

LEADING EDGE ACADEMIES PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

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**LEADING EDGE ACADEMIES PARTNERSHIP
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Brownlow (Askel Veur) (resigned 31 August 2021) J P Field D Elliot S Davey (appointed 1 September 2020) J Eason (resigned 31 August 2021)
Trustees	Mrs J Eason, Chair ^{1,2,3,4} Mr D Sharp, Vice Chair ^{1,2,3} Mr G Anderson ¹ Mr G Chappell (resigned 31 August 2021) ² Canon P Gay, Askel Veur ^{1,4} Mrs J Osborne, Askel Veur ^{2,3} Mr P Taylor-McCartney ¹ Mr R Webb ^{2,4} K Butcher, Chief Executive Officer (appointed 1 September 2020) ^{1,2} ¹ Education Committee ² Finance and Resources Committee ³ Audit and Risk Committee ⁴ Pay Committee
Company registered number	07657923
Company name	Leading Edge Academies Partnership
Principal and Registered office	Unit H Pattern Shop Trevoarn Hayle Cornwall TR27 4EZ
Company secretary	L Sadler
Accounting Officer	K Butcher (appointed 1 September 2020)
Senior management team	A Harvey, Chief Operating Officer (resigned 31 December 2020) D Teasdale, Chief Operating Officer (appointed 4 January 2021) L Sadler, Governance Professional K Butcher, Chief Executive Officer (appointed 1 September 2020)
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Chy Nyverow Newham Road Truro Cornwall TR1 2DP

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates x3 Primary, x2 Secondary and x1 'all-through' academies in Cornwall and the Isles of Scilly. Its academies have a combined pupil capacity of 2880 and had a roll of 2368 in the school census on October 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 1 August 2018 and opened as a Multi Academy Trust with just one member, Mounts Bay Academy, on the same date. It is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Leading Edge Academies Partnership are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as 'Leading Edge Academies Partnership'.

Academies that have joined the MAT in the last twelve months include St Buryan Academy (1 October 2020) as a Converter Academy.

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

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy 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 Academy 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 Academy Trust. The limit of this indemnity is £10.

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

Method of recruitment and appointment or election of Trustees

Trustees are appointed to ensure a strong and varied skill set from a range of business and educational backgrounds including Church representation.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and Funding Agreement:

- Up to 6 Member appointed Trustees;
- Up to 2 Representative Trustees from the diocese (*Askel Veur*);
- Up to 2 co-opted Trustees who are appointed by the Trustee Board; and
- The CEO who is treated for all purposes as being an ex officio Trustee.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- There is no maximum for Trustees appointed by ordinary resolution by the Board.

Trustees are appointed for a four-year period, although this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected. The diocese body referred to as 'Askel Veur' is empowered to appoint two Trustees. When appointing new Trustees, consideration will be given by the Board to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the development of the Trust's academies.

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy Trust has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trust Board.

The training and induction provided for new Trustees will depend upon their existing experience and will always include a visit to one of the Academies, with an opportunity to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they need to undertake their role as Trustees in the form of a 'Governance Handbook'. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies such as the NGA.

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

Organisational Structure

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

There are 2 committees as follows:

- Compliance Committee - this Committee meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget, including setting staffing levels. It also incorporates the role of an audit, admissions, premises and HR committee.
- Education Committee – this Committee meets at least three times a year to monitor, evaluate and review Trust policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral and student welfare issues, including attendance.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status and/or constitution of the Trust and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the CEO and Clerk to the Trustees, to approve the MAT Annual Improvement Plan and budget.

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

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees and Board of Trustees have devolved responsibility for the day to day management of the Academy to the CEO, who works with the six Headteachers and their Senior Leadership Teams (SLT). The SLTs of each of the Academies comprise the Headteacher, Deputy Headteachers, Assistant Headteachers and in some instances Associate Assistant Headteachers. The Headteachers and SLTs in each school implement the policies laid down by the Trustees and CEO. Decisions on policy are developed with the guidance of the Executive Headteacher group. The Headteachers report to the CEO on their performance and the CEO reports to the Chair of the Trust Board.

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

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

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

The CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

All Trustees give their time freely and no Trustee has received any remuneration during the year.

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

The pay of key management personnel including the CEO, COO and the Clerk to the Trust Board is reviewed annually by the Trustees and the pay is normally increased in accordance with average earnings.

The Trustees benchmark against pay levels in other Multi Academy Trusts of a similar size. The benchmark is the mid-point of the range paid for similar roles.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
8	8

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	8
1%-50%	0
51%-99%	0
100%	0

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Percentage of pay bill spent on facility time

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

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	0
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Whilst administration support was made available, no additional time was requested over the year by the representatives.

Related Parties and other Connected Charities and Organisations

The Academy Trust has a wide range of organisations within its network and international links with a number of schools in America, Africa, Asia, Tanzania and Europe, as well as international companies, such as 'Apple' and 'Google', who support digital learning with free training and materials.

In addition, the Academy Trust has national links with the following organisations who all help provide high quality CPD:

- Challenge Partner Network of Excellence
- Princes Teaching Institute
- SSAT
- Whole Education network
- Innovation Unit
- PIXL

Via Mounts Bay Academy, the Trust is a regional Associate Research School in addition to its National Teaching School Status and works with the Education Endowment Foundation to support the dissemination of recent educational research.

Locally, the Academies are creating active links with their communities to enrich the curriculum and support the development of cultural capital. The links are with sports associations, arts bodies, environmental groups and STEM organisations. The Academies open their facilities to the community and offer services, such as Football Association courses and events to name just one of many.

The Trust has no related parties that control or significantly influence the decisions or operations of the organisations' schools.

Engagement with employees (including disabled persons)

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

- Encouraging the involvement of employees in the company's performance and related activities e.g. Research Circles, TeachMeets

**TRUSTEES' REPORT (CONTINUED)
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- Consulting with employees on key matters, including engaging the relevant union officials
- Having a staff representative on the Local Academy Committees
- Regular updates to all staff Trustees, via half termly updates and newsletters, including covering both financial and non-financial performance
- Consulting with employees on Trust strategy and future plans
- Achieving a common awareness on the part of all employees of the factors affecting the performance of the Trust via local updates
- Its policy and processes around employment of disabled persons, their career development and training

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

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

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

Our employees are vital to the Trust and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular feedback and joint communication sessions. We address any issues raised by our employees as quickly as possible and communicate back to them what we have done. All staff are offered access to a well-being support service and the Trust seeks to ensure that staff welfare is actively considered and addressed. Through our health and safety policies, as well as through local committees, we also actively seek to ensure that the working environment meets due high standards of safety and security.

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

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

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

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

**TRUSTEES' REPORT (CONTINUED)
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OBJECTIVES AND ACTIVITIES

Objects and Aims

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

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

- **Ethical Behaviour**
- **Excellence**
- **Evolution**
- **Empathy**
- **Endurance**
- **Equity**

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

Objectives, Strategies and Activities

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

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

In 2020-2021 these long term priorities were then further broken down into the following:

Priority 1: A Leading Edge Opportunity for all to thrive in the 2020-2021 return to school through equity and ambition

The most significant 2020-2021 priority for us was the physical and emotional well-being of our staff and pupils during the pandemic. Identifying missed learning was also a key component and with forced national school closures throughout the year, the schools had to adapt quickly and seamlessly between remote and in-school learning, using digital technologies as a powerful tool.

The needs of our most vulnerable children were monitored closely throughout via our two SEND Trust leaders.

Despite all of the challenges which the pandemic presented us with, we were still able to further develop our curriculum with the identity and use of concepts being a key development.

Priority 2: Leadership and Capacity: To ensure that high quality leadership at all levels of the Trust promotes the highest educational outcomes

2020-2021 saw a high degree of leadership changes in the Trust with a newly appointed CEO and COO. Substantive Headteacher's in St Hilary and Fowey River Academy were also appointed following succession planning over a period of time.

This priority was aimed at ensuring that high quality leadership was extended to all levels: subject, school and across school via the Research Circles and opportunities for leaders to work together.

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Communication was a key part of this priority and half termly 'e-zines' were introduced to keep all staff across the Trust updated on the latest developments.

Priority 3: People and Partnerships: To ensure that the 'Leading Edge Academies Partnership' is an employer of choice which supports, inspires, develops, recognises and rewards excellence amongst employees

This priority focussed on Continuing Career Development, HR provision and maintaining valuable external networks with Challenge Partners and Whole Education. Despite the pandemic, three members of staff across the Trust began NPQH qualifications. Whilst physical Challenge Partner Quality Assurance reviews were not able to take place, these were replaced by useful remote consultancy. Staff well-being continued to be a key area and the need was exacerbated due to the pandemic. A Trust-wide well-being package including counselling and coaching provision was procured with access for all staff.

Priority 4: A positive and expectant culture: Growth founded on sharing the clearly articulated Vision, Mission and Values

The vision, mission and values became increasingly embedded in Trust documentation throughout the year and were communicated to Trust staff and pupils wherever possible. A more collaborative approach to collective responsibility was begun by building links of expertise between schools, in SEND for example. Termly TeachMeets became a valuable way of teachers sharing their expertise, particularly during periods of remote education.

Priority 5: Resources: To ensure that all Trust resources are well-used, maintained and managed to ensure improvement capacity and growth for the future

The biggest thrust of this priority was to ensure all children from disadvantaged backgrounds had access to appropriate technologies for remote learning. Due to the previous work on digital implementation, this was straightforward for our Secondaries but more complex for our primary schools. Due to Catch-up funding and use of excess reserves, 1:1 technologies had been procured for all children in KS2 by the end of the academic year.

Public Benefit

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

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

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

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

STRATEGIC REPORT

Achievements and Performance

The Academy Trust grew from five schools to six over the year with St Buryan joining us in October 2020. All of the schools contribute to the 'central pot'.

The achievement and performance data have been included below although it should be noted that this year's results are atypical due to the pandemic and the consequential changes to the assessment system. Whilst all of the achievement priorities remained over the course of the year, the importance of health and

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safety, well-being of staff and pupils and a blended approach to remote education became the most important.

Outcome data is available for all of the Secondary schools in the Trust. This data was measured using 'Teacher Assessed Grades' (TAG's).

The cohort size for each school is as follows with English and Mathematics percentages at grade 5:

Mounts Bay Academy	193 students	51.3% standard pass
Five Islands Academy	18 students	42.9% standard pass
Fowey River Academy	119 students	35.3% standard pass

The secondary Progress 8 figures are as follows for 2021.

Mounts Bay Academy	0.17
Five Islands Academy	1.29
Fowey River Academy	0.15

The secondary Achievement 8 figures as follows and are also much improved on 2019 in all Academies and they are above the average estimate nationally is 42.1 by FFT:

Mounts Bay Academy	59.21
Five Islands Academy	54.5
Fowey River Academy	48.35

The EBACC figures are for APS (Average Points Score) and % EBACC Entry

Mounts Bay Academy	4.69 and 38.3%
Five Islands Academy	4.82 and 42.9%
Fowey River Academy	4.35 and 45.4%

The Pupil Premium results are as follows:

Mounts Bay Academy	+0.02
Five Islands Academy	+1.68
Fowey River Academy	-0.33

Primary assessment data for 2020-2021 will not be published this year as no formal assessments were taken. However, our internal data shows that across the Trust, reading is a strength with assessment results above the national average when compared to 2019 for both Expected and Greater Depth. Our disadvantaged pupils attained broadly in-line with their peers.

Writing is the area with the lowest attainment, which is a trend across the country, however results are still not far below the 2019 national average. Consistency in writing assessment across all schools will be improved next year following a consolidation of writing assessment protocols agreed by all English leads and supported by joint moderation. Pupil premium attainment was below that of their peers, particularly in Greater Depth. Maths is broadly in-line with the 2019 national average. Pupil premium attainment is below that of their peers at both Expected and Greater Depth.

There are no consistent and significant trends of difference between the four schools, with all presenting secure attainment overall.

Progress in all subjects is greater than expected and reasonably consistent across subjects. This is also true for each individual school with no significant or consistent trend of difference.

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We know that nationally disadvantaged pupils are the biggest concern with regards to progress during the pandemic. In our academies, Pupil Premium PP progress is mixed across the 3 subject areas with reading being above their peers, writing below their peers and maths slightly below their peers. This information will inform our actions in 2021-2022.

Fowey River Academy received two Ofsted monitoring visits in 2021- one remote and one in person. Both outcomes were very positive and showed “a strong upward trajectory for improvement”. No other schools received Ofsted visits and so the grades remain as previous.

Numbers on roll have remained stable across the Trust with an increasing number of pupils at Fowey River Academy.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG). In period under review, £2,795 was carried forward representing 0.00% of GAG.

As funding is based on pupil numbers, this is also a key performance indicator. Pupil numbers for the 2020/21 year-end are 2363 remaining steady.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2021 this was 75.5 % compared to 75% in 2020.

	<i>Target</i>	<i>Actual</i>
<i>Total unrestricted funds balance</i>	<i>£641,087(5% of GAG)</i>	<i>£1,190,197(of which £203,781 relates to designated funds)</i>
<i>Pupil to teacher ratio</i>	<i>20.6</i>	<i>16.29</i>
<i>Teaching to non-teaching staff ratio</i>	<i>1</i>	<i>1.28</i>
<i>Student attendance %</i>	<i>Target removed due to pandemic</i>	
<i>Ratio of staff costs to total income</i>	<i>80%</i>	<i>75%</i>

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

Most of the Academy Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended

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31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy Trust's accounting policies.

During the year ended 31 August 2021, the Academy Trust received a total income of £19,512,878 and incurred a total expenditure of £17,335,959. The excess of income over expenditure for the year was £2,176,919, which was largely due to income awarded for CIF projects in the year not yet spent.

As at 31 August 2021 the net book value of fixed assets was £35,443,504 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

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

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

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teachers, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

Reserves Policy

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

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

Investment Policy

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The principal risks and uncertainties facing the Academy Trust are as follows:

Covid-19 – the unpredictability of the virus and the associated Government response has made it difficult to plan ahead. Increased positive cases in the South West have resulted in individuals and year groups being forced to isolate outside government imposed 'lock downs'. The Academy Trust's commitment to digital technology ensured that remote learning was implemented effectively. Trust compliance support has ensured that appropriate systems and risk mitigations are in place in Trust schools.

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Financial - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year the vast majority of the Academies' incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. There are also unexpected costs associated with the virus which may be an added risk to a normal year.

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

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

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

Staffing - the success of the Academy Trust is reliant upon the quality of its staff. Trustees monitor and review policies and procedures to ensure continued development and training of staff, as well as to ensure there is clear succession planning. A permanent CEO has been recruited to replace the existing CEO who retired on 31st August 2020. A new COO was appointed with business experience as part of the Trust's commitment to filling skills gaps. Permanent appointments of Heads at St Hilary School and Fowey River Academy has ensured that there is now a stable leadership team across the Trust.

Fraud and mismanagement of funds - The Academy Trust has appointed a Local Authority internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. An internal audit function has also been created, auditing financial processes and procedures across all schools.

The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained, reviewed and updated on a regular basis.

The Academy Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk remains, Trustees have ensured they have adequate insurance cover.

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

At the year end, the Academy Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 27 to the financial statements, represents a significant potential

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

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

liability. However, as the Trustees consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

Mounts Bay Academy received significant CIF funding for Thermal Comfort Works across the school. Fowey River Academy were awarded two CIF funding pots for flat roof replacement and asbestos removal. This is in addition to the Strategic School Improvement funding that is outstanding.

Both Mounts Bay Academy and St Buryan Academy were awarded Salix grants for the provision of LED lighting throughout the school.

Five Islands Academy has been allocated £363k basic needs funding and £500K SEND funding to develop additional classroom and SEND provision within the site at St Mary's.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	3,152,184	4,123,820
Energy consumption break down (kWh) (optional)		
• gas,	1,108,025	2,475,129
• electricity,	1,112,564	1,515,073
• transport fuel	6,667	133,618
<u>Scope 1 emissions in metric tonnes CO₂e</u>		
Gas consumption	367	360.1
Owned transport – mini-buses		24.1
<u>Total scope 1</u>		
<u>Scope 2 emissions in metric tonnes CO₂e</u>		
Purchased electricity	236.2	353.2

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	70.7	8.3
Total gross emissions in metric tonnes CO2e	681.85	878.4
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.26	0.39

Quantification and Reporting Methodology

TEAM were able to source data covering 01/09/2020 – 31/08/2021 from:

1. Billing data for gas, electricity and gas
2. Organisation Mileage expense data
3. Organisation fuel receipt data
4. Costs per unit for electricity, gas, oil, petrol and diesel were worked out using realistic estimates of prices throughout the reporting period
5. There was no fuel mileage, as recommended by the guidelines, converted total cost to litres and then used litre conversions to CO2e

Using the latest figures provided by The Department for Business, Energy and Industrial Strategy (BEIS) and The Department for Environment, Food and Rural Affairs (DEFRA), TEAM were able to convert the usable data into Tonnes of Carbon Dioxide equivalent (tonnes of CO2e).

Intensity measurement

The intensity measure variable that Leading Edge Academies Trust is using for SECR is total numbers of students + Staff FTE as of the start of the academic year for which the financial year covered. This is because this is an easily replicable measure for future submissions and Covid-19 had no direct effect on the numbers. The total number was 2640.47

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings to reduce the need for travel between sites.

TEAM also recommend implementing energy efficiency actions on an annual basis to ensure the continuous reduction of CO2

PLANS FOR FUTURE PERIODS

The Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels and aim to attract high quality teachers and support staff in order to deliver its objectives.

In 2021-2022 the Trust will continue to work towards the 5 Year Strategic Priorities:

1. Increasing quality of provision in our education system to ensure excellent opportunities and outcomes for all.
2. Building of a positive and expectant culture across the Trust, striving for excellence in all that we do

**LEADING EDGE ACADEMIES PARTNERSHIP
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

through partnership working and a research-led approach.

3. Developing a financially viable, sustainable and ethically driven Multi-Academy Trust which nurtures the talents of all.

Each of these Priorities will be broken into 3 objectives:

- 1.1 Curriculum development
- 1.2 Curriculum breadth
- 1.3 Collaborative opportunities for learning

- 2.1 Wellbeing
- 2.2 Career progression and development
- 2.3 Communications and collaboration

- 3.1 Trust growth
- 3.2 Environmental sustainability
- 3.3 Efficient business services

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITOR

In so far as the Trustees are aware:

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

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

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



Mrs J Eason
Chair of Trustees
Date: 7 December 2021

**LEADING EDGE ACADEMIES PARTNERSHIP
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

SCOPE OF RESPONSIBILITY

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

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met six times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
Jackie Eason (Chair)	6	6
Dave Sharp (Vice Chair)	4	6
Gary Anderson	6	6
Guy Chappell (<i>resigned 31 August 2021</i>)	4	6
Canon Perran Gay (<i>Askel Veur</i>)	6	6
Jane Osborne (<i>Askel Veur</i>)	6	6
Paul Taylor-McCartney	4	6
Robin Webb	5	6

LEADING EDGE ACADEMIES PARTNERSHIP TRUSTEES

Changes in the Composition of the Board 2020-21

Over the course of the year, there have been no significant changes to the composition of the Board or its sub-committees. A new Vice Chair, Dave Sharp, was elected at the Trust Board meeting on 8 September 2020. Trustee, Guy Chappell, also Chair of the Compliance Committee, resigned at the end of the academic year on 31 August 2021.

Our Trustees play a vital role on the Board, add value to the decision-making process and have a major impact on the overall success of the Trust. In order to ensure business continuity and as a part of our succession plan, an advertisement for new Trustees was placed on the Trust's website and Linked-In in June this year. Following a robust recruitment process, we successfully recruited three potential new Trustees to start in the next academic year 2021-22.

Coverage of the Work of the Board

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

The Trustees have three main Committees to organise the key business of the organisation. The Education Committee sets policy and scrutinises all aspects of the key education objectives of the Trust. The Compliance Committee (renamed 'Finance and Resources Committee' in June this year) sets policy and

**LEADING EDGE ACADEMIES PARTNERSHIP
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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

scrutinises the business and compliance objectives of the Trust. These Committees meet before the Full Board meetings to ensure the effective and detailed scrutiny of all proposals before they are presented to the Full Board for approval.

The third Committee is the Audit and Risk Committee. It was agreed at the Compliance Committee meeting on 9 February 2021 that the Trust should have a separate committee to discuss and prepare for financial assurance visits and monitor the internal action plan of the external audit, which would meet on a termly basis, which meetings to commence in the new academic year 2021-22.

During the Spring Term this year several extraordinary Board meetings were convened to discuss the recruitment of a permanent CEO; the process had been delayed due to the Covid-19 pandemic. There are also an additional smaller Committee, the 'Pay Committee', to discuss the CEO's Performance Management and Student and Staff Discipline and Pay Appeals.

Performance of the Board including Key Challenges

Over the past year, the Board has continued to adapt its ways of working to the conditions imposed by the Covid-19 related restrictions, which severely reduced in-person contact and communication between its members. Their swift response involved instigating remote governance through using online technology to hold virtual Trust Board and Committee meetings. Despite some technical glitches, this approach has enabled the continuance of meetings with minimum disruption. The benefits of meeting virtually have meant less travel for many attendees, which has increased attendance and resulted in more focused meetings.

September 2020 saw the introduction of pre-Board meetings, attended by the Chair, CEO, COO and Clerk to discuss and plan the agenda in readiness for the full Board meeting. These meetings have proved to be very effective and have helped to maintain focus during the meeting.

Other challenges identified include the recruitment of new trustees to strengthen the Board to replace one Trustee who resigned this year and succession planning for Summer 2022, when a number of Trustees' terms of office are due to come to an end. This is currently being addressed. Other challenges include the succession planning of the Chair and Vice Chair and it has been agreed a two-year cycle of tenure should be set up, including coaching for incumbent Vice Chairs, to ensure they have the confidence and skillset to take over without an implementation dip.

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

Information and Data used by the Board

The Trust receives reports from the CEO and COO and also the Executive Heads (Primary and Secondary), which include full sets of comparative data using agreed Key Performance Indicators (KPIs) that have been reviewed and adapted by the full Board over the year. The Board has evaluated the level of detail they require compared to the Local Academy Committees and have agreed that the data is sufficiently strategic and robust to all them to make rational and objective decisions. This is constantly reviewed by the Board as the MAT grows.

GOVERNANCE REVIEW

A detailed self-review of the Board was conducted in June 2021 via an online survey and one to one meetings with Trustees. A summary of the areas identified as strengths is provided as follows:

- Vision and values are owned by the Trust Board and are known by stakeholders
- The Board has agreed a SMART strategy for achieving the vision
- The Board has a sound understanding of statutory and civic responsibilities
- Trustees have led the Trust through a period of leadership change and pandemic and is now in a stable position to look forwards and develop further

**LEADING EDGE ACADEMIES PARTNERSHIP
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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- Trustees access and understand a range of information about their schools
- Trustees are confident that membership of the Trust has a positive impact on the standard of education pupils receive
- Senior staff supervision, appraisal, recruitment and remuneration is appropriate
- Trustees are confident in the financial and risk management systems and compliance with the Academies Financial Handbook
- The Board has a professional clerk, an effective chair and work well together as a team

A summary of the areas identified for improvement is provided as follows:

- Develop KPIs for the Trust's ecological vision
- Further embed risk management systems
- Provide Trustees with more information on how the financial health and efficiency of the Trust compares to similar schools
- Provide Trustees with more information on how pupil premium money is used in schools and the impact this has
- Trustees require more effective mechanisms in place to hear from stakeholders
- Trustees require more information on how the Trust works with external partner schools and trusts
- Recruit trustees with financial, HR, audit and risk skills
- Ensure full engagement from all Trustees
- Ensure the Trust provides sufficient administrative time to support governance
- Strengthen partnership working with Local Academy Committees (LACs)
- Support all LACs to be of an equitable high standard across the Trust

It is anticipated an external review of governance will take place during the summer term 2022.

The Compliance Committee (renamed 'Finance and Resources Committee' in June this year) is a sub-committee of the main Board of Trustees. This committee was re-named the 'Finance and Resources Committee' in June this year and its purpose is to review and propose new policies to the Trust Board in the following key areas: Finance, staff pay and conditions, staff performance management, health and safety compliance and scrutiny of reports, premises bids and development and implementation of plans, IT infrastructure decisions, complaints and other administrative functions. Attendance at meetings during the year was as follows:

NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
Guy Chappell (<i>Chair</i>)	3	3
Jackie Eason (<i>Chair of the Trust Board</i>)	3	3
Jane Osborne (<i>Askel Veur</i>)	3	3
Dave Sharp	3	3
Robin Webb	0	3

**LEADING EDGE ACADEMIES PARTNERSHIP
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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The **Education Committee** is a sub-committee of the main Board of Trustees. Its purpose is to review all areas that will be inspected by Ofsted, including educational outcomes, curriculum provision, behaviour and attitudes, personal development and educational leadership and management.

Attendance at meetings in the year was as follows:

NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
Gary Anderson (<i>Chair</i>)	3	3
Jackie Eason (<i>Chair of the Trust Board</i>)	2	3
Canon Perran Gay	1	3
Paul Taylor-McCartney	3	3
Dave Sharp	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the CEO has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year and reports to the Board of Trustees, where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year through:

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching using the preferred model of 'Curriculum Led Financial Planning'.
- Reviewing the quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote, an example being insurance.

The Trust endeavours to find value for money wherever possible, albeit this has proved more challenging in the current climate due to the Covid-19 pandemic. However, we were able to make savings this year through group procurement of 'Seesaw' (a learning platform), Challenge Partner membership and business contracts, such as reprographics.

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

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place at Leading Edge Academies Partnership for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees.
- Regular reviews by the Compliance Committee of reports that indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (assets purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

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

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

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

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

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

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**


REVIEW OF EFFECTIVENESS

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

- The work of the internal auditor/reviewer.
- The work of the external auditor.
- The financial management and governance self-assessment process.
- The work of the executive team within the Academy Trust who has responsibility for the development and maintenance of the internal control framework.

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

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



Mrs J Eason
Chair of Trustees
Date: 7 December 2021

**LEADING EDGE ACADEMIES PARTNERSHIP
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Leading Edge Academies Partnership I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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



K Butcher
Accounting Officer
Date: 7 December 2021

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

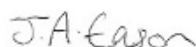
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mrs J Eason
Chair of Trustees
Date: 7 December 2021

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

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

OPINION

We have audited the financial statements of Leading Edge Academies Partnership (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

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

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

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

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

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

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

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

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

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

USE OF OUR REPORT

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



Alison Oliver FCA (Senior statutory auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date: 17 December 2021

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

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

In accordance with the terms of our engagement letter dated 17 June 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Leading Edge Academies Partnership during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Leading Edge Academies Partnership and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Leading Edge Academies Partnership and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Leading Edge Academies Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Leading Edge Academies Partnership's funding agreement with the Secretary of State for Education dated June 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

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

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

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

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

Date: 17 December 2021

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	99,004	(137,803)	3,646,526	3,607,727	2,813,879
Other trading activities		231,617	-	-	231,617	98,603
Investments	7	274	-	-	274	1,000
Charitable activities	4	569,625	15,063,635	-	15,633,260	14,366,762
Teaching schools		-	40,000	-	40,000	33,816
Total income		900,520	14,965,832	3,646,526	19,512,878	17,314,060
Expenditure on:						
Raising funds	9	69,915	-	-	69,915	114,613
Charitable activities		647,434	15,669,358	909,252	17,226,044	15,675,068
Teaching schools		-	40,000	-	40,000	33,816
Total expenditure		717,349	15,709,358	909,252	17,335,959	15,823,497
NET INCOME/ (EXPENDITURE)		183,171	(743,526)	2,737,274	2,176,919	1,490,563
Transfers between funds	20	(28,643)	(39,104)	67,747	-	-
Net movement in funds before other recognised gains/(losses)		154,528	(782,630)	2,805,021	2,176,919	1,490,563
Actuarial losses on defined benefit pension schemes	27	-	(1,845,000)	-	(1,845,000)	(437,000)
Net movement in funds		154,528	(2,627,630)	2,805,021	331,919	1,053,563
Reconciliation of funds:						
Total funds brought forward		913,827	(4,915,510)	36,449,606	32,447,923	31,394,360
Net movement in funds		154,528	(2,627,630)	2,805,021	331,919	1,053,563
Total funds carried forward		1,068,355	(7,543,140)	39,254,627	32,779,842	32,447,923

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

The notes on pages 35 to 73 form part of these financial statements.

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

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	35,443,504	34,014,313
Current assets			
Debtors	17	4,683,592	2,531,004
Cash at bank and in hand		1,808,419	1,688,651
		<u>6,492,011</u>	<u>4,219,655</u>
Creditors: amounts falling due within one year	18	(1,452,376)	(796,229)
Net current assets		5,039,635	3,423,426
Total assets less current liabilities		40,483,139	37,437,739
Creditors: amounts falling due after more than one year	19	(6,297)	(8,816)
Defined benefit pension scheme liability	27	(7,697,000)	(4,981,000)
NET ASSETS		32,779,842	32,447,923
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	39,254,627	36,449,606
Restricted income funds	20	153,860	65,490
Restricted funds excluding pension reserve	20	39,408,487	36,515,096
Pension reserve	20	(7,697,000)	(4,981,000)
Total restricted funds	20	31,711,487	31,534,096
Unrestricted income funds			
Designated funds	20	203,781	203,781
General funds	20	864,574	710,046
Total unrestricted income funds	20	1,068,355	913,827
Total funds		32,779,842	32,447,923

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

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021**

The financial statements on pages 31 to 73 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

J.A. Eason

Mrs J Eason
Chair of Trustees
Date: 7 December 2021



K Butcher
Accounting Officer

The notes on pages 35 to 73 form part of these financial statements.

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	(1,268,767)	226,298
Cash flows from investing activities	23	1,388,535	109,912
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		119,768	336,210
Cash and cash equivalents at the beginning of the year		1,688,651	1,352,441
Cash and cash equivalents at the end of the year	24, 25	1,808,419	1,688,651
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 35 to 73 form part of these financial statements

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 GOING CONCERN

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

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

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

1.4 EXPENDITURE

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

• **Expenditure on raising funds**

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE (CONTINUED)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

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

1.6 TAXATION

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

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

1.7 TANGIBLE FIXED ASSETS

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on the following bases:

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

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

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

1.8 DEBTORS

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

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on desposit that has a notice period of less than 30 days.

1.10 LIABILITIES

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

1. ACCOUNTING POLICIES (continued)

1.11 FINANCIAL INSTRUMENTS

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

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

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

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

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

1.12 OPERATING LEASES

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

1.13 PENSIONS

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.14 FUND ACCOUNTING

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

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

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

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

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

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
DONATIONS				
Assets/(Liabilities) transferred from joining schools	75,480	(137,803)	781,045	718,722
SUBTOTAL	75,480	(137,803)	781,045	718,722
Donations	23,524	-	-	23,524
Capital Grants	-	-	2,865,481	2,865,481
SUBTOTAL	23,524	-	2,865,481	2,889,005
	99,004	(137,803)	3,646,526	3,607,727
DONATIONS				
Assets/(Liabilities) transferred from joining schools	-	-	-	-
SUBTOTAL	-	-	-	-
Donations	24,556	450	-	25,006
Capital Grants	-	-	2,788,873	2,788,873
SUBTOTAL	24,556	450	2,788,873	2,813,879
	24,556	450	2,788,873	2,813,879

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Education	516,835	14,949,635	15,466,470
Nursery	52,790	-	52,790
Boarding	-	114,000	114,000
	<u>569,625</u>	<u>15,063,635</u>	<u>15,633,260</u>
	<u><u>569,625</u></u>	<u><u>15,063,635</u></u>	<u><u>15,633,260</u></u>
	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Education	544,472	13,679,933	14,224,405
Nursery	28,882	-	28,882
Boarding	-	113,475	113,475
	<u>573,354</u>	<u>13,793,408</u>	<u>14,366,762</u>
	<u><u>573,354</u></u>	<u><u>13,793,408</u></u>	<u><u>14,366,762</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
DFE/ESFA GRANTS			
General Annual Grant	-	12,707,644	12,707,644
Other DfE/ESFA Grants:			
Pupil Premium	-	446,429	446,429
Teachers Pay and Pension Grant	-	589,133	589,133
Other DfE/ESFA grants	-	450,939	450,939
	-	-	14,194,145
OTHER GOVERNMENT GRANTS			
High Needs	-	224,278	224,278
Other Local Authority income	-	191,046	191,046
	-	415,324	415,324
Other income from the Academy Trust's education	516,835	135,631	652,466
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)			
Catch-up Premium	-	187,200	187,200
	-	187,200	187,200
COVID-19 ADDITIONAL FUNDING (NON-DFE/ESFA)			
Coronavirus Job Retention Scheme grant	-	17,335	17,335
	-	17,335	17,335
	516,835	14,949,635	15,466,470

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DFE/ESFA GRANTS			
General Annual Grant	-	12,041,005	12,041,005
Other DfE/ESFA Grants:			
Pupil Premium	-	442,130	442,130
Start up Grants	-	559,028	559,028
Other DfE/ESFA grants	-	246,675	246,675
	-	-	13,288,838
OTHER GOVERNMENT GRANTS			
High Needs	-	183,915	183,915
Other Local Authority income	-	76,757	76,757
	-	260,672	260,672
Other income from the Academy Trust's education	544,472	93,005	637,477
COVID-19 ADDITIONAL FUNDING (NON-DFE/ESFA)			
Coronavirus Job Retention Scheme grant	-	37,418	37,418
	-	37,418	37,418
	544,472	13,679,933	14,224,405

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Teachers Pay and Pension Grant and Pupil Premium is no longer reported under the Other DfE/ESFA grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Trust received £187,200 of funding for Covid-19 Catch-up Premium, costs incurred amounted to £182,554.

The Trust furloughed some of its sport, drivers and premises staff under the government's CJRS. The funding received of £17,335 (2020: £37,418) relates to staff costs in respect of 23 (2020: 20) staff which are included within note 11 below as appropriate.

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings	88,394	88,394	66,538
Consultancy	120,059	120,059	24,484
Fees received	23,164	23,164	7,581
	<u>231,617</u>	<u>231,617</u>	<u>98,603</u>

All 2020 income related to unrestricted funds.

7. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	274	274	1,000

All 2020 income related to unrestricted funds.

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
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8. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Costs of generating voluntary income:				
Direct costs	-	-	69,915	69,915
Education:				
Direct costs	10,589,047	402,216	768,264	11,759,527
Allocated support costs	2,235,461	1,601,840	1,440,074	5,277,375
Nursery:				
Direct costs	52,791	-	-	52,791
Boarding:				
Direct costs	-	-	-	-
Allocated support costs	82,065	-	42,286	124,351
Teaching school	32,981	-	7,019	40,000
	<u>12,992,345</u>	<u>2,004,056</u>	<u>2,327,558</u>	<u>17,323,959</u>
	<u>Staff Costs 2020 £</u>	<u>Premises 2020 £</u>	<u>Other 2020 £</u>	<u>Total 2020 £</u>
Costs of generating voluntary income:				
Direct costs	-	-	114,613	114,613
Education:				
Direct costs	9,723,681	359,706	958,509	11,041,896
Allocated support costs	2,084,231	1,087,280	1,291,111	4,462,622
Nursery:				
Direct costs	37,860	-	566	38,426
Boarding:				
Direct costs	-	-	2,373	2,373
Allocated support costs	73,614	15,799	11,338	100,751
Teaching school	-	-	33,816	33,816
	<u>11,919,386</u>	<u>1,462,785</u>	<u>2,412,326</u>	<u>15,794,497</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. EXPENDITURE ON RAISING FUNDS

FUNDRAISING TRADING EXPENSES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Trips subsistence	9,139	9,139	17,373
Trips	60,776	60,776	97,240
	<u>69,915</u>	<u>69,915</u>	<u>114,613</u>

All 2020 income related to unrestricted funds.

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Education	11,759,527	5,277,375	17,036,902
Nursery	52,791	-	52,791
Boarding	-	124,351	124,351
	<u>11,812,318</u>	<u>5,401,726</u>	<u>17,214,044</u>

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Education	11,041,896	4,462,622	15,504,518
Nursery	38,426	-	38,426
Boarding	2,373	100,751	103,124
	<u>11,082,695</u>	<u>4,563,373</u>	<u>15,646,068</u>

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10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Education 2021 £	Boarding 2021 £	Total funds 2021 £
Pension finance cost	46,000	-	46,000
Staff costs	2,224,894	82,065	2,306,959
Depreciation	906,887	-	906,887
Staff development	37,105	-	37,105
Other costs	15,757	-	15,757
Supply teachers	10,567	-	10,567
Recruitment and support	28,431	-	28,431
Maintenance of premises and equipment	355,836	10,128	365,964
Cleaning	158,625	-	158,625
Rent and rates	147,549	-	147,549
Energy costs	228,928	6,741	235,669
Insurance	78,584	-	78,584
Security and transport	97,515	-	97,515
Catering	323,505	11,418	334,923
Technology costs	276,928	-	276,928
Office overheads	121,921	13,999	135,920
Legal and professional - other	217,898	-	217,898
Bank interest and charges	445	-	445
	<u>5,277,375</u>	<u>124,351</u>	<u>5,401,726</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS (continued)

	Education 2020 £	Boarding 2020 £	Total funds 2020 £
Pension finance costs	24,480	-	24,480
Staff costs	2,083,672	73,614	2,157,286
Depreciation	447,946	-	447,946
Staff development	66,231	-	66,231
Other costs	2,000	-	2,000
Supply teachers	4,559	-	4,559
Recruitment and support	41,886	-	41,886
Maintenance of premises and equipment	238,292	11,715	250,007
Cleaning	155,549	-	155,549
Rent and rates	86,297	270	86,567
Energy costs	251,575	3,814	255,389
Insurance	63,299	-	63,299
Security and transport	116,363	6	116,369
Catering	235,756	7,726	243,482
Technology costs	279,804	51	279,855
Office overheads	147,613	3,555	151,168
Legal and professional - other	214,968	-	214,968
Bank interest and charges	547	-	547
(Profit) / Loss on disposal of fixed assets	1,785	-	1,785
	<u>4,462,622</u>	<u>100,751</u>	<u>4,563,373</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	310,570	291,839
Depreciation of tangible fixed assets	909,252	807,652
Fees paid to auditors for:		
- audit	14,200	13,900
- other services	15,185	11,776
	<u>14,200</u>	<u>13,900</u>
	<u>15,185</u>	<u>11,776</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	9,298,839	8,594,309
Social security costs	884,502	813,830
Pension costs	2,645,168	2,426,605
	12,828,509	11,834,744
Agency staff costs	99,424	84,642
Staff restructuring costs	64,412	-
	12,992,345	11,919,386

Staff restructuring costs comprise:

	2021	2020
	£	£
Redundancy payments	3,761	-
Severance payments	60,050	-
Other restructuring costs	600	-
	64,411	-

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £60,050 comprising of 3 individual payments of £47,589, £9,500 and 2,961 (2020: £nil).

c. STAFF NUMBERS

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

	2021	2020
	No.	No.
Management	9	7
Teaching	156	145
Adminstration/Support	208	189
	373	341

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**NOTES TO THE FINANCIAL STATEMENTS
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12. STAFF (CONTINUED)

d. HIGHER PAID STAFF

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	7	5
In the band £70,001 - £80,000	3	4
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	1
	<u><u>13</u></u>	<u><u>12</u></u>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2021, pension contributions for employees whose emoluments fell within the above bands amounted to £213,375 (2020: £205,952).

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £267,484 (2020: £300,523).

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. CENTRAL SERVICES

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

- School improvement support and management
- Administration and HR
- Business and finance

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

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

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Fowey River Academy	147,854	150,396
Five Islands Academy	140,030	114,606
St Hilary School	44,813	37,903
Ludgvan School	38,698	34,412
Mounts Bay Academy	253,857	224,889
St Buryan Primary School	16,244	-
TOTAL	641,496	562,206

14. TRUSTEES' REMUNERATION AND EXPENSES

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

Other related party transactions involving the Trustees are set out in note 30.

During the year ended 31 August 2021, expenses totalling £1,661 were reimbursed or paid directly to 4 Trustees (2020 - £6,141 to 3 Trustees) to cover travel, office supplies and parking.

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £500 (2020 - £490). The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION						
At 1 September 2020	-	36,227,937	481,754	271,541	19,640	37,000,872
Additions	-	1,320,125	148,805	88,468	-	1,557,398
Acquired on conversion	748,768	-	23,821	3,362	5,094	781,045
At 31 August 2021	<u>748,768</u>	<u>37,548,062</u>	<u>654,380</u>	<u>363,371</u>	<u>24,734</u>	<u>39,339,315</u>
DEPRECIATION						
At 1 September 2020	-	2,495,862	248,177	227,243	15,277	2,986,559
Charge for the year	16,539	702,114	98,349	89,885	2,365	909,252
At 31 August 2021	<u>16,539</u>	<u>3,197,976</u>	<u>346,526</u>	<u>317,128</u>	<u>17,642</u>	<u>3,895,811</u>
NET BOOK VALUE						
At 31 August 2021	<u>732,229</u>	<u>34,350,086</u>	<u>307,854</u>	<u>46,243</u>	<u>7,092</u>	<u>35,443,504</u>
At 31 August 2020	<u>-</u>	<u>33,732,075</u>	<u>233,577</u>	<u>44,298</u>	<u>4,363</u>	<u>34,014,313</u>

17. DEBTORS

	2021 £	2020 £
Trade debtors	28,888	18,179
Other debtors	-	32
Prepayments and accrued income	4,523,671	2,475,481
VAT recoverable	131,033	37,312
	<u>4,683,592</u>	<u>2,531,004</u>

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18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other loans	2,519	2,521
Trade creditors	223,149	166,251
Other taxation and social security	215,122	211,122
Other creditors	245,975	218,944
Accruals and deferred income	765,611	197,391
	<u>1,452,376</u>	<u>796,229</u>
	2021 £	2020 £
Deferred income at 1 September 2020	160,837	106,142
Resources deferred during the year	168,695	160,837
Amounts released from previous periods	(160,837)	(106,142)
Deferred income at 31 August 2020	<u>168,695</u>	<u>160,837</u>

Deferred income represents grants received in 2020 that relate to the subsequent school year. At the balance sheet date, the Academy Trust was holding funds received in advance that primarily relate to school trips, rates, ERASMUS, and UIFSM.

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

	2021 £	2020 £
Other loans	<u>6,297</u>	<u>8,816</u>

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

The loan was transferred from St Hilary School.

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**NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
3G pitch	203,781	-	-	-	-	203,781
GENERAL FUNDS						
General Funds - all funds	710,046	900,520	(717,349)	(28,643)	-	864,574
TOTAL UNRESTRICTED FUNDS	913,827	900,520	(717,349)	(28,643)	-	1,068,355
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	4,264	12,821,645	(12,785,899)	(13,227)	-	26,783
Higher needs	2,065	48,308	(50,373)	-	-	-
Pupil premium	10,188	446,428	(456,616)	-	-	-
Summer school	-	109,550	(31,058)	-	-	78,492
Erasmus	2,169	54	-	-	-	2,223
Bikeability	-	26,120	(26,120)	-	-	-
Start up grant	-	8,267	(8,267)	-	-	-
Universal infant free school meals	-	74,972	(74,972)	-	-	-
PE & sports	14,486	69,800	(72,933)	-	-	11,353
Catch-up Premium	-	187,200	(149,891)	(32,663)	-	4,646
Teaching school	-	40,000	(40,000)	-	-	-
Sport England	9,991	-	(9,991)	-	-	-
Other restricted	22,327	529,367	(528,117)	6,786	-	30,363
Other ESFA grants	-	758,121	(758,121)	-	-	-
Pension reserve	(4,981,000)	(154,000)	(717,000)	-	(1,845,000)	(7,697,000)
	(4,915,510)	14,965,832	(15,709,358)	(39,104)	(1,845,000)	(7,543,140)

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

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

20. STATEMENT OF FUNDS (CONTINUED)

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

DESIGNATED FUNDS

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

RESTRICTED FUNDS

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

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

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

Year 7 Catch-up funding - Income from ESFA which is used to support students who have not achieved Level 4 in reading and/or maths at KS2.

Comenius Project/Erasmus - Funding to promote and support the International student exchange programme.

Applied Minds - Teaching School Core Grant used to provide high-quality training and development to new and experienced school staff and schools in the local community.

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

School Games and School Games Organiser - Funding from various government departments and Sport England to employ an individual to work with the local primary Hub co-ordinating, organising and funding sports events and games.

British Council - Connecting classrooms project to link the academy with international schools.

PE Primary fund - A Primary Cluster pool together an element of their PE Grant which is co-ordinated by the SGO.

Rates relief - provided by the DfE

Start up - Awarded to Five Islands as a convertor academy.

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

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

Teacher Pay Grant - The teachers' pay grant provides support with respect to the teachers' pay awards of 2018 and 2019

Other restricted - includes: FSM Supplementary Grant, Furlough Claim, MFEP, Headstart Kernow, NLG Grant

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20. STATEMENT OF FUNDS (CONTINUED)

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

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Fixed assets purchased from GAG and other restricted funds - This represents purchases for fixed assets made from GAG and other restricted funds.

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

Football Association 3G football pitch - As part of the original funding agreement a yearly allocation has to be set aside for the replacement carpet

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

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

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

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

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
3G pitch	-	-	-	203,781	-	203,781
GENERAL FUNDS						
General Funds	585,358	700,306	(475,036)	(100,582)	-	710,046
TOTAL UNRESTRICTED FUNDS	585,358	700,306	(475,036)	103,199	-	913,827
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	59,047	12,041,005	(12,133,043)	37,255	-	4,264
Rates funding	-	77,565	(77,565)	-	-	-
Higher needs	2,065	183,913	(183,913)	-	-	2,065
Pupil premium	-	442,130	(431,942)	-	-	10,188
Erasmus	25,322	(10,939)	(8,482)	(3,732)	-	2,169
Bikeability	933	21,333	(22,266)	-	-	-
Start up grant	-	8,267	(8,267)	-	-	-
Universal infant free school meals	-	77,973	(77,973)	-	-	-
PE & sports	-	53,150	(38,664)	-	-	14,486
Catch-up Premium	3,710	-	-	(3,710)	-	-
Teachers pay grant	-	573,785	(573,785)	-	-	-
Teaching school	670	23,333	(24,003)	-	-	-
Primary PE	10,483	-	(10,483)	-	-	-
School games	2,634	23,800	(26,434)	-	-	-
Sport England	12,842	-	(2,851)	-	-	9,991
Other restricted	9,449	309,566	(267,353)	(29,335)	-	22,327
Pension reserve	(3,892,000)	-	(652,000)	-	(437,000)	(4,981,000)
	(3,764,845)	13,824,881	(14,539,024)	478	(437,000)	(4,915,510)

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	31,573,543	-	(656,181)	40,015	-	30,957,377
Fixed assets purchased from GAG and other restricted funds	177,430	-	(7,678)	(3,719)	-	166,033
Fixed assets purchased from DfE/ESFA Capital grants	1,369,848	-	(31,945)	(156,248)	-	1,181,655
Football Association 3G Football Pitch	38,661	-	(859)	(861)	-	36,941
Condition Improvement Fund (CIF)	1,165,091	-	(59,582)	79,646	-	1,185,155
Devolved Formula Capital	83,386	54,964	(34,324)	41,165	-	145,191
Devolved Formula Capital (unspent)	18,927	-	-	(13,395)	-	5,532
Other Restricted Funds	113,304	49,500	(4,792)	(82,612)	-	75,400
Other Restricted Funds (unspent)	-	-	-	24,526	-	24,526
Condition Improvement Fund	33,657	2,265,926	-	(32,194)	-	2,267,389
School Condition Allocation (SCA)	-	70,381	(14,076)	-	-	56,305
School Condition Allocation (SCA) unspent	-	348,102	-	-	-	348,102
	<u>34,573,847</u>	<u>2,788,873</u>	<u>(809,437)</u>	<u>(103,677)</u>	<u>-</u>	<u>36,449,606</u>
TOTAL RESTRICTED FUNDS	<u>30,809,002</u>	<u>16,613,754</u>	<u>(15,348,461)</u>	<u>(103,199)</u>	<u>(437,000)</u>	<u>31,534,096</u>
TOTAL FUNDS	<u><u>31,394,360</u></u>	<u><u>17,314,060</u></u>	<u><u>(15,823,497)</u></u>	<u><u>-</u></u>	<u><u>(437,000)</u></u>	<u><u>32,447,923</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Mounts Bay Academy	631,999	363,457
St Hilary School	124,965	117,638
Ludgvan School	99,538	122,591
Fowey River Academy	57,353	92,438
The Five Islands academy	269,743	303,938
St Buryan	65,127	-
Central	(26,510)	(20,745)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,222,215	979,317
Restricted fixed asset fund	39,254,627	36,449,606
Pension reserve	(7,697,000)	(4,981,000)
	<hr/>	<hr/>
TOTAL	32,779,842	32,447,923
	<hr/> <hr/>	<hr/> <hr/>

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

	Deficit
	£
Central	(26,510)
	<hr/> <hr/>

In 2020/2021 there was unbudgeted expenditure due to recruitment package for the CEO & COO roles and under budgeted audit costs.

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

The 2021/2022 budget has been set at a surplus amount of £31,246 and going forward the following years are set to be surplus budgets.

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

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

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Mounts Bay Academy	3,798,747	505,955	476,245	805,668	5,586,615
St Hilary School	775,715	133,148	24,505	131,622	1,064,990
Ludgvan School	627,614	98,436	58,141	128,080	912,271
Fowey River Academy	2,155,968	571,933	299,463	456,968	3,484,332
The Five Islands academy	1,922,287	356,280	74,267	369,744	2,722,578
St Buryan	297,002	146,187	1,934	147,936	593,059
ACADEMY TRUST	9,577,333	1,811,939	934,555	2,040,018	14,363,845

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	35,443,504	35,443,504
Current assets	1,068,355	1,612,533	3,811,123	6,492,011
Creditors due within one year	-	(1,452,376)	-	(1,452,376)
Creditors due in more than one year	-	(6,297)	-	(6,297)
Provisions for liabilities and charges	-	(7,697,000)	-	(7,697,000)
TOTAL	1,068,355	(7,543,140)	39,254,627	32,779,842

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	34,014,313	34,014,313
Current assets	1,645,450	125,952	2,448,253	4,219,655
Creditors due within one year	(722,807)	(60,462)	(12,960)	(796,229)
Creditors due in more than one year	(8,816)	-	-	(8,816)
Provisions for liabilities and charges	-	(4,981,000)	-	(4,981,000)
TOTAL	913,827	(4,915,510)	36,449,606	32,447,923

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

22. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the year (as per Statement of financial activities)	2,176,919	1,490,563
ADJUSTMENTS FOR:		
Depreciation	909,252	807,652
Capital grants from DfE and other capital income	(2,865,480)	(521,484)
Interest receivable	(274)	(1,000)
Defined benefit pension scheme cost less contributions payable	625,000	572,000
Defined benefit pension scheme finance cost	92,000	80,000
Increase in debtors	(2,135,920)	(2,074,794)
Increase/(decrease) in creditors	648,458	(128,424)
Profit on the sale of fixed assets	-	1,785
Net assets received on Academy transfer in	(718,722)	-
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(1,268,767)	226,298

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Bank interest	274	1,000
Purchase of tangible fixed assets	(1,557,398)	(412,572)
Capital grants from DfE Group	2,865,480	521,484
Cash received on Academy transfer in	80,179	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,388,535	109,912

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	1,808,419	1,688,651

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	Other non- cash changes £	At 31 August 2021 £
Cash at bank and in hand	1,688,651	119,768	-	1,808,419
Debt due within 1 year	(2,521)	2,521	(2,519)	(2,519)
Debt due after 1 year	(8,816)	-	2,519	(6,297)
	<u>1,677,314</u>	<u>122,289</u>	<u>-</u>	<u>1,799,603</u>

26. CAPITAL COMMITMENTS

	2021 £	2020 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	<u>4,284,247</u>	<u>-</u>

27. PENSION COMMITMENTS

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

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

Contributions amounting to £234,711 were payable to the schemes at 31 August 2021 (2020 - £218,944) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,517,474 (2020 - £1,422,478).

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

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

27. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £651,000 (2020 - £562,000), of which employer's contributions totalled £502,000 (2020 - £432,000) and employees' contributions totalled £ 149,000 (2020 - £130,705). The agreed contribution rates for future years are 17 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021	2020
	%	%
Rate of increase in salaries	2.9	2.2
Rate of increase in pensions	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7

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

	2021	2020
	Years	Years
Retiring day		
Males	21.5	21.4
Females	24.1	23.6
Retiring in 20 years		
Males	22.8	22.3
Females	25.8	25.1

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

27. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

	2021	2020
	£000	£000
Discount rate -0.1%	409	305
Mortality assumption - 1 year increase	653	-
CPI rate +0.1%	368	271
Salary increase rate +0.1%	35	29
	=====	=====

SHARE OF SCHEME ASSETS

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

	2021	2020
	£	£
Equities	4,464,260	2,789,360
Bonds	2,693,950	1,793,160
Property	461,820	298,860
Cash	76,970	99,620
Total market value of assets	7,697,000	4,981,000
	=====	=====

The actual return on scheme assets was £804,000 (2020 - £(97,000)).

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

	2021	2020
	£	£
Current service cost	(1,127,000)	(1,004,000)
Interest income	124,000	121,000
Interest cost	(216,000)	(201,000)
Total	(1,219,000)	(1,084,000)
	=====	=====

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

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

	2021 £	2020 £
Opening defined benefit obligation	11,691,000	10,013,000
Current service cost	1,127,000	1,004,000
Interest cost	216,000	201,000
Employee contributions	149,000	131,000
Actuarial gains	2,741,000	420,000
Benefits paid	(78,000)	(78,000)
Business combinations	480,000	-
Closing defined benefit obligation	16,326,000	11,691,000

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

	2021 £	2020 £
Opening fair value of scheme assets	6,710,000	6,121,000
Interest income	124,000	121,000
Actuarial losses/(gains)	896,000	(17,000)
Employer contributions	502,000	432,000
Employee contributions	149,000	131,000
Benefits paid	(78,000)	(78,000)
Business combinations	326,000	-
Closing fair value of scheme assets	8,629,000	6,710,000

28. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	310,570	308,634
Later than 1 year and not later than 5 years	238,634	258,139
	549,204	566,773

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

29. MEMBERS' LIABILITY

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

30. RELATED PARTY TRANSACTIONS

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

31. BOARDING TRADING ACCOUNT

	2021	2021	2020	2020
	£	£	£	£
INCOME				
Boarding income		114,000		113,475
		<u>114,000</u>		<u>113,475</u>
DIRECT COSTS				
Educational supplies	20		2,373	
		<u>(20)</u>		<u>(2,373)</u>
SUPPORT COSTS				
Maintenance of premises and equipment	10,127		11,715	
Rent and rates	-		270	
Energy costs	6,741		3,814	
Catering	11,419		7,726	
Technology costs	-		51	
Office overheads	3,101		3,561	
Wages and salaries	56,590		61,358	
National Insurance	4,489		3,760	
Pension costs	9,092		8,496	
Furniture & equipment	10,898		-	
Cleaning	7,930		-	
Houseparent costs	3,964		-	
		<u>(124,351)</u>		<u>(100,751)</u>
SURPLUS / (DEFICIT)		<u>(10,371)</u>		<u>10,351</u>
SURPLUS / (DEFICIT) FOR THE PERIOD		<u><u>(10,371)</u></u>		<u><u>10,351</u></u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

32. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST

St Buryan Primary School

	Value reported by transferring trust £	Transfer in recognised £
TANGIBLE FIXED ASSETS		
Freehold property	748,768	748,768
Furniture and equipment	23,821	23,821
Computer equipment	3,362	3,362
Motor vehicles	5,094	5,094
CURRENT ASSETS		
Debtors due within one year	16,668	16,668
Cash at bank and in hand	80,179	80,179
LIABILITIES		
Creditors due within one year	(5,170)	(5,170)
PENSIONS		
Pensions - pension scheme liabilities	(154,000)	(154,000)
NET ASSETS	<u>718,722</u>	<u>718,722</u>

**LEADING EDGE ACADEMIES PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
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33. TEACHING SCHOOL TRADING ACCOUNT

	2021 £	2021 £	2020 £	2020 £
Income				
DIRECT INCOME				
Other income - self generated	-		2,793	
Student teacher income	-		7,690	
Other ESFA grants	40,000		23,333	
	<u>40,000</u>		<u>33,816</u>	
TOTAL DIRECT INCOME	40,000		33,816	
TOTAL INCOME		40,000		33,816
Expenditure				
DIRECT EXPENDITURE				
Photocopying	-		64	
Course fees	52		7,977	
	<u>52</u>		<u>8,041</u>	
TOTAL DIRECT EXPENDITURE	52		8,041	
OTHER EXPENDITURE				
Other staff costs	32,981		-	
Catering	6		41	
Subscriptions	1,550		-	
IT licensing	423		73	
Training related expenses	4,988		25,661	
	<u>39,948</u>		<u>25,775</u>	
TOTAL OTHER EXPENDITURE	39,948		25,775	
TOTAL EXPENDITURE		40,000		33,816
Surplus from all sources		-		-
Teaching school balances at 1 September 2020		-		-
TEACHING SCHOOL BALANCES AT 31 AUGUST 2021		<u>-</u>		<u>-</u>