

# **L.E.A.D. Academy Trust**

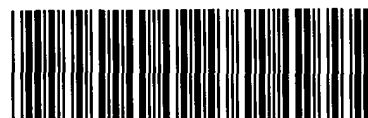
Charity number: 1153236

Registered number: 07767010

## **Trustees report and financial statements**

**For the year ended 31 August 2014**

TUESDAY



\*A469O4QA\*

A28

28/04/2015

#95

COMPANIES HOUSE

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**CONTENTS**

---

	Page
<b>Reference and Administrative Details of the Academy, its Trustees and Advisers</b>	<b>1</b>
<b>Trustees' Report</b>	<b>2 - 10</b>
<b>Trustees' Responsibilities Statement</b>	<b>11</b>
<b>Independent Auditors' Report</b>	<b>12 - 13</b>
<b>Consolidated Statement of Financial Activities</b>	<b>14</b>
<b>Consolidated Balance Sheet</b>	<b>15</b>
<b>Trust Balance Sheet</b>	<b>16</b>
<b>Consolidated Cash Flow Statement</b>	<b>17</b>
<b>Notes to the Financial Statements</b>	<b>18 - 42</b>

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**Members**

M Blois  
D Owen

**Trustees**

D Harvey  
P Berry  
H Dowell  
M Waters (appointed 17 September 2013)

**Company registered number**

07767010

**Charity registered number**

1153236

**Principal and registered office**

The Old Pumphouse, 5 The Ropewalk, Nottingham, NG1 5DU

**Independent auditors**

Mazars LLP, Park View House, 58 The Ropewalk, Nottingham, NG1 5DW

**Bankers**

Lloyds Bank PLC, Old Market Square, Nottingham, NG1 6FD

**Solicitors**

Eversheds LLP, 14 Fletcher Gate, Nottingham, NG1 2FS

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

---

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' Report of L.E.A.D. Academy Trust (the trust and the group) for the year ended 31 August 2014. The Trustees confirm that the Annual Report and financial statements of the trust and the group comply with the current statutory requirements, the requirements of the trust and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

#### **Structure, governance and management**

##### **a. Constitution**

The academy trust is a company limited by guarantee and a registered charity. The charitable company's memorandum and articles of association are the primary governing documents of the trust. The Trustees of the L.E.A.D. Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

The principal object of the group is to advance for the public benefit, education in the United Kingdom by acting as sponsor for the establishment of new academies.

The trust is a sponsor to L.E.A.D. Multi Academy Trust which operates 9 academies which are listed later in this report. L.E.A.D. Academy Trust has a subsidiary during the year ended 31 August 2014, L.E.A.D. Services Limited.

With effect from 1 September 2013 L.E.A.D. Academy Trust has the power to appoint the majority of trustees to the Board of L.E.A.D. Multi Academy Trust and as a consequence, L.E.A.D. Academy Trust is required to consolidate the results of L.E.A.D. Multi Academy Trust for the year ended 31 August 2014.

As L.E.A.D. Multi Academy Trust is the largest entity within the L.E.A.D. Academy Trust group of companies and there is minimal level of activity for L.E.A.D. Academy Trust, it is considered appropriate to prepare financial statements of this company on the same basis as that of L.E.A.D. Multi Academy Trust

##### **b. Members' liability**

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

##### **c. Method of recruitment and appointment or election of Trustees**

The total number of Trustees shall not be less than three and unless determined otherwise by ordinary resolution, shall be subject to a maximum of nine.

The policy for appointment of the Trustees shall be:

- up to six directors elected by the members; and
- up to three directors elected by the directors.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **d. Policies and procedures adopted for the induction and training of Trustees**

The training and induction provided for each new Trustee will depend on their existing experience and where necessary induction will provide training on charity, educational, legal and financial matters. All Trustees are provided will access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that will be carried out as their role as Trustees. An annual skills audit of Trustees, should any gaps be identified training courses are offered to address these issues.

#### **e. Organisational structure**

The L.E.A.D. Academy Trust is a separate trust which is the sponsor of L.E.A.D. Multi-Academy Trust. The L.E.A.D. Multi-Academy Trust currently contains the following academies, the results of which are included in these financial statements:-

- Huntingdon Academy
- Sycamore Academy
- Warren Academy
- St Ann's Well Academy
- Edna G Olds Academy
- Hogarth Academy
- Windmill L.E.A.D. Academy
- Millfield L.E.A.D. Academy
- Bishop Alexander L.E.A.D. Academy

In addition to this, L.E.A.D. Academy Trust also controls a trading company, L.E.A.D. Services Limited.

The management structure consists of seven levels; the Members, the Board of Trustees, the Chief Executive, the Executive Management Team, the Head Teachers of each academy, the Governing Body of each academy and the Senior Leadership Team within each academy. The aim of the management structure is to devolve responsibility and encourage decision making at all levels.

Directors of L.E.A.D. Services Limited received no remuneration and any surpluses generated by L.E.A.D. Services Limited are gift aided to the L.E.A.D. Academy Trust for reinvestment as grants within the L.E.A.D. Multi-Academy Trust. During the financial year 2013/14 L.E.A.D. Services providing the following services to L.E.A.D. Multi-Academy Trust at cost only:

- £10,096 National Professional Leadership Qualifications
- £5,600 Urban Leadership Training Programme

The Trustees are responsible for setting general policy, adopting an annual strategic plan and budget, monitoring of each academies performance and appointment of the Head Teachers and Chairs of Governing Bodies.

The Executive Management Team is the Chief Executive, Executive Heads and the Business Director supported by the Head Teachers of each academy. These managers control the academies at an executive level implementing policies laid down by the Trustees and reporting back to them. As a group these managers are responsible for the authorisation of spending within agreed budgets and appointment of staff.

Each Governing Body receives delegated authority from the Academy Trust Board to support the Board in fulfilling its obligations.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **f. Trustees' indemnities**

A Trustee may benefit from any indemnity insurance purchased at the Trust's expense to cover the liability of the 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 directors of the Trust.

The trustees have liability insurance with Zurich effective date 1st February 2014. There is a limit of indemnity of £25,000,000.

#### **Objectives and Activities**

##### **a. Objects and aims**

The principal object and activity of the charitable company is to advance for the public benefit, education in the United Kingdom by establishing, maintain, carrying on, managing and developing schools offering a broad and balanced curriculum.

These objects are achieved through L.E.A.D. Multi Academy Trust and L.E.A.D. Services Limited, entities controlled by L.E.A.D. Academy Trust.

In addition, to promote for the benefit of individuals living in the East Midlands and surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreating or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

L.E.A.D. Multi Academy Trust has entered into relevant a funding agreement with the Secretary of State. The funding agreements specify, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should be broad and balanced.

The main objects / aims of the trust during the period ended 31 August 2014 are summarised below:

- Through outstanding leadership we, at the L.E.A.D. Academy Trust, will provide the highest quality education to enable every pupil to realise their full potential.
- Through outstanding leadership the L.E.A.D. Academy Trust, will provide the highest quality education to enable every pupil to realise their full potential.
- Utilising the power of partnership working as a catalyst for ensuring more children receive an exceptional education.
- Embracing a combination of autonomy and collaboration across key areas of leadership and management, underpinned by shared vision, values and best practice.
- Provide value for money for the funds expended.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **b. Objectives, strategies and activities**

In every aspect of life the ability to lead is essential. Strong leadership is the key to the success of our schools. We will develop leadership skills in everyone who attends one of them, ensuring the development of pupils as leaders of their own learning.

At L.E.A.D. Academy schools pupils are empowered to have high aspirations for their futures. We nurture and challenge pupils to take responsibility, make decisions and work together so they grow into confident and resilient young people.

We believe in achievement in its broadest sense and that enjoyment of learning is crucial to success. We continually look for and reward achievement in every individual in our schools. We also know that a strong command of English and Maths is vital as a foundation for the whole curriculum and prioritise learning in these core subjects.

We will provide the very best education and training for every individual in our schools and will ensure that this is delivered. We value excellent teaching, underpinned by high quality professional development and will constantly move forwards, using and instigating the best ideas and practice.

We also understand that children need to be motivated if they are to succeed in life and we will provide a stimulating curriculum and environment which will prepare them for their futures with confidence and determination

#### **c. 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. The Academy has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

---

### **Group Strategic Report**

#### **Achievements and performance**

##### **a. 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 Accounting Policies.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **b. Key financial performance indicators**

A summary analysis of key financial performance indicators are listed below:

<b>Indicator</b>	<b>Target</b>	<b>Actual</b>
All staff costs as percentage of expenditure	75-78%	73%
Central services as percentage of income	Below 5%	3.8%
Percentage of academies judged Good or Outstanding	50%	56%

#### **c. Review of activities**

Over the course of the year, the following academies joined the Trust:

- Warren Academy (1 September 2013)
- Hungtingdon Academy (1 September 2013)
- St Ann's Well Academy (1 September 2013)
- Sycamore Academy (1 September 2013)
- Edna G Olds Academy (1 September 2013)
- Hogarth Academy (1 November 2013)
- Bishop Alexander L.E.A.D. Academy (1 February 2014)

In addition, as a result of a resolution passed on 1 September 2013, L.E.A.D. Academy Trust has the power to appoint the majority of trustees to the Board of L.E.A.D. Multi Academy Trust and as a consequence, the financial statements also include the following academies that were already part of L.E.A.D. Multi Academy Trust:

- Millfield Academy
- Windmill Academy

The results across the Trust shows overwhelming that performance is improving and projected to improve further in the future:

	<b>Trust's Performance</b>	<b>National (2013)</b>
Reading, writing and maths Level 4+	77%	76%
Reading, writing and maths Level 5+	17%	21%
Reading Level 4+	83%	86%
Reading Level 5+	43%	45%
Writing Level 4+	85%	84%
Writing Level 5+	31%	30%
SPAG Level 4+	70%	74%
SPAG Level 5+	51%	48%
Maths Level 4+	86%	85%
Maths Level 5+	36%	41%



# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **Financial review**

##### **a. Financial review and risk management objectives and policies**

The vast majority of the Trust's income is obtained from the DfE via the Education Funding Agency (EFA) in the form of recurrent grants to the Trust's academies (Revenue and Capital), the use of which is restricted to particular educational purposes. The grants received from the DfE during the period ended 31 August 2014 and the associated expenditure are shown within Restricted Funds in the Statement of Financial Activities.

The Trust has total incoming resources for the year of £28,878,000 of which £14,880,000 relates to academies joining the Trust during the year. Total resources for the year totalled £13,384,000 of which £9,696,000 relate to staff costs. The total funds at 31 August 2014 total £15,462,000 which includes £18,036,000 relating to fixed assets; £1,888,000 unrestricted funds and £(4,462,000) of restricted funds.

At 31st August 2014 the net book value of fixed assets was £17,968,000 and movements in tangible fixed assets are shown in note 17 to the financial statements. The assets were used exclusively for providing education and the associated support services for pupils of the Academy.

During the year funding of £613,000 was secured for investment in the Trust's fixed assets.

Key financial policies adopted or reviewed during the period cover Asset and Depreciation, Finance Procedures and regulations are set out within the Trusts Finance Procedures. In addition the Trust has approved policies on Fraud, Whistle blowing, Tendering and Expenses and charges. The Trusts procedures set out the framework for financial management, including financial responsibilities of Trustees, Executive Management Team, Head Teachers and finance staff centrally and in academies. Delegated financial responsibilities are set out within the Trusts scheme of delegation and the financial procedures.

Central support services have been developed covering educational support, finance, governance, IT, risk management, legal and human resources. These services will continue to develop as further academies join the Trust.

##### **b. Principal risks and uncertainties**

The major risks to the which the Trust is exposed, as identified by the trustees, have been reviewed, and systems and procedures have been established to mitigate those risks. The schedule of risks are tabled and reviewed at all Board Meetings and mitigating actions are agreed as required.

##### **Operational Risk**

No current or soon to be joining academy faces any financial risk associated with falling rolls. A number of academies are working with the relevant local authority to increase planned admission numbers to meet local shortages of primary places. It is anticipated that expansion of pupil numbers is an opportunity to strengthen finances of academies. Nevertheless at the same time the uncertainties relating the next stage of the reform of school funding arrangements, the freeze on the Government's overall education budget, changes in funding arrangements for special needs pupils and increasing employment and premises costs are all contributing to cost pressure in future periods, which increases the importance of maintaining robust levels of revenue reserves.

##### **Credit Risk**

The Trust recognises exposure to credit risk is the risk that revenues (self-generated or government funding) cannot be collected, and the exposure to banks where the Trust's own cash is deposited. The credit risk is low for the Trust due to all cash and performance fee balances with banks have assigned high credit ratings. The Trust does not hold client cash balances or assets so are not exposed to client credit risk.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **Liquidity Risk**

Prudent liquidity risk management includes maintaining sufficient cash and interest-bearing deposits. To minimise this risk a high percentage of asset funds are held within flexible accounts. The Trust recognises that the defined benefit schemes deficits (Local Government Pension Schemes) as a significant liability, which is set out in note 26 to the financial statements, represents a significant potential liability. However, as the Trustees of the Trust consider that Trust is able to meet its known annual deficit contribution commitments for the foreseeable future, the risk from this liability is minimised and is manageable.

#### **c. Reserves policy**

The Board of Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

During this financial year seven academies have joined the group contributing towards the current level of reserves as at the 31 August 2014.

The Trust in the short term will ensure some of the reserve funds are invested in the following:

- The Trust see's ICT provision in our academies as a key part of our children's learning. As such academies will be investing surplus funds to maintain and develop their ICT infrastructure.
- The Trust is committed towards maintaining its buildings and is developing a capital maintenance programme aimed at ensuring a long useful life for the Trusts assets.

Future financial cost pressures for each of the academies will also reduce the level of financial reserves in the long term.

The Trust is currently undertaking a review to identify and assess capital investment priorities and in addition, the DfE have yet to confirm the level of capital funding the Trust will receive going forward. The outcomes of these factors will inform the Trust's long term reserves policy. However as an interim measure, the Board of Trustees have agreed that the minimum level of reserves held for revenue purposes should fall no lower than £0.7 million across the nine academies and teaching school.

#### **d. Deficit**

Restricted funds held at 31 August 2014 include a pension reserve with a deficit balance of £4,611,000. This represents the Local Government Pension Scheme liability, for which the Trust regularly consider the future pension contributions made against this balance.

#### **e. Material investments 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.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **Plans for future periods**

##### **a. Future developments**

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.

The Trust plans for modest growth in the number of academies it runs. It is anticipated that by the end of the next accounting year there will be at least 12 to 14 schools within the organisation. The predicted combined annual turnover at that point will be approximately £20m.

---

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

None.

#### **Employee involvement and employment of the disabled**

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The trust and the group carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The trust and the group has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities Policy
- Volunteers' Policy
- Health & Safety Policy

In accordance with the trust and the group's Equal Opportunities Policy, the trust and the group has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the trust and the group's offices.

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**Disclosure of information to auditors**

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

This report, incorporating the Group Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 25/2/2015 and signed on the board's behalf by:



**M Blois**  
**Chair**

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Group Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education 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 the group 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group 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 and the group 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 EFA/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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 25/2/2015 and signed on its behalf by:



**M Blois**  
**Chair of Trustees**

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **INDEPENDENT AUDITORS' 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 2014 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group Consolidated Cash Flow Statement, and the related notes. 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 charity's trustees 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 charity's trustees 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 charity and the charity's trustees as a body for our audit work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable 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.

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. This report is made solely to the charity's trustees 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 charity's trustees 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 charity and the charity's trustees as a body for our audit work, for this report, or for the opinion we have formed.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable trust's affairs as at 31 August 2014 and of the group's 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.

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF L.E.A.D. ACADEMY TRUST**

---

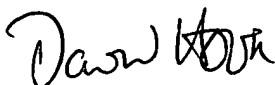
**Opinion on other matter prescribed by the Companies Act 2006**

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 parent charitable trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable trust 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.



David Hoose (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants  
Statutory Auditor

Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

Date: 27/4/15

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

		Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
	Note					
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Voluntary income	2	1,546	(4,246)	17,580	14,880	-
Activities for generating funds	3	196	-	-	196	-
Investment income	4	3	-	-	3	-
Incoming resources from charitable activities	5	-	12,768	613	13,381	-
Other incoming resources	6	276	142	-	418	217
<b>Total incoming resources</b>		<b>2,021</b>	<b>8,664</b>	<b>18,193</b>	<b>28,878</b>	<b>217</b>
<b>Resources expended</b>						
Costs of generating funds:						
Fundraising expenses and other costs		92	-	-	92	-
Charitable activities		87	12,695	408	13,190	165
Governance costs	10	-	102	-	102	27
<b>Total resources expended</b>		<b>179</b>	<b>12,797</b>	<b>408</b>	<b>13,384</b>	<b>193</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>1,842</b>	<b>(4,133)</b>	<b>17,785</b>	<b>15,494</b>	<b>24</b>
Transfers between Funds	22	-	(251)	251	-	-
<b>Net incoming resources before revaluations</b>		<b>1,842</b>	<b>(4,384)</b>	<b>18,036</b>	<b>15,494</b>	<b>24</b>
Actuarial gains and losses on defined benefit pension schemes		-	(78)	-	(78)	-
<b>Net movement in funds for the year</b>		<b>1,842</b>	<b>(4,462)</b>	<b>18,036</b>	<b>15,416</b>	<b>24</b>
Total funds at 1 September 2013		46	-	-	46	22
<b>Total funds at 31 August 2014</b>		<b>1,888</b>	<b>(4,462)</b>	<b>18,036</b>	<b>15,462</b>	<b>46</b>

All activities relate to acquisitions.

The notes on pages 18 to 42 form part of these financial statements.



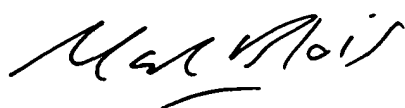
**L.E.A.D. ACADEMY TRUST**

Registered number: 07767010

**(A Company Limited by Guarantee)****CONSOLIDATED BALANCE SHEET  
AS AT 31 AUGUST 2014**

	Note	£000	2014 £000	£000	2013 £000
<b>Fixed assets</b>					
Tangible assets	17		17,968		-
<b>Current assets</b>					
Stocks	19	9		-	
Debtors	20	989		27	
Cash at bank		2,407		48	
		<u>3,405</u>		<u>75</u>	
<b>Creditors:</b> amounts falling due within one year	21	(1,300)		(29)	
<b>Net current assets</b>			2,105		46
<b>Total assets less current liabilities</b>			20,073		46
Defined benefit pension scheme liability	27		(4,611)		-
<b>Net assets including pension scheme liability</b>			<u>15,462</u>		<u>46</u>
<b>Funds of the academy</b>					
Restricted funds:					
Restricted funds	22	149		-	
Restricted fixed asset funds	22	18,036		-	
		<u>18,185</u>		<u>-</u>	
Restricted funds excluding pension liability		18,185		-	
Pension reserve		(4,611)		-	
		<u></u>		<u></u>	
Total restricted funds			13,574		-
Unrestricted funds	22		1,888		46
<b>Total funds</b>			<u>15,462</u>		<u>46</u>

The financial statements were approved by the Trustees, and authorised for issue, on  
*25/2/2015* and are signed on their behalf, by:



**M Blois**  
**Chair of Trustees**

The notes on pages 18 to 42 form part of these financial statements.

**L.E.A.D. ACADEMY TRUST**

Registered number: 07767010

**(A Company Limited by Guarantee)****TRUST BALANCE SHEET  
AS AT 31 AUGUST 2014**

	Note	£000	2014 £000	£000	2013 £000
<b>Current assets</b>					
Debtors	20	-		27	
Cash at bank		36		48	
		<u>36</u>		<u>75</u>	
<b>Creditors: amounts falling due within one year</b>	21	(3)		(29)	
<b>Net current assets</b>			33		46
<b>Net assets</b>			<u>33</u>		<u>46</u>
<b>Funds of the academy</b>					
Unrestricted funds	22		33		46
<b>Total funds</b>			<u>33</u>		<u>46</u>

The financial statements were approved by the Trustees, and authorised for issue, on 25/2/2015 and are signed on their behalf, by:



**M Blois**  
**Chair of Trustees**

The notes on pages 18 to 42 form part of these financial statements.

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	<b>Note</b>	<b>2014 £000</b>	<b>2013 £000</b>
Net cash flow from operating activities	<b>24</b>	1,011	(46)
Returns on investments and servicing of finance	<b>25</b>	3	-
Capital expenditure and financial investment	<b>25</b>	(269)	-
Cash transferred on conversion to an academy trust	<b>30</b>	1,614	-
<b>Increase/(Decrease) in cash in the year</b>		<b>2,359</b>	<b>(46)</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	<b>2014 £000</b>	<b>2013 £000</b>
Increase/(Decrease) in cash in the year	2,359	(46)
<b>Movement in net funds in the year</b>	<b>2,359</b>	<b>(46)</b>
Net funds at 1 September 2013	48	94
<b>Net funds at 31 August 2014</b>	<b>2,407</b>	<b>48</b>

The notes on pages 18 to 42 form part of these financial statements.

Cash flows derived from acquisitions in the current financial period.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **1. Accounting Policies**

##### **1.1 Basis of preparation of financial statements**

L.E.A.D. Academy Trust controls L.E.A.D. Multi Academy Trust and any academies sponsored by the L.E.A.D. Multi Academy Trust will be incorporated as divisions of L.E.A.D. Multi Academy Trust. L.E.A.D. Academy Trust has the power to appoint the majority of trustees to the Board of L.E.A.D. Multi Academy Trust and as a consequence the company is required to consolidate the results of L.E.A.D. Multi Academy Trust for the year ended 31 August 2014.

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. From 1 September 2013, L.E.A.D. Academy Trust had the power to appoint the majority of trustees to the Board of L.E.A.D. Multi Academy Trust, therefore consolidated financial statements are prepared for the first time for the year ended 31 August 2014.

No separate SOFA has been presented for the trust alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

##### **1.2 Basis of consolidation**

The financial statements consolidate the accounts of L.E.A.D. Academy Trust and all of its subsidiary undertakings ('subsidiaries').

The trust has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

##### **1.3 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **1. Accounting Policies (continued)**

##### **1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

*The value of donated services and gifts in kind provided to the trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the trust's policies.*

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **1. Accounting Policies (continued)**

##### **1.5 Resources expended**

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the trust's educational operations.

Governance costs include the costs attributable to the trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

##### **1.6 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	50 years
Leasehold improvement	-	20 years
Fixtures and fittings	-	5 years
Computer equipment	-	4 years

##### **1.7 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **1. Accounting Policies (continued)**

##### **1.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

##### **1.9 Taxation**

The 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 trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

##### **1.10 Pensions**

Retirement benefits to employees of the trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

#### **1. Accounting Policies (continued)**

##### **1.11 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

##### **1.12 Conversion to an academy trust**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Hogarth Primary and Nursery School and Bishop Alexander Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for L.E.A.D. Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 30.

##### **1.13 Acquisition accounting**

The net asset values of the L.E.A.D. Multi Academy Trust at the date it became controlled by the Trust have been accounted for under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income in accordance with recommended academy accounting practice.

#### **2. Voluntary income**

	<b>Unrestricted funds 2014 £000</b>	<b>Restricted funds 2014 £000</b>	<b>Total funds 2014 £000</b>	<b>Total funds 2013 £000</b>
Transfer from Local Authority on conversion	124	2,669	2,793	-
Donations upon the transfer of an existing academy	1,422	10,665	12,087	-
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	1,546	13,334	14,880	-
	<hr/>	<hr/>	<hr/>	<hr/>



**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**3. Activities for generating funds**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Hire of facilities	17	-	17	-
Education support	92	-	92	-
Catering income	87	-	87	-
	<u>196</u>	<u>-</u>	<u>196</u>	<u>-</u>

**4. Investment income**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Bank interest receivable	3	-	3	-
	<u>3</u>	<u>-</u>	<u>3</u>	<u>-</u>

**5. Funding for Academy's educational operations**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	10,681	10,681	-
Other DfE/EFA Grants	-	1,334	1,334	-
	<u>-</u>	<u>12,015</u>	<u>12,015</u>	<u>-</u>
<b>Other government grants</b>				
Local authorities grants	-	753	753	-
	<u>-</u>	<u>753</u>	<u>753</u>	<u>-</u>
<b>Other funding</b>				
Capital Grants	-	527	527	-
Devolved Formula Capital	-	86	86	-
	<u>-</u>	<u>613</u>	<u>613</u>	<u>-</u>
	<u>-</u>	<u>13,381</u>	<u>13,381</u>	<u>-</u>

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**6. Other incoming resources**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Academy trips	-	142	142	-
Other income	276	-	276	217
	<u>276</u>	<u>142</u>	<u>418</u>	<u>217</u>

**7. Resources expended**

	Staff costs £000	Premises £000	Other costs £000	2014 £000	2013 £000
Cost of activities for generating funds	-	-	92	92	-
	<u>-</u>	<u>-</u>	<u>92</u>	<u>92</u>	<u>-</u>
<b>Academy's educational operations</b>					
- Direct costs	8,013	350	938	9,301	165
- Allocated support costs	1,683	1,447	759	3,889	-
	<u>9,696</u>	<u>1,797</u>	<u>1,697</u>	<u>13,190</u>	<u>165</u>
Governance costs including allocated support costs	-	-	102	102	27
Total	<u>9,696</u>	<u>1,797</u>	<u>1,891</u>	<u>13,384</u>	<u>193</u>

**8. Direct costs**

	Unrestricted funds £000	Restricted funds £000	2014 £000	2013 £000
<b>Teaching and educational support staff</b>				
Wages and salaries	-	8,013	8,013	46
Depreciation	-	350	350	-
Educational supplies	-	289	289	-
Educational visits	-	157	157	-
Staff development	-	114	114	-
Other direct costs	-	378	378	119
Total	<u>-</u>	<u>9,301</u>	<u>9,301</u>	<u>165</u>

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**9. Allocated support costs**

	Unrestricted funds £000	Restricted funds £000	2014 £000	2013 £000
Support staff costs	-	1,683	1,683	-
Maintenance of premises and equipment	-	719	719	-
Cleaning	-	140	140	-
Rent and rates	-	224	224	-
Insurance	-	250	250	-
Security and transport	-	57	57	-
Other support costs	-	327	327	-
Recruitment	-	12	12	-
Catering	87	331	418	-
Bank interest and other charges	-	1	1	-
Depreciation	-	58	58	-
<b>Total</b>	<b>87</b>	<b>3,802</b>	<b>3,889</b>	<b>-</b>

**10. Governance costs**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Governance Auditors' remuneration	-	35	35	-
Governance Auditors' non audit costs	-	8	8	-
Legal and professional	-	59	59	27
	-	102	102	27

**11. Net incoming / (outgoing) resources**

This is stated after charging:

	2014 £000	2013 £000
Depreciation of tangible fixed assets:		
- owned by the charitable group	408	-
Auditors' remuneration	35	-
Auditors' remuneration - non-audit	8	-
Operating lease rentals:		
- other operating leases	23	-

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**12. Staff**

**a. Staff costs**

Staff costs were as follows:

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	7,605	25
Social security costs	558	19
Other pension costs (Note 27)	1,102	2
	<u>9,265</u>	<u>46</u>
Supply teacher costs	275	-
FRS17 Pension	156	-
	<u>9,696</u>	<u>46</u>

**b. Staff numbers**

The average number of persons employed by the trust during the year expressed as full time equivalents was as follows:

	<b>2014</b>	<b>2013</b>
	<b>No.</b>	<b>No.</b>
Teachers	86	0
Administration and support	154	0
Management	23	1
	<u>263</u>	<u>1</u>

**c. Higher paid staff**

The number of employees whose emoluments fell within the following bands was:

	<b>2014</b>	<b>2013</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	6	0
In the band £70,001 - £80,000	1	0
In the band £80,001 - £90,000	1	0
In the band £160,001 - £170,000	1	0
	<u>9</u>	<u>0</u>

The above individuals are members of the Teachers Pension Scheme and during the period contributions totalling £80,820 were made by the Trust.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

#### **13. Central services**

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

- Educational services
- ICT services
- Governance services
- Data services
- Academy conversion services
- Finance services
- Legal services
- Procurement services
- Internal audit

The trust charges for these services on the following basis:

Each academy within the trust allocates between 3.5% - 5% of it's income for central services.

The actual amounts charged during the year were as follows:

	<b>2014 £000</b>
Edna G Old Academy	57
Huntingdon Academy	47
St Ann's Well Academy	53
Sycamore Academy	56
Warren Academy	47
Windmill L.E.A.D Academy	96
Millfield L.E.A.D Academy	64
Hogarth Academy	30
Bishop Alexander Academy	37
	<hr/>
Total	<b>487</b> <hr/>

#### **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, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the trust in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	<b>2014 £000</b>	<b>2013 £000</b>
D Pomeroy	85-90	
D Owen	135-140	

During the year, Trustees received reimbursement of expenses of £2,386 (2013 - £389).

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**15. Trustees' and officers' insurance**

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 academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £3,256 (2013 - £900). The cost of this insurance is included in the total insurance cost.

**16. Other finance income**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Expected return on pension scheme assets	195	-
Interest on pension scheme liabilities	(351)	-
	<u>(156)</u>	<u>-</u>

**17. Tangible fixed assets**

<b>Group</b>	<b>Long-term leasehold property £000</b>	<b>Fixtures and fittings £000</b>	<b>Computer equipment £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>				
At 1 September 2013	-	-	-	-
Additions	484	204	108	796
Transfer on conversion	3,199	50	29	3,278
Donated assets	13,938	213	151	14,302
	<u>17,621</u>	<u>467</u>	<u>288</u>	<u>18,376</u>
<b>Depreciation</b>				
At 1 September 2013	-	-	-	-
Charge for the year	290	63	55	408
	<u>290</u>	<u>63</u>	<u>55</u>	<u>408</u>
<b>Net book value</b>				
At 31 August 2014	<u>17,331</u>	<u>404</u>	<u>233</u>	<u>17,968</u>
At 31 August 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

#### **18. Fixed asset investments**

L.E.A.D. Academy Trust has the power to appoint the majority of trustees to the Board of L.E.A.D. Multi Academy Trust and as a consequence is consolidated within these financial statements. L.E.A.D. Academy Trust has a subsidiary company, L.E.A.D. Services Limited. These are both held at £Nil value.

L.E.A.D. Multi Academy Trust is a company limited by guarantee, registered in England and Wales. The principal activity is to advance for the public benefit, education in the United Kingdom.

L.E.A.D. Services Limited is a company registered in England and Wales. The principal activity is educational support.

#### **19. Stocks**

	<b>Group</b>		<b>Trust</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Finished goods and goods for resale	9	-	-	-
	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>

#### **20. Debtors**

	<b>Group</b>		<b>Trust</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Trade debtors	96	27	-	27
Other debtors	590	-	-	-
Prepayments and accrued income	303	-	-	-
	<u>989</u>	<u>27</u>	<u>-</u>	<u>27</u>

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**21. Creditors:**  
**Amounts falling due within one year**

	<u>Group</u>		<u>Trust</u>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Trade creditors	300	24	3	24
Other taxation and social security	212	5	-	5
Other creditors	146	-	-	-
Accruals and deferred income	642	-	-	-
	<u>1,300</u>	<u>29</u>	<u>3</u>	<u>29</u>

	<u>Group</u>	<u>Trust</u>
	<b>£000</b>	<b>£000</b>
<b>Deferred income</b>		
Resources deferred during the year	<u>144</u>	<u>-</u>

At the Balance Sheet date the academy trust was holding funds received in advance for Free School Meals totaling £141,053 and Rates Relief of £3,149.



**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**22. Statement of funds**

	<b>Brought Forward £000</b>	<b>Incoming resources £000</b>	<b>Resources Expended £000</b>	<b>Transfers in/out £000</b>	<b>Gains/ (Losses) £000</b>	<b>Carried Forward £000</b>
<b>Unrestricted funds</b>						
General Funds	46	2,021	(179)	-	-	1,888
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	10,485	(10,085)	(251)	-	149
Other DfE/EFA grants	-	1,479	(1,479)	-	-	-
Local authority grants]	-	837	(837)	-	-	-
Other reserves	-	150	(150)	-	-	-
Donations	-	27	(27)	-	-	-
Pension reserve	-	(4,314)	(219)	-	(78)	(4,611)
	-	8,664	(12,797)	(251)	(78)	(4,462)
<b>Restricted fixed asset funds</b>						
Inherited Assets	-	3,278	(158)	-	-	3,120
DfE/EFA capital grants	-	554	(66)	-	-	488
GAG	-	59	(12)	251	-	298
Donations	-	14,302	(172)	-	-	14,130
	-	18,193	(408)	251	-	18,036
Total restricted funds	-	26,857	(13,205)	-	(78)	13,574
Total of funds	46	28,878	(13,384)	-	(78)	15,462

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Directors;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the academy;
- Pension reserve represents the liability on the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

The transfer between Restricted and Restricted Fixed Asset funds relates to funds allocated from General Annual Grant to purchase fixed assets.

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**22. Statement of funds (continued)**

Under the funding agreement with the Secretary of State, the trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

**Analysis of fund balance**

Fund balances at 31 August 2014 were allocated as follows:

	<b>Total £000</b>
Edna G Olds Academy	170
Huntingdon Academy	586
St Ann's Academy	120
Sycamore Academy	291
Warren Academy	(2)
Windmill L.E.A.D Academy	485
Millfield L.E.A.D Academy	121
Hogarth Academy	(29)
Bishop Alexander L.E.A.D Academy	37
Central	212
L.E.A.D. Services	13
L.E.A.D. Academy Trust	33
Total before fixed asset fund and pension reserve	2,037
Restricted fixed asset fund	18,036
Pension reserve	(4,611)
Total	15,462

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**22. Statement of funds (continued)**

**Analysis of cost**

Expenditure incurred during the year was as follows:

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding dep'n £000	Total £000
Edna G Olds Academy	821	148	38	311	1,318
Huntingdon Academy	752	135	58	550	1,495
St Ann's Well Academy	924	108	41	315	1,388
Sycamore Academy	968	204	32	449	1,653
Warren Academy	865	136	15	206	1,222
Windmill L.E.A.D Academy	1,481	174	61	351	2,067
Millfield L.E.A.D Academy	1,074	170	16	288	1,548
Hogarth Academy	622	74	11	169	876
Bishop Alexander L.E.A.D Academy	563	72	17	166	818
Central	47	292	1	146	486
L.E.A.D. Services	-	-	-	92	92
L.E.A.D. Academy Trust	-	-	-	13	13
	<u>8,117</u>	<u>1,513</u>	<u>290</u>	<u>3,056</u>	<u>12,976</u>

**23. Analysis of net assets between funds**

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Tangible fixed assets	-	-	17,968	17,968	-
Current assets	1,974	1,363	68	3,405	74
Creditors due within one year	(86)	(1,214)	-	(1,300)	(28)
Provisions for liabilities and charges	-	(4,611)	-	(4,611)	-
	<u>1,888</u>	<u>(4,462)</u>	<u>18,036</u>	<u>15,462</u>	<u>46</u>

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**24. Net cash flow from operations**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Net incoming resources before revaluations	15,494	24
Returns on investments and servicing of finance	(3)	-
Transfer from local authority	(14,880)	-
Depreciation of tangible fixed assets	408	-
Capital grants from DfE	(527)	-
Increase in stocks	(9)	-
(Increase)/decrease in debtors	(962)	15
Increase/(decrease) in creditors	1,271	(85)
FRS 17 adjustments	219	-
<b>Net cash inflow/(outflow) from operations</b>	<b>1,011</b>	<b>(46)</b>

**25. Analysis of cash flows for headings netted in cash flow statement**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	3	-
<b>Capital expenditure and financial investment</b>		
Purchase of intangible fixed assets	(796)	-
Capital grants from DfE	527	-
<b>Net cash outflow capital expenditure</b>	<b>(269)</b>	<b>-</b>

**26. Analysis of changes in net funds**

	<b>1</b>	<b>Cash flow</b>	<b>Other</b>	<b>31 August</b>
	<b>September</b>		<b>non-cash</b>	<b>2014</b>
	<b>2013</b>	<b>£000</b>	<b>changes</b>	<b>£000</b>
	<b>£000</b>		<b>£000</b>	
Cash at bank and in hand:	48	2,359	-	2,407
<b>Net funds</b>	<b>48</b>	<b>2,359</b>	<b>-</b>	<b>2,407</b>

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **27. Pension commitments**

The group's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by both the Nottinghamshire and Leicestershire County Councils. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

#### **Teachers' Pension Scheme**

##### **Introduction**

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

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 AUGUST 2014**

---

#### **27. Pension commitments (continued)**

##### **Valuation of the Teachers' Pension Scheme**

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

##### **Teachers' Pension Scheme Changes**

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

#### **27. Pension commitments (continued)**

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The group is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the group has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The group has set out above the information available on the scheme.

#### **Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £499,000, of which employer's contributions totalled £379,000 and employees' contributions totalled £120,000. The agreed contribution rates for future years are 18% for employers and varying rates of 5.5% to 7.5% for employees.

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

As described in note 30 the LGPS obligation relates to the employees of the group, 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 group at the balance sheet date.

The group's share of the assets and liabilities in the scheme and the expected rates of return were:

	<b>Expected return at 31 August 2014 %</b>	<b>Fair value at 31 August 2014 £000</b>	<b>Expected return at 31 August 2013 %</b>	<b>Fair value at 31 August 2013 £000</b>
Equities	6.50	3,225	-	-
Bonds	6.20	330	-	-
Property	5.40	448	-	-
Cash	2.90	160	-	-
Other	-	333	-	-
Total market value of assets		4,496		-
Present value of scheme liabilities		(9,107)		-
(Deficit)/surplus in the scheme		(4,611)		-

The amounts recognised in the Balance Sheet are as follows:

	<b>2014 £000</b>	<b>2013 £000</b>
Present value of funded obligations	(9,107)	-
Fair value of scheme assets	4,496	-
Net liability	(4,611)	-

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**27. Pension commitments (continued)**

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

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Current service cost	(528)	-
Interest on obligation	(351)	-
Expected return on scheme assets	195	-
	<hr/>	<hr/>
Total	(684)	-
	<hr/>	<hr/>

Movements in the present value of the defined benefit obligation were as follows:

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Current service cost	528	-
Interest cost	351	-
Contributions by scheme participants	120	-
Actuarial Losses	499	-
Liabilities extinguished on settlements	(147)	-
Benefits paid	(15)	-
Transfer into Trust	7,771	-
	<hr/>	<hr/>
Closing defined benefit obligation	9,107	-
	<hr/>	<hr/>

Movements in the fair value of the group's share of scheme assets:

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Expected return on assets	195	-
Actuarial gains and (losses)	421	-
Assets distributed on settlements	(61)	-
Contributions by employer	379	-
Contributions by employees	120	-
Benefits paid	(15)	-
Transfer into Trust	3,457	-
	<hr/>	<hr/>
	4,496	-
	<hr/>	<hr/>

The cumulative amount of actuarial gains and losses recognised in the Consolidated Statement of Total Recognised Gains and Losses was £(78k) (2013 - £Nil).

The group expects to contribute £405k to its Defined Benefit Pension Scheme in 2015.



**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**27. Pension commitments (continued)**

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2014</b>	<b>2013</b>
Equities	72.00 %	67.00 %
Bonds	13.00 %	19.00 %
Property	11.00 %	11.00 %
Cash	4.00 %	2.00 %
Other	- %	1.00 %

Nottinghamshire County Council Pension Fund

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	<b>2014</b>	<b>2013</b>
Discount rate for scheme liabilities	4.00 %	4.20 %
Rate of increase in salaries	4.50 %	5.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.90 %
Inflation assumption (CPI)	2.70 %	2.90 %

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

	<b>2014</b>	<b>2013</b>
Retiring today		
Males	22.0	19.8
Females	25.1	23.1
Retiring in 20 years		
Males	24.1	22.0
Females	27.4	25.1

Leicestershire County Council Pension Fund

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	<b>2014</b>	<b>2013</b>
Discount rate for scheme liabilities	3.70 %	4.60 %
Expected return on scheme assets at 31 August	5.50 %	5.70 %
Rate of increase in salaries	4.40 %	5.10 %
Rate of increase for pensions in payment / inflation	2.60 %	2.80 %

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

	<b>2014</b>	<b>2013</b>
Retiring today		
Males	22.2	19.8
Females	24.3	23.1
Retiring in 20 years		
Males	24.2	22.0
Females	26.6	25.1

**L.E.A.D. ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**27. Pension commitments (continued)**

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	<b>2014</b> <b>£000</b>	<b>2013</b> <b>£000</b>
Defined benefit obligation	(9,107)	-
Scheme assets	4,496	-
Deficit	<u>(4,611)</u>	<u>-</u>
Experience adjustments on scheme assets	<u>421</u>	<u>-</u>

**28. Operating lease commitments**

At 31 August 2014 the group had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>		<b>Other</b>	
<b>Group</b>	<b>2014</b> <b>£000</b>	<b>2013</b> <b>£000</b>		
<b>Expiry date:</b>			<b>2014</b> <b>£000</b>	<b>2013</b> <b>£000</b>
Within 1 year	-	-	9	-
Between 2 and 5 years	-	-	14	-
	<u>-</u>	<u>-</u>	<u>23</u>	<u>-</u>

**29. Related party transactions**

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

During the period L.E.A.D. Multi-Academy Trust purchased services totalling £3,440 (2013: £55,000) from Browne Jacobson LLP (a partnership of which Mr M Blois is a partner). £Nil (2013: £Nil) were outstanding at the year end relating to these transactions.

In entering into the transactions the trust has complied with the requirements of the EFA's Academies Financial Handbook.

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

#### **30. Conversion to an academy trust**

On 1 November 2013 Hogarth Primary and Nursery School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to L.E.A.D. Multi-Academy Trust from Nottinghamshire County Council for £NIL consideration.

On 1 February 2014 Bishop Alexander Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to L.E.A.D. Multi-Academy Trust from Nottinghamshire County Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Restricted fixed asset funds £000</b>	<b>Total funds £000</b>
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	3,199	3,199
- Other tangible fixed assets	-	-	79	79
Budget surplus/(deficit) on other school funds	124	27	-	151
LGPS pension surplus/(deficit)	-	(636)	-	(636)
Net assets/(liabilities)	<u>124</u>	<u>(609)</u>	<u>3,278</u>	<u>2,793</u>

# **L.E.A.D. ACADEMY TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2014**

#### **31. Transfer to an academy trust**

On 1 September 2013 the board structure and governance model were amended, resulting in L.E.A.D. Academy Trust controlling L.E.A.D. Multi-Academy Trust from that date. Therefore, as at 1 September 2013, the assets and liabilities of L.E.A.D. Multi-Academy Trust are consolidated into the Financial Statements of L.E.A.D. Academy Trust. The academies in the Multi-Academy Trust at that time were:

Windmill Academy  
Millfield Academy  
Huntingdon Academy  
Sycamore Academy  
Warren Hill Academy  
Edna G Olds Academy  
St Ann's Well Academy

All operations and assets and liabilities were transferred for £Nil consideration. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities

	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Restricted fixed asset funds £000</b>	<b>Total funds £000</b>
Tangible fixed assets	-	-	-	-
- Freehold/leasehold land and buildings	-	-	13,938	13,938
- Other tangible assets	-	-	364	364
Budget surplus/(deficit) on other school funds	964	-	-	964
Budget surplus/(deficit) from other trust funds	458	41	-	499
LGPS pension surplus/(deficit)	-	(3,678)	-	(3,678)
<b>Total</b>	<b>1,422</b>	<b>(3,637)</b>	<b>14,302</b>	<b>12,087</b>

#### **32. Controlling party**

The Trustees do not consider there to be a controlling party of L.E.A.D Academy Trust.