108,137
	<u>39,254,627</u>	<u>389,088</u>	<u>(959,464)</u>	<u>300,402</u>	<u>-</u>	<u>38,984,653</u>
TOTAL RESTRICTED FUNDS	<u>31,711,487</u>	<u>16,079,054</u>	<u>(17,871,490)</u>	<u>222,756</u>	<u>7,926,000</u>	<u>38,067,807</u>
TOTAL FUNDS	<u>32,779,842</u>	<u>17,241,849</u>	<u>(18,837,355)</u>	<u>-</u>	<u>7,926,000</u>	<u>39,110,336</u>

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

DESIGNATED FUNDS

The designated funds have been set up to fund the replacement of the football pitch carpet. The grant received from the Football Association towards the original 3G football pitch requires that the football pitch carpet is replaced after 7 years, therefore funds are being set aside for this purpose.

RESTRICTED FUNDS

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Higher needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil premium - Income from the ESFA which is used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the pupils who need it most.

Summer school - Income from ESFA used to fund summer schools offering a blend of academic education and enrichment activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. STATEMENT OF FUNDS (CONTINUED)

Erasmus - Funding to promote and support the international student exchange programme.

Bikeability - Funding to provide bike training to students as part of the local primary Hub.

Start up grant - Awarded to Five Islands as a converter academy.

UFSM - All pupils in reception, year 1 and year 2 in state-funded schools in England are eligible for free school meals.

PE & Sports - The PE and sport grant is additional funding given to publicly funded schools in England to improve physical education (PE) and sport in primary schools.

Other ESFA grants - Represents all other funding received from the ESFA.

Other LA grants - Represents other funding from the Local Authority.

Other restricted - Represents other restricted income.

Pension Reserve - This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The academy is following recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

RESTRICTED FIXED ASSET FUNDS

Tangible fixed asset fund - represents the buildings and equipment donated to the School from the Local Authority on conversion to an academy, as well as purchases for fixed assets made from GAG and other restricted funds.

DfE/ESFA capital grants - 4.1 Million pound capital Grant agreed on rebrokerage of Fowey

CIF - The Condition Improvement Fund (CIF) is an annual bidding round for eligible academies, sixth-form colleges and VA schools to apply for capital funding. The priority for the fund is to address significant condition need, keeping education provider buildings safe and in good working order. This includes funding projects to address health and safety issues, building compliance and poor building condition.

DFC - devolved formula capital (DFC), allocated to schools and other eligible institutions

Other restricted capital - Funding from the Isles Of Scilly Council for capital projects

SCA - ALAT was allocated School Condition Allocation (SCA) funding in 2019-20, so this was paid to the trusts which took over the running of the rebrokered academies. Fowey River Academy, was rebrokered to Leading Edge Academy partnership and the £418,483.00 was a one off payment in 2019-20 relates to.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

**LEADING EDGE ACADEMIES PARTNERSHIP
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20. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
3G pitch	203,781	-	-	-	-	203,781
GENERAL FUNDS						
General Funds	710,046	900,520	(717,349)	(28,643)	-	864,574
TOTAL UNRESTRICTED FUNDS	913,827	900,520	(717,349)	(28,643)	-	1,068,355

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	4,264	12,821,645	(12,785,899)	(13,227)	-	26,783
Higher needs	2,065	48,308	(50,373)	-	-	-
Pupil premium	10,188	446,428	(456,616)	-	-	-
Summer school	-	109,550	(31,058)	-	-	78,492
Erasmus	2,169	54	-	-	-	2,223
Bikeability	-	26,120	(26,120)	-	-	-
Start up grant	-	8,267	(8,267)	-	-	-
Universal infant free school meals	-	74,972	(74,972)	-	-	-
PE & sports	14,486	69,800	(72,933)	-	-	11,353
Other ESFA grants	-	187,200	(149,891)	(32,663)	-	4,646
Teaching school	-	40,000	(40,000)	-	-	-
Sport England	9,991	-	(9,991)	-	-	-
Other restricted	22,327	529,367	(528,117)	6,786	-	30,363
Other ESFA grants	-	758,121	(758,121)	-	-	-
Pension reserve	(4,981,000)	(154,000)	(717,000)	-	(1,845,000)	(7,697,000)
	<u>(4,915,510)</u>	<u>14,965,832</u>	<u>(15,709,358)</u>	<u>(39,104)</u>	<u>(1,845,000)</u>	<u>(7,543,140)</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
RESTRICTED FIXED ASSET FUNDS						
Tangible fixed asset fund	30,957,377	781,046	(717,675)	-	-	31,020,748
Fixed assets purchased from GAG and other restricted funds	166,033	-	(38,813)	91,735	-	218,955
Fixed assets purchased from DfE/ESFA Capital grants	1,181,655	-	-	-	-	1,181,655
Football Association 3G Football Pitch	36,941	-	(860)	-	-	36,081
Condition Improvement Fund (CIF)	1,185,155	-	(53,588)	779,333	-	1,910,900
Devolved Formula Capital	145,191	-	(46,411)	64,821	-	163,601
Devolved Formula Capital (unspent)	5,532	59,289	-	(64,821)	-	-
Other Restricted Funds	75,400	-	(36,800)	26,584	-	65,184
Other Restricted Funds (unspent)	24,526	10,000	-	(26,584)	-	7,942
Condition Improvement Fund- unspent	2,267,389	2,796,191	-	(779,333)	-	4,284,247
School Condition Allocation (SCA)	56,305	-	(15,105)	285,820	-	327,020
School Condition Allocation (SCA) unspent	348,102	-	-	(309,808)	-	38,294
	<u>36,449,606</u>	<u>3,646,526</u>	<u>(909,252)</u>	<u>67,747</u>	<u>-</u>	<u>39,254,627</u>
TOTAL RESTRICTED FUNDS	<u>31,534,096</u>	<u>18,612,358</u>	<u>(16,618,610)</u>	<u>28,643</u>	<u>(1,845,000)</u>	<u>31,711,487</u>
TOTAL FUNDS	<u>32,447,923</u>	<u>19,512,878</u>	<u>(17,335,959)</u>	<u>-</u>	<u>(1,845,000)</u>	<u>32,779,842</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Mounts Bay Academy	682,592	631,999
St Hilary School	135,774	124,965
Ludgvan School	158,205	99,538
Fowey River Academy	38,921	57,353
The Five Islands academy	124,772	269,743
St Buryan	39,207	65,127
Central	(29,788)	(26,510)
Total before fixed asset funds and pension reserve	1,149,683	1,222,215
Restricted fixed asset fund	38,984,653	39,254,627
Pension reserve	(1,024,000)	(7,697,000)
TOTAL	39,110,336	32,779,842

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
Central	(29,788)

The Academy Trust is taking the following action to return the academy to surplus:

A surplus budget had been set at the start of the year, however a member of staff returned to the Trust following a secondment in April and was placed at Fowey to increase leadership capacity partly funded centrally and partly by Fowey.

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £
Mounts Bay Academy	4,059,150	800,971	620,434	868,119	6,348,674
St Hilary School	810,246	127,272	77,636	171,292	1,186,446
Ludgvan School	681,084	102,968	51,776	116,566	952,394
Fowey River Academy	2,097,114	807,762	412,814	437,304	3,754,994
The Five Islands academy	1,968,081	491,703	166,852	470,469	3,097,105
St Buryan Academy	316,850	74,252	38,978	67,461	497,541
Central services	207,202	289,556	2,911	288,068	787,737
ACADEMY TRUST	10,139,727	2,694,484	1,371,401	2,419,279	16,624,891

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Mounts Bay Academy	4,062,759	633,136	541,253	636,246	5,873,394
St Hilary School	781,480	144,662	34,850	125,072	1,086,064
Ludgvan School	660,635	124,774	68,415	100,376	954,200
Fowey River Academy	2,328,501	601,409	324,185	423,029	3,677,124
The Five Islands academy	2,023,398	570,373	129,666	306,246	3,029,683
St Buryan	262,960	78,277	27,000	63,993	432,230
Central services	260,609	229,608	2,309	64,486	557,012
ACADEMY TRUST	10,380,342	2,382,239	1,127,678	1,719,448	15,609,707

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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	-	-	36,389,995	36,389,995
Current assets	1,042,529	1,285,535	2,594,658	4,922,722
Creditors due within one year	-	(1,134,757)	-	(1,134,757)
Creditors due in more than one year	-	(43,624)	-	(43,624)
Provisions for liabilities and charges	-	(1,024,000)	-	(1,024,000)
TOTAL	1,042,529	(916,846)	38,984,653	39,110,336

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	-	-	35,443,504	35,443,504
Current assets	1,068,355	1,612,533	3,811,123	6,492,011
Creditors due within one year	-	(1,452,376)	-	(1,452,376)
Creditors due in more than one year	-	(6,297)	-	(6,297)
Provisions for liabilities and charges	-	(7,697,000)	-	(7,697,000)
TOTAL	1,068,355	(7,543,140)	39,254,627	32,779,842

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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)	(1,595,506)	2,176,919
ADJUSTMENTS FOR:		
Depreciation	959,464	909,252
Capital grants from DfE and other capital income	(389,088)	(2,865,480)
Interest receivable	(200)	(274)
Defined benefit pension scheme cost less contributions payable	1,117,000	625,000
Defined benefit pension scheme finance cost	136,000	92,000
Decrease/(increase) in debtors	1,013,525	(2,135,920)
(Decrease)/increase in creditors	(329,261)	648,458
Net assets received on Academy transfer in	-	(718,722)
Profit on disposal of tangible fixed assets	(24,925)	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	887,009	(1,268,767)

23. CASH FLOWS FROM FINANCING ACTIVITIES

	2022 £	2021 £
Cash inflows from new borrowing	56,724	-
Repayments of borrowing	(7,755)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	48,969	-

24. CASH FLOWS FROM INVESTING ACTIVITIES

	2022 £	2021 £
Dividends, interest and rents from investments	200	274
Purchase of tangible fixed assets	(1,907,625)	(1,557,398)
Proceeds from the sale of tangible fixed assets	26,595	-
Capital grants from DfE and other capital income	389,088	2,865,480
Cash received from Academy transfer in	-	80,179
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(1,491,742)	1,388,535

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand and at bank	1,252,655	1,808,419
TOTAL CASH AND CASH EQUIVALENTS	1,252,655	1,808,419

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021 £	Cash flows £	New borrowings £	Other non- cash changes £	At 31 August 2022 £
Cash at bank and in hand	1,808,419	(555,764)	-	-	1,252,655
Debt due within 1 year	(2,519)	2,519	(11,642)	(2,519)	(14,161)
Debt due after 1 year	(6,297)	-	(45,082)	7,755	(43,624)
	<u>1,799,603</u>	<u>(553,245)</u>	<u>(56,724)</u>	<u>5,236</u>	<u>1,194,870</u>

27. CAPITAL COMMITMENTS

	2022 £	2021 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	<u>2,587,648</u>	<u>4,284,247</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

28. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall 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 £249,978 were payable to the schemes at 31 August 2022 (2021 - £234,711) 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.

The employer's pension costs paid to TPS in the year amounted to £1,555,949 (2021 - £1,517,474).

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 Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

**NOTES TO THE FINANCIAL STATEMENTS
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28. PENSION COMMITMENTS (CONTINUED)

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 £749,000 (2021 - £651,000), of which employer's contributions totalled £575,000 (2021 - £502,000) and employees' contributions totalled £ 174,000 (2021 - £149,000). The agreed contribution rates for future years are 17.1 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy 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 Academy 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

	2022	2021
	%	%
Rate of increase in salaries	3.05	2.90
Rate of increase in pensions	3.05	2.90
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 day		
Males	21.3	21.5
Females	23.9	24.1
Retiring in 20 years		
Males	22.5	22.8
Females	25.6	25.8

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28. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

	2022	2021
	£000	£000
Discount rate -0.1%	246	409
Mortality assumption - 1 year increase	397	653
CPI rate +0.1%	228	368
Salary increase rate +0.1%	20	35

SHARE OF SCHEME ASSETS

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

	At 31 August 2022	At 31 August 2021
	£	£
Equities	4,991,000	4,464,260
Bonds	3,030,000	2,693,950
Property	713,000	461,820
Cash	178,000	76,970
Total market value of assets	8,912,000	7,697,000

The actual return on scheme assets was £(644,000) (2021 - £804,000).

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

	2022	2021
	£	£
Current service cost	(1,692,000)	(1,127,000)
Interest income	148,000	124,000
Interest cost	(284,000)	(216,000)
Total	(1,828,000)	(1,219,000)

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
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28. PENSION COMMITMENTS (CONTINUED)

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

	2022 £	2021 £
Opening defined benefit obligation	16,326,000	11,691,000
Current service cost	1,692,000	1,127,000
Interest cost	284,000	216,000
Employee contributions	174,000	149,000
Actuarial gains	(8,434,000)	2,741,000
Benefits paid	(105,000)	(78,000)
Business combinations	-	480,000
Closing defined benefit obligation	9,937,000	16,326,000

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

	2022 £	2021 £
Opening fair value of scheme assets	8,629,000	6,710,000
Interest income	148,000	124,000
Actuarial losses/(gains)	(508,000)	896,000
Employer contributions	575,000	502,000
Employee contributions	174,000	149,000
Benefits paid	(105,000)	(78,000)
Business combinations	-	326,000
Closing fair value of scheme assets	8,913,000	8,629,000

29. OPERATING LEASE COMMITMENTS

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

	2022 £	2021 £
Not later than 1 year	223,688	310,570
Later than 1 year and not later than 5 years	385,624	238,634
	609,312	549,204

30. 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.

31. 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. 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 Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

**LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

32. BOARDING SCHOOL TRADING ACCOUNT

	2022 £	2022 £	2021 £	2021 £
INCOME				
Boarding income	115,360		114,000	
TOTAL INCOME		115,360		114,000
EXPENDITURE				
DIRECT EXPENDITURE				
Educational supplies	-		20	
OTHER EXPENDITURE				
Maintenance of premises and equipment	12,214		10,127	
Energy costs	2,937		6,741	
Catering	12,198		11,419	
General office costs	2,861		3,101	
Wages and salaries	61,777		56,590	
National insurance	4,520		4,489	
Pension costs	9,150		9,092	
Furniture & equipment	3,885		10,898	
Cleaning	-		7,930	
Houseparent costs	-		3,964	
Capital expenditure	6,237		-	
TOTAL OTHER EXPENDITURE	115,779		124,351	
TOTAL EXPENDITURE		115,779		124,371
NET INCOME/EXPENDITURE		(419)		(10,371)
BOARDING SCHOOL DEFICIT FOR THE YEAR		(419)		(10,371)