

L.E.A.D ACADEMY TRUST
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2013
COMPANY REGISTRATION NUMBER. 07767010

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L.E.A.D ACADEMY TRUST

Annual report and financial statements for the year ended 31 August 2013

Company number 07767010

Charity number 1153236

Auditor Baker Tilly Audit Limited, The Poynt, 45 Wollaton Street, Nottingham, NG1 5FW

**Accountants and
Business Advisors** Baker Tilly Business Services Limited, The Poynt, 45 Wollaton Street,
Nottingham, NG1 5FW

Bankers Lloyds Banking Group Plc
Old Market Square
Nottingham
NG1 6FD

Solicitors Eversheds
14 Fletcher Gate
Nottingham
NG1 2FS

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L E A D ACADEMY TRUST

Report of the Trustees for the year ended 31 August 2013

The Trustees present their report together with the audited financial statements for the year ended 31 August 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee (registration number 07767010) and with effect from [date] became an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of L E A D Academy Trust are also the directors of the Charitable Company for the purposes of company law.

Members' Liability

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

Tax Status

The company is a registered charity and is exempt from corporation tax and income tax.

Recruitment and Appointment of Trustees

The Trustees of L E A D Academy Trust, who are also directors for the purposes of company law, and who served during the year were:

M Blois
M Giddings (resigned 15 May 2013)
D Owen
D Harvey
P Berry
S Parry (resigned 5 December 2013)
H Dowell (appointed 7 March 2013)
M Waters (appointed 17 September 2013)

As mentioned above, the company is limited by guarantee, and as such, the directors have no interest in the share capital of the company.

Trustees are appointed in accordance with the Articles of Association, by recommendation by the trustees or by a qualified voting member of the company. All trustees are required to retire from office at each Annual General Meeting. If the members at the meeting at which the trustees of the Management Committee retire do not fill all the vacancies on the Management Committee, any retiring trustee shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the trustee is put to the meeting and lost.

Related Parties

L E A D Academy Trust is an umbrella Trust which was founded in October 2012 by Huntingdon Academy, St Anns Well Academy, and Edna G Olds Academy. Since its formation, two additional Academies have been added: Sycamore Academy and The Warren Academy.

The relationship between the Trust and its member Academy's is governed by a partnership agreement. The partnership agreement provides the Trust with certain steps in rights that are triggered by critical events.

Risk Management

The Trustees have adopted the statement of recommended practice (SORP) approach to identifying and managing the risks of the Trust. The schedule of risks will be tabled at all Finance committee meetings and mitigating actions agreed as required. The full Trustee group will review the risk log on an annual basis.

L E A D ACADEMY TRUST

Report of the trustees for the year ended 31 August 2013 (continued)

OBJECTIVES AND ACTIVITIES

Our vision is that through outstanding leadership we will provide the highest quality education to enable every pupil to realise their full potential

We passionately believe in the power of partnership working as a catalyst for ensuring more children receive an exceptional education. Our member schools know the transformational impact it can have from experience.

At the same time, we recognise the importance of autonomy. Every school has its own context and challenges. This is why we encourage our member schools to lead and manage in a way that preserves their individual identity and responds to the specific needs of their children and community.

The combination of autonomy and collaboration across key areas of leadership and management, underpinned by shared vision, values and best practice is what makes the L E A D Academy Trust unique.

The acronym L E A D embodies the four core principles at the heart of the Trust: strong Leadership at every level, Empowering every child to aim high, giving every child the opportunity to Achieve and constantly Driving for improvement.

Public Benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS AND PERFORMANCE

The track record of the Trust is clearly evident in the following table summarising the percentage of pupils achieving level 4 plus and 2 levels of progress in English and Maths, which are all above the national floor targets.

| | Combined L4+ Reading/Writing/ Maths | | 2 levels progress English | | 2 levels progress maths | |
|------------|---|------|------------------------------|------|----------------------------|------|
| | 2011 | 2013 | 2011 | 2013 | 2011 | 2013 |
| Edna G | 62 | 75 | 85 | 92 | 85 | 92 |
| Huntingdon | 82 | 85 | 100 | 96 | 86 | 96 |
| St Ann's | 80 | 72 | 80 | 88 | 78 | 88 |
| Sycamore | 75 | 85** | 71 | 95 | 88 | 100 |
| Warren | 100 | 90 | 96 | 100 | 100 | 100 |

**results under review

Warren Academy also improved their Ofsted judgement from 'Good' to 'Outstanding'.

FINANCIAL REVIEW

The Statement of Financial Activities on page 7 show net incoming resources for the year ended 31 August 2013 of £24,294 (2012: £21,541) giving net assets of £45,835 at the year end (2012: £21,541).

The Charity's principal source of funding is the receipt of contributions from its member Academies.

L E A D ACADEMY TRUST

Report of the trustees for the year ended 31 August 2013 (continued)

Reserves Policy

A formal reserves policy has not been adopted by the Trust. However, it is intended that the Trustees will review the reserve levels of the Trust annually. This review will encompass the nature of income and expenditure streams, the need to match income with existing commitments.

The unrestricted reserves at 31 August 2013 were £45,835 (2012: £21,541).

Investment Policy

Trustees have adopted an investment policy which is included in the Finance Policy. It allows for surplus funds to be invested in low risk short term bonds with high street banks.

PLANS FOR THE FUTURE

The Trust will continue to work towards delivering the following core characteristics in all of its Schools:

- the highest standards of behaviour and conduct,
- outstanding teaching and learning,
- a fully inclusive approach where all children are equally important,
- a climate of mutual respect between the children, staff and community,
- positive relationships,
- high aspirations for all involved with the schools – a 'can do' attitude,
- a wide range of enrichment opportunities for all to get involved,
- a celebration of all the cultures and faiths represented in the schools,
- an organisation where there are no excuses for underachievement.

Following the transfer of the assets and liabilities of the Academies in partnership with the Trust to L E A D Multi-Academy Trust on 1 September 2013, the Trust will oversee L E A D Multi-Academy Trust as its sponsor.

TRUSTEES' RESPONSIBILITIES

The Trustees are required to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure for the period. In preparing those financial statements, the trustees are required to –

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees, individually, are aware:

- There is no relevant audit information of which the charity's auditor is unaware, and
- The Trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

L.E A D ACADEMY TRUST

Report of the trustees for the year ended 31 August 2013 (*continued*)

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

Approved by order of the board of Trustees on 31 March 2014 and signed on their behalf by



M Blois
Chair

31 March 2014

L.E.A.D ACADEMY TRUST

Independent auditor's report to the members of L.E.A.D Academy Trust

We have audited the financial statements of L E A D Academy Trust for the year ended 31 August 2013 on pages 7 to 13 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities, the trustees (who are also the directors of the charitable company 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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 December 20Y0 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 Companies Act 2006

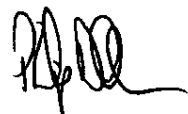
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

- the charitable company has not kept adequate accounting records, 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



Philip Coleman (Senior Statutory Auditor)
For and on behalf of BAKER TILLY AUDIT LIMITED, Statutory Auditor
Chartered Accountants
The Poynt
45 Wollaton Street
Nottingham
NG1 5FW
31 March 2013

L.E.A.D ACADEMY TRUST

Statement of financial activities for the year ended 31 August 2013

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2013 £ | Total 2012 £ |
|---|------|----------------------------|--------------------------|--------------------|--------------------|
| Incoming resources | | | | | |
| Incoming resources from charitable activities | 2 | 216,925 | - | 216,925 | 111,000 |
| Investment income | 3 | 50 | - | 50 | 6 |
| | | <u>216,975</u> | <u>-</u> | <u>216,975</u> | <u>111,006</u> |
| Resources expended | | | | | |
| Cost of charitable activities | 4 | 165,286 | - | 165,286 | 78,379 |
| Governance costs | 4 | 27,395 | - | 27,395 | 11,086 |
| | | <u>192,681</u> | <u>-</u> | <u>192,632</u> | <u>89,465</u> |
| Total resources expended | 4 | 192,681 | - | 192,632 | 89,465 |
| Net incoming/(outgoing) resources for the year | | | | | |
| | | <u>24,294</u> | <u>-</u> | <u>24,294</u> | <u>21,541</u> |
| Total funds brought forward | | 21,541 | - | 21,541 | - |
| | | <u>45,835</u> | <u>-</u> | <u>45,835</u> | <u>21,541</u> |
| Total funds carried forward | | 45,835 | - | 45,835 | 21,541 |

All amounts relate to continuing activities

There are no other recognised gains or losses in the year

The notes on pages 9 to 13 form part of these financial statements

Balance sheet at 31 August 2013

| | Note | 2013 | 2012 |
|---|------|---------------|----------------|
| | | £ | £ |
| Current assets | | | |
| Debtors | 6 | 26,180 | 40,500 |
| Cash at bank and in hand | | 48,234 | 91,726 |
| | | <u>74,414</u> | <u>132,226</u> |
| Creditors: amounts falling due within one year | 7 | (28,579) | (110,685) |
| | | <u></u> | <u></u> |
| Net current assets | | <u>45,835</u> | <u>21,541</u> |
| Accumulated funds | | | |
| Unrestricted general funds | 9 | 45,835 | 21,541 |
| | | <u></u> | <u></u> |

The financial statements were approved by the Board on 31 March 2014 and signed on its behalf by



M Blois
Chair

The notes on pages 9 to 13 form part of these financial statements

1 Accounting policies

There have been no changes in accounting policies during the year

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" ("the SORP") issued in March 2005

Income and expenditure account

The Statement of Financial Activities on page 8 discloses the identical information as that of the Income and Expenditure Account and as such no separate Income and Expenditure Account has been prepared

Funds

Funds received by the charity that are earmarked either by the donor or by the terms of the appeal for particular projects are accounted for as restricted funds. All other funds are unrestricted. Designated funds form part of the charity's unrestricted funds.

Incoming resources

Income from charitable activities including income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when performance related grants are received in advance of the time period or expenditure to which they relate occurring.

Voluntary income including donations and gifts receivable for the general purposes of the charity are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

Investment income and other income are recognised on a receivable basis.

Expenditure

Expenditure is accounted for when a liability is incurred.

- Charitable activities include expenditure associated with the running of the charity's operations and include both the direct costs and support costs relating to those activities.
- Costs of generating funds are those costs incurred in attracting voluntary income.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

L.E A D ACADEMY TRUST

Notes forming part of the financial statements for the year ended 31 August 2013 *(Continued)*

1 Accounting policies *(Continued)*

Pension costs

The charity operates a defined contribution pension scheme and the pension cost represents the amounts payable by the charity to the fund in respect of the year

The assets of the scheme are held separately from those of the charity in an independently administered fund

Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements" not to prepare a cash flow statement on the basis that it qualifies as a small company

2 Incoming resources from charitable activities

| | Unrestricted funds £ | Restricted funds £ | Total 2013 £ | Total 2012 £ |
|-------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Corporate services | 186,750 | - | 186,850 | 111,000 |
| Leadership support | 4,865 | - | 4,865 | - |
| Management charges receivable | 25,310 | - | 25,310 | - |
| | <u>216,925</u> | <u>-</u> | <u>216,925</u> | <u>111,000</u> |

3 Investment income

| | Unrestricted funds £ | Restricted funds £ | Total 2013 £ | Total 2012 £ |
|--------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Bank interest receivable | 50 | - | 50 | 6 |
| | <u>50</u> | <u>-</u> | <u>50</u> | <u>6</u> |

4 Resources expended

| | Staff costs £ | Other direct costs £ | Total 2013 £ | Total 2012 £ |
|---------------------------------|---------------------|----------------------------|--------------------|--------------------|
| Charitable activities | | | | |
| Advisory services | - | 10,040 | 10,040 | - |
| Leadership consultancy services | 46,660 | 108,586 | 155,246 | 78,379 |
| | <u>46,660</u> | <u>118,626</u> | <u>165,286</u> | <u>78,379</u> |
| Governance costs | - | 27,395 | 27,395 | 11,086 |
| | <u>46,660</u> | <u>146,021</u> | <u>192,681</u> | <u>89,465</u> |

L E.A.D ACADEMY TRUST

Notes forming part of the financial statements for the year ended 31 August 2013 (*Continued*)

5 Employee numbers and costs

| | 2013 £ | 2012 £ |
|-----------------|---------------|-----------|
| Salary costs | 25,249 | - |
| Social security | 19,071 | - |
| Pension costs | 2,340 | - |
| | <u>46,660</u> | <u>-</u> |

The average monthly number of persons employed by the charity during the year was 1 (2012 0)

No employees received emoluments above £60,000 for either year

Trustees' remuneration

No trustees were remunerated for either year

During the year £389 (2012 £nil) of expenses were reimbursed to Trustees in respect of travelling expenses

6 Debtors

| | Total 2013 £ | Total 2012 £ |
|---------------|--------------------|--------------------|
| Trade debtors | 26,180 | 40,500 |
| | <u>26,180</u> | <u>40,500</u> |

All amounts shown under debtors fall due for payment within one year

7 Creditors' amounts falling due within one year

| | Total 2013 £ | Total 2012 £ |
|-----------------|--------------------|--------------------|
| Trade creditors | 24,033 | 4,494 |
| Corporation tax | - | 5,385 |
| Other taxation | 4,546 | 22,013 |
| Other creditors | - | 78,793 |
| | <u>28,579</u> | <u>110,685</u> |

8 Share capital

The Company is limited by guarantee and as such has no share capital

The liability of its members in the event of the company being wound up is limited to a sum not exceeding £10 each

L E A D ACADEMY TRUST

Notes forming part of the financial statements for the year ended 31 August 2013 (Continued)

9 Accumulated funds

| | Balance at 1 September 2012 £ | Incoming resources £ | Outgoing resources £ | Balance at 31 August 2013 £ |
|----------------------------|--|----------------------------|----------------------------|--------------------------------------|
| Unrestricted general funds | 21,541 | 216,975 | (192,681) | 45,835 |

10 Related party transactions

The Trust is related to Huntingdon Academy by virtue of Trustees M Blois and D Owen being Trustees of Huntingdon Academy. During the year, the Trust supplied services to Huntingdon Academy of £46,267. The Trust also purchased services totalling £153,829 from Huntingdon Academy in the year. No balances were owed to or from either party at the year end.

The Trust is related to Edna G Olds Academy by virtue of trustee D Owen being Trustee of Edna G Olds Academy. During the year, the Trust supplied services to Edna G Olds Academy of £46,140. The Trust also purchased services totalling £3,000 from Edna G Olds Academy in the year. At 31 August 2013 an amount of £7,200 was owed to L E A D Academy Trust.

The Trust is related to St Anns Well Academy by virtue of trustee S Parry being Trustee of St Anns Well Academy. During the year, the Trust supplied services to St Anns Well Academy of £43,200. The Trust also purchased services totalling £5,450 from St Anns Well Academy in the year. At 31 August 2013 an amount of £7,200 was owed to L E A D Academy Trust.

The Trust is related to L E A D Multi-Academy Trust by virtue of trustees M Blois, D Harvey and D Owen being Trustees of L E A D Multi-Academy Trust. During the year, the Trust supplied services to L E A D Multi-Academy Trust of £23,804. The Trust also purchased services totalling £5,385 from L E A D Multi-Academy Trust in the year. No balances were owed to or from either party at the year end.

The Trust is related to Windmill L E A D Academy by virtue of Windmill L E A D Academy being a member of L E A D Multi-Academy Trust. During the year, the Trust supplied services to Windmill L E A D Academy of £4,888. No balances were owed to or from either party at the year end.

The Trust is related to Millfield L E A D Academy by virtue of Millfield L E A D Academy being a member of L E A D Multi-Academy Trust. During the year, the Trust supplied services to Millfield L E A D Academy of £6,088. No balances were owed to or from either party at the year end.

The Trust is related to Sycamore Academy by virtue of a partnership agreement between the two parties. During the year, the Trust supplied services to Sycamore Academy of £43,200. No balances were owed to or from either party at the year end.

The Trust is related to Warren Primary Academy by virtue of a partnership agreement between the two parties. During the year, the Trust supplied services to Warren Primary Academy of £43,200. At 31 August 2013 an amount of £7,200 was owed to L E A D Academy Trust.

Services totalling £18,362 in relation to HR consultancy were purchased from Browne Jacobson LLP of which M Blois, a trustee of L E A D Academy Trust, is a member. At 31 August 2013 an amount of £12,122 was owed by the Trust to Browne Jacobson LLP.

Services totalling £11,291 were purchased from MLG Associates of which M Giddings, a trustee of L E A D Academy Trust, is a member. No balances were owed to or from either party at the year end.

Services totalling £869 were purchased from PeterBerry net Consultancy Ltd of which P Berry, a trustee of L E A D Academy Trust, is a member. No balances were owed to or from either party at the year end.

L E A D. ACADEMY TRUST

Notes forming part of the financial statements for the year ended 31 August 2013 (*Continued*)

12 Ultimate controlling party

The Trustees do not consider there to be an ultimate controlling party

13 Post balance sheet events

On 1 September 2013 the assets and liabilities of the Academies in partnership with the Trust were transferred to L E A D Multi-Academy Trust for £nil consideration

Following this transfer, the Trust will oversee L E A D Multi-Academy Trust as its sponsor