

Company Registration Number: 07657923 (England and Wales)

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS  
'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

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**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Members**

S J Davey  
J P Field  
J Osborne  
R Webb

**Trustees**

S Alexander, Vice Chair<sup>2,4</sup>  
E Bennett, Staff Governor (resigned 18 July 2018)<sup>5</sup>  
M Boulter (resigned 31 August 2018)<sup>1,4,5</sup>  
S J Davey, Principal<sup>4,5,6</sup>  
J P Field, Vice Chair<sup>1,4</sup>  
E Hewett (resigned 31 August 2018)<sup>1,5,6</sup>  
J A Hick, Staff Governor (resigned 23 January 2018)<sup>6</sup>  
O C O'Connell<sup>6</sup>  
J Osborne, Vice Chair<sup>2,4</sup>  
M Payne (resigned 31 August 2018)<sup>5</sup>  
H V Reynolds (resigned 24 February 2018)<sup>2,6</sup>  
J Rodgers, Staff Governor (appointed 25 January 2018, resigned 31 August 2018)  
N C Walker (resigned 31 August 2018)<sup>2,5</sup>  
N J Walters (resigned 31 August 2018)<sup>1,5</sup>  
R Webb, Chairman<sup>3,4,5,6</sup>

- 1 First Personnel/Dismissal Committee
- 2 Appeals Personnel/Dismissal Committee
- 3 Pupil Discipline Committee
- 4 Finance & Premises Committee
- 5 Data, Progress and Safeguarding Committee
- 6 Teaching & Learning and Teaching School Committee

**Company registered  
number**

07657923

**Company name**

Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy')

**Principal and Registered  
office**

Boscathnoe Lane  
Heamoor  
Penzance  
Cornwall  
TR18 3JT

**Company secretary**

H Rodgers

**Accounting Officer**

S J Davey

**Senior Leadership Team**

S Davey, Principal  
L Hall, Vice Principal  
A Harvey, Vice Principal  
R Finch, Vice Principal  
C Kennedy, Assistant Principal  
D Payne, Assistant Principal  
C Jenkin, Assistant Principal  
B Eddy, Assistant Principal  
P Davies, Business Manager

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Advisers (continued)**

|                             |   |
|-----------------------------|---|
| <b>Independent auditors</b> | Bishop Fleming LLP<br>Chartered Accountants<br>Statutory Auditors<br>Chy Nyverow<br>Newham Road<br>Truro<br>Cornwall<br>TR1 2DP |
| <b>Bankers</b>              | Lloyds Bank PLC<br>Market House<br>Penzance<br>Cornwall<br>TR18 2TN   |
| <b>Solicitors</b>           | Browne Jacobson<br>1 Manor Court<br>Dix's Field<br>Exeter<br>Devon<br>EX1 1UP   |
| <b>Actuary</b>              | Hymans Robertson LLP<br>One London Wall<br>London<br>EC2Y 5EA   |

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 11 to 16 in Penzance, Cornwall. It has a pupil capacity of 1,004 and had a roll of 971 in the school census on 4 October 2018.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy 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.

The Trustees of Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy') are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

**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 they ceased to be a member.

**Trade union facility time**

**Relevant union officials**

|   |   |
|---|---|
| Number of employees who were relevant union officials during the year | 1 |
| Full-time equivalent employee number                                  | 1 |

**Percentage of time spent on facility time**

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

**Percentage of pay bill spent on facility time** £

|   |           |
|---|-----------|
| Total cost of facility time                         | -         |
| Total pay bill                                      | 4,826,195 |
| Percentage of total pay bill spent on facility time | - %       |

**Paid trade union activities**

|   |     |
|---|-----|
| Time spent on paid trade union activities as a percentage of total paid facility time hours | - % |
|---|-----|

**Trustees' Indemnities**

In accordance with normal commercial practice, the Academy has purchased Company Public Liability Insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. Additional operative endorsements include costs relating to Environmental Clean-Up, and any legal cost and expenses incurred in defending any criminal prosecution in relation to Corporate

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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Manslaughter and Corporate Homicide, which has been committed or alleged to have been committed during the course of Academy business. The insurance provides cover up to £10,000,000 on any one claim.

**TRUSTEES**

**Method of Recruitment and Appointment or Election of Trustees**

On 1st July 2011 the Trustees appointed all those Governors that served the predecessor school to be Governors of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises:

- 4 Member Governors who are appointed by the Members, plus;
- 2 further appointed;
- 2 Parent Governors who are elected by Parents of registered pupils at the Academy;
- 2 Staff Governors appointed by the Staff of the Academy;
- 3 Co-opted Governors who are appointed by the Governing Body; and
- the Principal is treated as being an ex officio Governor and is also a Member Governor.

The term of office for any Governor is 4 years, except that this time limit does not apply to the Principal. Subject to remaining eligible to be a particular type of Governor, any Governor can be re-appointed or re-elected.

When appointing new Governors, the Board will give consideration to the skills and experience mix of existing Governors in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience, but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally no more than 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 relevant other bodies.

**Organisational Structure**

The Board of Governors meets once each semester (9-week period), but should hold at least four meetings in every school year. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale. The committee structure, terms of reference and membership are reviewed annually.

The Academy has undertaken a full review of the main areas of risks that it faces. This includes all health and safety and child protection policies and procedures. In addition, a review of all financial risks is undertaken on a regular basis.

There are 6 committees as follows:

- First Personnel/Dismissal Committee;
- Appeals Personnel/Dismissal Committee;
- Pupil Discipline Committee;
- Finance and Premises Committee;
- Quality of Data, Progress and Safeguarding Committee; and
- Quality of Teaching & Learning and Teaching School Committee.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**First Personnel/Dismissal Committee:**

Is responsible for considering and making any decisions about matters brought before the committee relating to the discipline or dismissal of staff, staff grievance, staff performance and review staff salaries.

**Appeals Personnel/Dismissal Committee:**

Is responsible for considering and deciding on any appeal against the decision of the 'First Personnel/Dismissal' Committee. The decision of the Appeal Committee will be final.

**Pupil Discipline Committee:**

Is responsible for considering and deciding on matters brought before the Committee relating to the exclusion of a pupil and to hear representations from parents or guardians of the pupil(s) excluded.

**Finance and Premises Committee:**

Is responsible for establishing, monitoring evaluating and reviewing policy and performance in relation to financial management, staffing, premises and compliance with reporting and regulatory requirements. Oversee the strategic financial planning and performance of the Academy and monitor budget spend.

**Quality of Data, Progress and Safeguarding Committee:**

Is responsible for establishing, monitoring evaluating and reviewing policy in relation to behaviour, personal development and well-being of students, promoting partnership with parents and community involvement. Provide a safe and healthy learning environment with the necessary support structures for the safeguarding every child. Reduce all barriers to learning and improve behaviour and attendance. Develop policies to dispel discrimination, encourage diversity and promote the spiritual, moral, social and cultural development of students. The committee is responsible for receiving curriculum progress reports and information about non-statutory assessment and testing in order to monitor, review and evaluate the standards of achievement. Ensure that statutory targets for student achievements are set and published, celebrate students' achievements.

**Quality of Teaching & Learning and Teaching School Committee:**

Is responsible for establishing, monitoring evaluating and reviewing policy in relation to teaching, learning, leadership and the development and delivery of the Teaching School. Oversee the delivery of the strategic framework within which the school is run and to focus on standards and school improvement.

The following decisions are reserved to the Board of Governors; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Principal and Clerk to the Governors, to approve the Annual Development Plan and budget.

The Governors 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.

The Trustees and Board of Governors have devolved responsibility for day-to-day management of the Academy to the Principal and Senior Leadership Team (SLT). The SLT comprises the Principal, Vice Principals, Assistant Principals and the Business Manager. The SLT implement the policies laid down by the Governors and reports back to them on performance. The Governing body have agreed to review all academy policies annually.

The Principal is the Accounting Officer.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Governors of the academy have set out in a pay policy the arrangements for setting pay and remuneration for all staff including key senior management personal. The governing body consider any updates to the pay policy and assure themselves that the appropriate arrangements for linking appraisal to pay are in place, can be applied consistently and that their pay decisions can be objectively justified.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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The pay policy follows the obligations set out in the School Teachers Pay and Conditions Document for teaching staff, and the National Joint Council for Local Government Services National Agreement for non-teaching staff.

**Connected Organisations, including Related Party Relationships**

The Academy has strong collaborative links with 14 main feeder primary schools, 6 additional primary schools, 4 local secondary school, 1 special school, 1 PRU and 2 Further Education colleges.

In preparation for the formation of a Multi Academy Trust the Academy has set up a soft federation with one all through school an additional two primaries and a secondary school. The Leading Edge Academies Partnership (LEAP) was established on 1 September 2018 as a MAT. At the time of writing it is anticipated that the other school will join the LEAP by early 2019.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Academy is to advance for the public benefit education in Cornwall and United Kingdom, in particular by maintaining, managing and developing an Academy, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on Sport and creativity.

The aims of the Academy during the year are summarised below:

- Develop a plan to create a new Multi Academy Trust;
- Continue to raise the standard of educational attainment and achievement of all pupils;
- Provide a broad and balanced curriculum, including extracurricular activities;
- Develop students as more effective and independent learners;
- Enhance the tertiary provision and outcomes;
- Develop the Academy site so that it enables students to achieve their full potential;
- Ensure that every child enjoys personalised high-quality education in terms of resourcing, tuition and care;
- Improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- Maximise the number of students who achieve 5 A\* - C GCSE grades and level 9 – 4 English Maths and Science;
- Provide value for money for the funds expended;
- Develop greater coherence, clarity and effectiveness in school systems;
- Comply with all appropriate statutory and curriculum requirements;
- Maintain close links with industry, commerce and the local community;
- Further develop the offer of facilities to the community and develop the Academy's capacity to manage change; and
- Conduct the Academy's business in accordance with the highest standards of integrity, probity, openness and compliance.

At Mounts Bay Academy we aim to get the best for, and from, each child. We enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents are part of a happy and caring environment.

**Objectives, Strategies and Activities**

Key priorities and targets for the years 2017 - 2020 are contained in our Academy Development Plan. Improvement focuses identified for this year are grouped under the following headings:

- Be a top achieving academy with the aim to be a world class school
- Team Mounts Bay where we have happy students with a zest for life and learning
- Transforming teaching and learning with high performance learners
- Talent development through adventurous learning experiences



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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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Key activities and targets were identified in the Academy Strategic Plan 2017–20 and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding.

The activities included the following:

- Improve student achievement
- Improve student support to enhance learning outcomes
- Extend curriculum to support new contexts and courses
- Enrich the student experience
- Develop the Academy premises and recourses
- Enhance contributions to the communitys
- Maintain a secure financial position
- Recruit highly qualified staff, motivate and support staff
- Develop partnerships
- Develop a culture of sustainability
- Contribute to new ideas

**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 Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Governors confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in Penzance and the surrounding area. In particular, but without prejudice to the generality of the forgoing by estimating, maintaining, managing and development schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the specialism of Sport and the Arts.

The Academy provides 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 local community.

As an Academy we have a duty to support other schools. We support our partner primary schools through the use of our premises and specialist staff in all subjects.

**STRATEGIC REPORT**

**Achievements and Performance**

Student numbers continue to be buoyant since becoming an Academy. The total pupil Numbers on 4 October 2018 was 971.

Academy results were cited as achieving the best average points score in our area. The GCSE results for year 11, based on 178 students were the following achievement was made:

Progress 8 score: 0.011, Progress 8 attainment score: 4.72,  
EBacc: 32.4%,  
English & Maths 4+: 60.1%,  
English & Maths 5+: 34.0%,  
English 4+: 78.2%,  
English 5+: 56.9%,  
Maths 4+: 66.7%,  
Maths 5+: 44.6%

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Senior Leadership Team.

The Academy was successful in forming a Multi Academy Trust on 26 August 2018 under the name of 'Leading Edge Academies Partnership (LEAP) in preparation and anticipation of taking on four local schools.

Mounts Bay Academy is a National Support School and provided executive and mentoring support for Five Islands School, thereby raising standards and improving their GCSE results.

Through our Teaching School Status, the Academy successfully put 9 students through initial teacher training. A further 8 trainee teacher places are booked for 2018-19 academic year.

The Academy was awarded Apple Distinguished School status through its innervation and use of iPads in teaching and learning for all students.

The Governors, staff and students were delighted to have been awarded, for the third year in a row, the overall winner for Cornwall School Games; a county wide event with multiple sports from track and field to water sports.

**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) requires special attention. In year under review, £Nil GAG balance was carried forward. Total funds carried forward decreased from £9,214,407 in 2017 to £9,048,209 as detailed in note 16.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2018 on the October census were 971.

Another key financial performance indicator is staffing costs (excluding staff time spent on consultancy at other schools) as a percentage of GAG. For 2018 this was 87%, compared to 89.5% in 2017.

The following KPI's were set at the start of the year:

|  | <b>2017-18</b> | <b>2016-17</b> |
|--|----------------|----------------|
| GAG carry forward %                        | 0%             | 0%             |
| Total unrestricted funds balance           | £193,401       | £330,823       |
| Pupil to teacher (FTE) ratio               | 971:71.9       | 952:64.5       |
| Teaching to non-teaching staff (FTE) ratio | 60.2:37.9      | 64.6:40.2      |
| Student Attendance %                       | 94.8           | 94.8           |
| Staff costs per pupil                      | £4,970         | £4,946         |
| Total income per pupil                     | £6,262         | £6,409         |
| Total GAG per pupil                        | £5,030         | £5,327         |
| Ratio of GAG to total income               | 0.80:1         | 0.84:1         |

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy 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 Going concern policy.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy'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 31 August 2018 and the associated expenditure is shown as Restricted Funds in the Statement of Financial Activities.

The Academy 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's accounting policies.

At 31 August 2018 the net book value of fixed assets was £9,848,069 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 31 August 2012 at £8,135,073. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 20 to the financial statements.

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 Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings. The role of Responsible Officer has been transferred to the LA as part of our SLA.

**Reserves Policy**

The Governors review the reserve levels of the Academy 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 Academy's current level of reserves (total unrestricted funds and GAG) is £193,401, of which all are free reserves.

The Governors have reviewed the future plans of the Academy and has set one designated reserve for the future replacement of the carpet on the 3G football pitch. This is detailed in Note 16.

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**

Governors are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Principal and Finance Director within strict guidelines approved by the Governing Body.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
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**TRUSTEES' REPORT (continued)  
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**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 are as follows:

**Financial** - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 2017-18 87% of the Academy's 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.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the Academy 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** - the 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 & safety and discipline.

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

The Academy 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. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy 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 still remains, they have ensured they have adequate insurance cover.

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

At the year end, the Academy 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 20 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**FUNDRAISING**

The Academy may participate in fundraising activities for specific charities where the income received is paid in full to the charity, for example Sport Relief or Children in Need. The recipient of the donations is made clear to parents in advance and all contributions are voluntary. Where a friends or parent teacher association which actively raises funds on behalf of the Academy, the association's fundraising standards are defined in its constitution and it works closely with the Academy to ensure its approach is consistent with the Academy's values. The Academy does not work with, or have any oversight of, any commercial participators or professional fundraisers. No complaints have been received in the year regarding fundraising activities.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**PLANS FOR FUTURE PERIODS**

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

A key focus in 2018/9 year will be the establishment of the new MAT. In 2016 Mounts Bay Academy was approached to support Five Islands School to raise standards across the school. The aim was for Mounts Bay Academy's Principal to continue to act as an Executive Head for Five Islands for a fixed period. It was later agreed for Mounts Bay academy submit an application to form a MAT, to be known a LEAP, with the Five Islands School. Following the announcement MAT formation two further primaries and a secondary school have requested to join LEAP.

The Academy is a member of the 'Challenge Partners' and are the hub for Cornwall for Challenge Partners.

The Academy have adopted the International Middle Years Curriculum and embedded it into the Academy's programme.

The Academy intends to apply for a capital grant to for school building improvements.

Full details of our plans for the future are given in our Academy Development Plan, which is available on our website or from the Clerk to the Trustees.

**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.

**EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED**

LEAP accepts all applications on merit. Any member of staff who becomes disabled whilst in employment is initially referred through to Occupational Health and their evaluation report and assessment used to facilitate the best provision and way forward to allow the member of staff to continue in post. All training, progression and professional development are undertaken through the annual use of the various Performance Review structures utilised within LEAP.

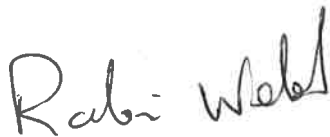
**AUDITORS**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on ...3.12.18... and signed on the board's behalf by:



**Mr R Webb  
Chair of Trustees**

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

---

**SCOPE OF RESPONSIBILITY**

As Trustees, we acknowledge we have overall responsibility for ensuring that Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy') 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.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy') 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 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

| Trustee                   | Meetings attended | Out of a possible |
|---------------------------|-------------------|-------------------|
| S Alexander, Vice Chair   | 4                 | 4                 |
| E Bennett, Staff Governor | 2                 | 2                 |
| M Boulter                 | 4                 | 4                 |
| S J Davey, Principal      | 4                 | 4                 |
| J P Field, Vice Chair     | 4                 | 4                 |
| E Hewett                  | 4                 | 4                 |
| J A Hick, Staff Governor  | 0                 | 2                 |
| O C O'Connell             | 0                 | 4                 |
| J Osborne, Vice Chair     | 4                 | 4                 |
| M Payne                   | 3                 | 4                 |
| H V Reynolds              | 2                 | 2                 |
| J Rodgers, Staff Governor | 2                 | 2                 |
| N C Walker                | 4                 | 4                 |
| N J Walters               | 4                 | 4                 |
| R Webb, Chairman          | 3                 | 4                 |

The Governing Body reviewed its performance and effectiveness at the board's AGM, including standards and achievement data. A robust system for monitoring subjects, especially in regard to pupil premium students, has been implemented. The importance of subject leads for Governance is recognised and each department is allocated a link Governor. The board of trustees understand the benefits of peer review and have invited Challenge Partners to carry out an independent evaluation with a specific focus on Governance.

The Finance and Premises Committee is a sub-committee of the main Governing Body. Its purpose is to review and scrutinise the finance, business and premises of the Academy.

Attendance at meetings in the year was as follows:

| Trustee              | Meetings attended | Out of a possible |
|----------------------|-------------------|-------------------|
| S Alexander          | 2                 | 3                 |
| S J Davey, Principal | 2                 | 3                 |
| J P Field            | 0                 | 3                 |
| J Osborne            | 2                 | 3                 |
| M Boulter            | 2                 | 3                 |

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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The Data, Progress and Safeguarding Committee is a sub-committee of the main governing body. Its purpose is to review and drive the improvement of pupils' behaviour and safety as well as scrutinise and drive the improvement of pupils' achievements and standards with a particular focus on external examinations.

The Teaching and Learning Committee is a sub-committee of the main governing body. Its purpose is to review the standards and development of teaching and learning and scrutinise the leadership and management of the Academy and oversee the delivery of the Teaching School.

The Governing Body has delegated the day-to-day responsibility to the Principal 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 Mounts Bay Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the Principal has responsibility for ensuring that the Academy 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 Academy'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 has delivered improved value for money during the year by:

**IMPROVED PURCHASING**

All services agreements and contracts are appraised or renegotiated in a timely manner to get the best mix of quality and effectiveness for the least cost.

**Economies of scale:** The Academy takes the opportunity to work collaboratively with others to reduce and share administration and procurement costs. Where applicable joint tenders have been carried out to ensure value for money.

**MAXIMISING INCOME GENERATION**

The academy is proactive in seeking funding opportunities for school building improvements. Opportunities have also been taken to explore and generate additional and reliable revenue streams including lettings, consultancy and training fees.

Through a combination of individual needs, identification of priorities, comprehensive tendering and the commitment to best value, the Academy has been able to ensure that the budget has been used effectively.

**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 ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy') for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy 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's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 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's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- 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 decided not to appoint an internal auditor. However, the Trustees have appointed Local Authority accounts auditor from , the Local Finances Services team of Cornwall Council to perform peer review.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy'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 accounting/bank reconciliations

On a quarterly basis, the reviewer reports to the Board of Trustees through the Finance and Premises Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**REVIEW OF EFFECTIVENESS**

As Accounting Officer, the Principal 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 reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.



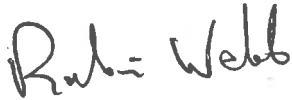
**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Leadership and Management committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 19 November 2018 and signed on their behalf, by:



**Mr R Webb**  
**Chair of Trustees**



**Mrs S Davey**  
**Accounting Officer**

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

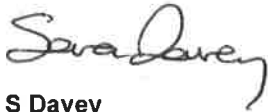
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy') 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 2017.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of 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 2017.

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.



**Mrs S Davey**  
**Accounting Officer**

3/12/18

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2018**

---

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

*R Webb*

**R Webb  
Chair of Trustees**

**Date:**

*3/12/18*

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')**

---

**OPINION**

We have audited the financial statements of Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy') (the 'Academy') for the year ended 31 August 2018 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 2015 and the Academies Accounts Direction 2017 to 2018 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's affairs as at 31 August 2018 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 2015 and the Academies Accounts Direction 2017 to 2018 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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')**

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In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 and the Strategic report have been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the Academy 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 Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy 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'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 or to cease operations, or have no realistic alternative but to do so.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')**

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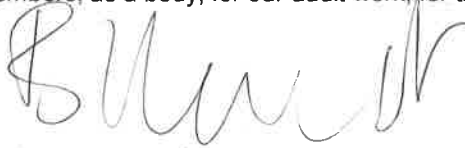
**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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.

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](http://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'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'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 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: 14-12-18

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MOUNTS BAY  
ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 2 March 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy') during the year 1 September 2017 to 31 August 2018 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 (Formerly known as 'Mounts Bay Academy') and the 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 (Formerly known as 'Mounts Bay Academy') and the 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 (Formerly known as 'Mounts Bay Academy') and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN  
AS 'MOUNTS BAY ACADEMY')'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy')'s funding agreement with the Secretary of State for Education dated June 2011, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 Academies Accounts Direction 2017 to 2018 issued by the 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'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 (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MOUNTS BAY  
ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Alison Oliver FCA (Reporting Accountant)

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

Date: 14 - 12 - 18



**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2018**

|   | Note | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Restricted<br>fixed asset<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | Total<br>funds<br>2017<br>£ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| <b>INCOME FROM:</b>   |      |                                    |                                  |   |                             |                             |
| Donations and capital grants  | 2    | -                                  | 130,946                          | 19,930  | 150,876                     | 166,085                     |
| Charitable activities   | 5    | 363,740                            | 5,289,657                        | -   | 5,653,397                   | 5,600,116                   |
| Other trading activities  | 3    | 276,149                            | -                                | -   | 276,149                     | 242,330                     |
| Investments   | 4    | 384                                | -                                | -   | 384                         | 3,193                       |
| <b>TOTAL INCOME</b>   |      | <b>640,273</b>                     | <b>5,420,603</b>                 | <b>19,930</b>                                   | <b>6,080,806</b>            | <b>6,011,724</b>            |
| <b>EXPENDITURE ON:</b>  |      |                                    |                                  |   |                             |                             |
| Raising funds   |      | 177,440                            | -                                | -   | 177,440                     | 84,638                      |
| Charitable activities   |      | 600,256                            | 5,610,542                        | 259,766   | 6,470,564                   | 6,362,414                   |
| <b>TOTAL EXPENDITURE</b>  | 6    | <b>777,696</b>                     | <b>5,610,542</b>                 | <b>259,766</b>                                  | <b>6,648,004</b>            | <b>6,447,052</b>            |
| <b>NET EXPENDITURE BEFORE<br/>OTHER RECOGNISED<br/>GAINS AND LOSSES</b> |      |                                    |                                  |   |                             |                             |
|   |      | (137,423)                          | (189,939)                        | (239,836)                                       | (567,198)                   | (435,328)                   |
| Actuarial gains on defined<br>benefit pension schemes                   | 20   | -                                  | 401,000                          | -   | 401,000                     | 462,000                     |
| <b>NET MOVEMENT IN FUNDS</b>  |      | <b>(137,423)</b>                   | <b>211,061</b>                   | <b>(239,836)</b>                                | <b>(166,198)</b>            | <b>26,672</b>               |
| <b>RECONCILIATION OF FUNDS:</b>   |      |                                    |                                  |   |                             |                             |
| Total funds brought forward   |      | 330,824                            | (1,255,098)                      | 10,138,681                                      | 9,214,407                   | 9,187,735                   |
| <b>TOTAL FUNDS CARRIED<br/>FORWARD</b>                                  |      | <b>193,401</b>                     | <b>(1,044,037)</b>               | <b>9,898,845</b>                                | <b>9,048,209</b>            | <b>9,214,407</b>            |

The notes on pages 26 to 48 form part of these financial statements.

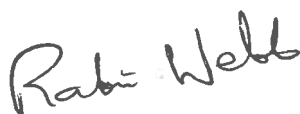
**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 07657923**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

|   | Note | £                  | 2018<br>£          | £                  | 2017<br>£          |
|---|------|--------------------|--------------------|--------------------|--------------------|
| <b>FIXED ASSETS</b>                                   |      |                    |                    |                    |                    |
| Tangible assets                                       | 13   |                    | <b>9,848,069</b>   |                    | 10,137,465         |
| <b>CURRENT ASSETS</b>                                 |      |                    |                    |                    |                    |
| Debtors   | 14   | 171,250            |                    | 178,591            |                    |
| Cash at bank and in hand                              |      | 343,640            |                    | 401,525            |                    |
|   |      | <u>514,890</u>     |                    | <u>580,116</u>     |                    |
| <b>CREDITORS: amounts falling due within one year</b> | 15   | <b>(196,750)</b>   |                    | <b>(193,174)</b>   |                    |
| <b>NET CURRENT ASSETS</b>                             |      |                    | <b>318,140</b>     |                    | <b>386,942</b>     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |      |                    | <b>10,166,209</b>  |                    | <b>10,524,407</b>  |
| Defined benefit pension scheme liability              | 20   |                    | <b>(1,118,000)</b> |                    | <b>(1,310,000)</b> |
| <b>NET ASSETS</b>                                     |      |                    | <b>9,048,209</b>   |                    | <b>9,214,407</b>   |
| <b>FUNDS OF THE ACADEMY TRUST</b>                     |      |                    |                    |                    |                    |
| Restricted funds:                                     |      |                    |                    |                    |                    |
| General funds   | 16   | 73,963             |                    | 54,902             |                    |
| Fixed asset funds                                     | 16   | 9,898,845          |                    | 10,138,681         |                    |
| Restricted funds excluding pension liability          |      | <u>9,972,808</u>   |                    | <u>10,193,583</u>  |                    |
| Pension reserve                                       |      | <b>(1,118,000)</b> |                    | <b>(1,310,000)</b> |                    |
| Total restricted funds                                |      |                    | <b>8,854,808</b>   |                    | <b>8,883,583</b>   |
| Unrestricted funds                                    | 16   |                    | <b>193,401</b>     |                    | <b>330,824</b>     |
| <b>TOTAL FUNDS</b>                                    |      |                    | <b>9,048,209</b>   |                    | <b>9,214,407</b>   |

The financial statements on pages 23 to 48 were approved by the Trustees, and authorised for issue, on 3-12-18 and are signed on their behalf, by:

R Webb  
 Chair of Trustees



S J Davey  
 Principal



The notes on pages 26 to 48 form part of these financial statements.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2018**

|  | Note | 2018<br>£             | 2017<br>£             |
|--|------|-----------------------|-----------------------|
| <b>Cash flows from operating activities</b>                |      |                       |                       |
| Net cash used in operating activities                      | 18   | <u>(107,830)</u>      | <u>(68,607)</u>       |
| <b>Cash flows from investing activities:</b>               |      |                       |                       |
| Interest received  |      | 385                   | 3,193                 |
| Proceeds from the sale of tangible fixed assets            |      | 29,630                | 1,691                 |
| Purchase of tangible fixed assets                          |      | -                     | (882,787)             |
| Capital grants from DfE Group                              |      | 19,930                | -                     |
| Capital funding received from sponsors and others          |      | -                     | 76,376                |
| <b>Net cash provided by/(used in) investing activities</b> |      | <u>49,945</u>         | <u>(801,527)</u>      |
| <b>Change in cash and cash equivalents in the year</b>     |      | <b>(57,885)</b>       | <b>(870,134)</b>      |
| Cash and cash equivalents brought forward                  |      | <u>401,525</u>        | <u>1,271,659</u>      |
| <b>Cash and cash equivalents carried forward</b>           | 19   | <u><u>343,640</u></u> | <u><u>401,525</u></u> |

The notes on pages 26 to 48 form part of these financial statements.

All of the cash flows are derived from acquisitions in the current financial period.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Leading Edge Academies Partnership (Formerly known as 'Mounts Bay Academy') constitutes a public benefit entity as defined by FRS 102.

**1.2 FUND ACCOUNTING**

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

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOME**

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where receipt is probable and it is measurable.

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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

Expenditure on charitable activities are costs incurred on the Academy's educational operations, including support costs and those costs relating to the governance of the Academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 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 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

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £1,000 are capitalised 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, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

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

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

**1.7 OPERATING LEASES**

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

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.8 TAXATION**

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

**1.9 DEBTORS**

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

**1.10 CASH AT BANK AND IN HAND**

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

**1.11 LIABILITIES AND PROVISIONS**

Liabilities and provisions 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 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.12 FINANCIAL INSTRUMENTS**

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement basis 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 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15: 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 instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.13 PENSIONS**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 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. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 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.



**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**1. ACCOUNTING POLICIES (continued)**

**1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

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 Academy 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. 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.

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

|                | <b>Unrestricted<br/>funds<br/>2018<br/>£</b> | <b>Restricted<br/>funds<br/>2018<br/>£</b> | <b>Restricted<br/>fixed asset<br/>funds<br/>2018<br/>£</b> | <b>Total<br/>funds<br/>2018<br/>£</b> | <b>Total<br/>funds<br/>2017<br/>£</b> |
|----------------|--|--|--|---------------------------------------|---------------------------------------|
| Donations      | -  | 130,946                                    | -  | 130,946                               | 89,709                                |
| Capital Grants | -  | -  | 19,930   | 19,930                                | 76,376                                |
|                | <u>-</u>                                     | <u>130,946</u>                             | <u>19,930</u>  | <u>150,876</u>                        | <u>166,085</u>                        |
| Total 2017     | <u>-</u>                                     | <u>89,709</u>                              | <u>76,376</u>  | <u>166,085</u>                        |                                       |

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**3. OTHER TRADING ACTIVITIES**

|               | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | Total<br>funds<br>2017<br>£ |
|---------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Lettings      | 45,402                             | -                                | 45,402                      | 50,202                      |
| Consultancy   | 212,592                            | -                                | 212,592                     | 176,926                     |
| Fees received | 18,155                             | -                                | 18,155                      | 15,202                      |
|               | <u>276,149</u>                     | <u>-</u>                         | <u>276,149</u>              | <u>242,330</u>              |
| Total 2017    | <u>242,330</u>                     | <u>-</u>                         | <u>242,330</u>              |                             |

**4. INVESTMENT INCOME**

|               | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | Total<br>funds<br>2017<br>£ |
|---------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Bank interest | 384                                | -                                | 384                         | 3,193                       |
| Total 2017    | <u>3,193</u>                       | <u>-</u>                         | <u>3,193</u>                |                             |

LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

|                                     | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | Total<br>funds<br>2017<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| <b>DfE/ESFA grants</b>              |                                    |                                  |                             |                             |
| General Annual Grant                | -                                  | 4,884,563                        | 4,884,563                   | 4,996,590                   |
| Other DfE Group grants              | -                                  | 220,469                          | 220,469                     | 233,678                     |
|                                     | -                                  | 5,105,032                        | 5,105,032                   | 5,230,268                   |
| <b>Other Government grants</b>      |                                    |                                  |                             |                             |
| Other Local Authority grants        | -                                  | 12,321                           | 12,321                      | 52,544                      |
| Other government grants non capital | -                                  | 172,304                          | 172,304                     | 69,079                      |
|                                     | -                                  | 184,625                          | 184,625                     | 121,623                     |
| <b>Other funding</b>                |                                    |                                  |                             |                             |
| Internal catering income            | 1,765                              | -                                | 1,765                       | 1,944                       |
| Sales to students                   | 164,136                            | -                                | 164,136                     | 105,063                     |
| Other                               | 197,839                            | -                                | 197,839                     | 141,218                     |
|                                     | 363,740                            | -                                | 363,740                     | 248,225                     |
|                                     | 363,740                            | 5,289,657                        | 5,653,397                   | 5,600,116                   |
| Total 2017                          | 208,226                            | 5,391,890                        | 5,600,116                   |                             |

6. EXPENDITURE

|   | Staff costs<br>2018<br>£ | Premises<br>2018<br>£ | Non Pay<br>Expenditure<br>Other<br>2018<br>£ | Total<br>2018<br>£ | Total<br>2017<br>£ |
|---|--------------------------|-----------------------|--|--------------------|--------------------|
| <b>Costs of generating voluntary income</b> |                          |                       |  |                    |                    |
| Direct costs                                | -                        | -                     | 177,440                                      | 177,440            | 84,638             |
| Support costs                               | -                        | -                     | -  | -                  | -                  |
| <b>Education:</b>                           |                          |                       |  |                    |                    |
| Direct costs                                | 4,101,518                | 229,822               | 464,148                                      | 4,795,488          | 4,815,404          |
| Support costs                               | 724,677                  | 422,839               | 527,560                                      | 1,675,076          | 1,547,010          |
|   | 4,826,195                | 652,661               | 1,169,148                                    | 6,648,004          | 6,447,052          |
| Total 2017                                  | 4,639,571                | 683,325               | 1,124,156                                    | 6,447,052          |                    |

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**7. DIRECT COSTS**

|                       | <b>Total<br/>2018<br/>£</b> | <b>Total<br/>2017<br/>£</b> |
|-----------------------|-----------------------------|-----------------------------|
| Pension finance costs | 15,750                      | 16,000                      |
| Educational supplies  | 176,792                     | 200,961                     |
| Examination fees      | 107,224                     | 105,455                     |
| Other costs           | 154,195                     | 183,406                     |
| Supply teachers       | 10,187                      | 4,756                       |
| Wages and salaries    | 3,178,418                   | 3,152,509                   |
| National insurance    | 326,462                     | 323,015                     |
| Pension cost          | 596,638                     | 565,352                     |
| Depreciation          | 229,822                     | 263,950                     |
|                       | <b>4,795,488</b>            | <b>4,815,404</b>            |
|                       | <hr/> <hr/>                 | <hr/> <hr/>                 |
| Total 2017            | 4,815,404                   |                             |
|                       | <hr/> <hr/>                 |                             |

**8. SUPPORT COSTS**

|   | <b>Total<br/>2018<br/>£</b> | <b>Total<br/>2017<br/>£</b> |
|---|-----------------------------|-----------------------------|
| Pension finance costs                     | 19,250                      | 19,000                      |
| Staff development                         | 44,975                      | 43,343                      |
| Recruitment and support                   | 16,350                      | 20,337                      |
| Maintenance of premises and equipment     | 126,195                     | 134,897                     |
| Cleaning                                  | 119,636                     | 121,584                     |
| Rent and rates                            | 32,946                      | 32,071                      |
| Energy costs                              | 97,679                      | 74,380                      |
| Insurance                                 | 32,502                      | 30,443                      |
| Security and transport                    | 28,117                      | 29,579                      |
| Catering                                  | 49,751                      | 59,195                      |
| Technology costs                          | 133,042                     | 208,318                     |
| Office overheads                          | 111,294                     | 90,184                      |
| Legal and professional                    | 108,686                     | 39,850                      |
| Bank interest and charges                 | 32                          | -                           |
| Loss/(Profit) on disposal of fixed assets | (22,538)                    | (475)                       |
| Wages and salaries                        | 524,717                     | 425,672                     |
| National insurance                        | 37,421                      | 35,190                      |
| Pension cost                              | 162,539                     | 137,834                     |
| Depreciation                              | 52,482                      | 45,608                      |
|   | <b>1,675,076</b>            | <b>1,547,010</b>            |
|   | <hr/> <hr/>                 | <hr/> <hr/>                 |
| Total 2017                                | 1,547,010                   |                             |
|   | <hr/> <hr/>                 |                             |

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**9. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

|  | 2018<br>£        | 2017<br>£        |
|--|------------------|------------------|
| Wages and salaries                                 | 3,703,135        | 3,553,181        |
| Social security costs                              | 363,883          | 358,204          |
| Operating costs of defined benefit pension schemes | 759,177          | 703,186          |
|  | <u>4,826,195</u> | <u>4,614,571</u> |
| Staff restructuring costs                          | -                | 25,000           |
|  | <u>4,826,195</u> | <u>4,639,571</u> |

Staff restructuring costs comprise:

|                     |          |               |
|---------------------|----------|---------------|
| Redundancy payments | -        | 25,000        |
|                     | <u>-</u> | <u>25,000</u> |

**b. Staff numbers**

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

|                        | 2018<br>No. | 2017<br>No. |
|------------------------|-------------|-------------|
| Management             | 8           | 12          |
| Teaching               | 58          | 59          |
| Administration/Support | 55          | 44          |
|                        | <u>121</u>  | <u>115</u>  |

Average headcount expressed as a full time equivalent:

|                        | 2018<br>No. | 2017<br>No. |
|------------------------|-------------|-------------|
| Management             | 8           | 12          |
| Teaching               | 53          | 53          |
| Administration/Support | 40          | 40          |
|                        | <u>101</u>  | <u>105</u>  |

**c. Higher paid staff**

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

|                                 | 2018<br>No. | 2017<br>No. |
|---------------------------------|-------------|-------------|
| In the band £60,001 - £70,000   | 2           | 4           |
| In the band £70,001 - £80,000   | 1           | 0           |
| In the band £100,001 - £200,000 | 1           | 1           |

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**9. STAFF COSTS (continued)**

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2018, pension contributions for employees whose emoluments fell within the above bands amounted to £50,518 (2017: £59,896).

**d. Key management personnel**

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Leadership Team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £687,498 (2017: £726,726).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 10 has not been included in the total benefits received by key management personnel above.

**10. TRUSTEES' REMUNERATION AND EXPENSES**

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, from the Academy in respect of their role as Trustees. The value of Trustees' gross salary in the year was as follows: S Davey, one hundred to one hundred & five thousand pounds (2017: one hundred to one hundred & five thousand pounds); J Hick, sixty-five to seventy thousand pounds (2017: sixty-five to seventy thousand pounds); E Bennett, forty-five to fifty thousand pounds (2017: forty-five to fifty thousand pounds); and J Rodgers, thirty-five to forty thousand pounds (2017: Nil pounds). The value of the Trustees' employer pension contributions in the year was as follows: S Davey, fifteen to twenty thousand pounds (2017: fifteen to twenty thousand pounds); J Hick, ten to fifteen thousand pounds (2017: ten to fifteen thousand pounds); E Bennett, five to ten thousand pounds (2017: five to ten thousand pounds); and J Rodgers, five to ten thousand pounds (2017: Nil pounds).

During the year, no Trustees received any benefits in kind (2017: £NIL).

During the year ended 31 August 2018, expenses totalling £103 (2017: £237) were reimbursed to 1 Trustee (2017: 1).

**11. NET INCOME/(EXPENDITURE) FOR THE YEAR**

This is stated after charging:

|   | 2018          | 2017           |
|---|---------------|----------------|
|   | £             | £              |
| Depreciation of tangible fixed assets:  |               |                |
| - owned by the Academy                  | 282,304       | 309,558        |
| Auditors' remuneration - audit          | 7,936         | 5,450          |
| Auditors' remuneration - other services | 4,835         | 3,315          |
| Operating lease rentals                 | 54,961        | 103,990        |
|   | <u>54,961</u> | <u>103,990</u> |

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**12. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy 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 £1,000,000 on any one claim and the cost for the year ended 31 August 2018 was £1,594 (2017: £753).

**13. TANGIBLE FIXED ASSETS**

|                       | Long term<br>leasehold<br>land and<br>buildings<br>£ | Motor<br>Vehicles<br>£ | Fixtures and<br>fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£        |
|-----------------------|--|------------------------|-------------------------------|----------------------------|-------------------|
| <b>COST</b>           |  |                        |                               |                            |                   |
| At 1 September 2017   | 11,003,726   | 18,390                 | 200,214                       | 298,396                    | 11,520,726        |
| Disposals             | -  | -                      | -                             | (16,954)                   | (16,954)          |
| At 31 August 2018     | <u>11,003,726</u>                                    | <u>18,390</u>          | <u>200,214</u>                | <u>281,442</u>             | <u>11,503,772</u> |
| <b>DEPRECIATION</b>   |  |                        |                               |                            |                   |
| At 1 September 2017   | 1,071,903  | 8,046                  | 116,441                       | 186,871                    | 1,383,261         |
| Charge for the year   | 206,085  | 2,586                  | 22,751                        | 50,882                     | 282,304           |
| On disposals          | -  | -                      | -                             | (9,862)                    | (9,862)           |
| At 31 August 2018     | <u>1,277,988</u>                                     | <u>10,632</u>          | <u>139,192</u>                | <u>227,891</u>             | <u>1,655,703</u>  |
| <b>NET BOOK VALUE</b> |  |                        |                               |                            |                   |
| At 31 August 2018     | <u>9,725,738</u>                                     | <u>7,758</u>           | <u>61,022</u>                 | <u>53,551</u>              | <u>9,848,069</u>  |
| At 31 August 2017     | <u>9,931,823</u>                                     | <u>10,344</u>          | <u>83,773</u>                 | <u>111,525</u>             | <u>10,137,465</u> |

A fixed charge has been given to the Football Foundation over the property on which the 3G football pitch has been developed, as a condition of the grant funding received. The property on which the 3G pitch was developed is included within the long term leasehold land and buildings.

**14. DEBTORS**

|                                | 2018<br>£      | 2017<br>£      |
|--------------------------------|----------------|----------------|
| Trade debtors                  | 45,361         | 41,955         |
| VAT recoverable                | 30,149         | 56,981         |
| Other debtors                  | 71,886         | 60,993         |
| Prepayments and accrued income | 23,854         | 18,662         |
|                                | <u>171,250</u> | <u>178,591</u> |

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**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                      | 2018<br>£      | 2017<br>£      |
|--------------------------------------|----------------|----------------|
| Trade creditors                      | 86,266         | 44,468         |
| Other taxation and social security   | 74,274         | 92,651         |
| Accruals and deferred income         | 36,210         | 56,055         |
|                                      | <u>196,750</u> | <u>193,174</u> |
|                                      | 2018<br>£      | 2017<br>£      |
| <b>DEFERRED INCOME</b>               |                |                |
| Deferred income at 1 September 2017  | 13,883         | -              |
| Resources deferred during the year   | 13,880         | 13,883         |
| Amounts released from previous years | (13,883)       | -              |
|                                      | <u>13,880</u>  | <u>13,883</u>  |
| Deferred income at 31 August 2018    | 13,880         | 13,883         |

Deferred income represents grants received in 2018 that relate to the subsequent school year. At the balance sheet date the Academy held funds received in advance relating to SGO £13,880 (2017: £18,883).

**16. STATEMENT OF FUNDS**

|   | Brought<br>forward<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Carried<br>forward<br>£ |
|---|-------------------------|----------------|------------------|--------------------------|-------------------------|-------------------------|
| <b>DESIGNATED FUNDS</b>                   |                         |                |                  |                          |                         |                         |
| Football pitch carpet<br>replacement fund | 99,019                  | -              | -                | 25,000                   | -                       | 124,019                 |
| <b>GENERAL FUNDS</b>                      |                         |                |                  |                          |                         |                         |
| General funds                             | 231,805                 | 640,273        | (777,696)        | (25,000)                 | -                       | 69,382                  |
| Total Unrestricted funds                  | <u>330,824</u>          | <u>640,273</u> | <u>(777,696)</u> | <u>-</u>                 | <u>-</u>                | <u>193,401</u>          |



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16. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

|                            | Brought forward<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Carried forward<br>£ |
|----------------------------|----------------------|------------------|--------------------|--------------------------|-------------------------|----------------------|
| General Annual Grant (GAG) | -                    | 4,884,563        | (4,884,563)        | -                        | -                       | -                    |
| Rates funding              | -                    | 8,340            | (8,340)            | -                        | -                       | -                    |
| Higher Needs               | -                    | 12,321           | (12,321)           | -                        | -                       | -                    |
| Donations                  | -                    | 3,505            | (3,505)            | -                        | -                       | -                    |
| Pupil premium              | -                    | 201,714          | (201,714)          | -                        | -                       | -                    |
| Year 7 Catch up funding    | -                    | 10,415           | (10,415)           | -                        | -                       | -                    |
| Applied Minds              | 3,444                | 63,315           | (66,759)           | -                        | -                       | -                    |
| Pupil premium LAC          | -                    | 19,650           | (19,650)           | -                        | -                       | -                    |
| MAT Development Fund       | -                    | 150,000          | (124,432)          | -                        | -                       | 25,568               |
| Erasmus                    | 29,294               | 12,591           | (11,626)           | -                        | -                       | 30,259               |
| Bikeability                | 5,173                | 21,375           | (23,018)           | -                        | -                       | 3,530                |
| Connecting Classrooms      | 333                  | -                | (333)              | -                        | -                       | -                    |
| Comenius 4                 | 3,710                | -                | -                  | -                        | -                       | 3,710                |
| Other restricted funds     | 12,948               | 32,814           | (34,866)           | -                        | -                       | 10,896               |
| Pension reserve            | (1,310,000)          | -                | (209,000)          | -                        | 401,000                 | (1,118,000)          |
|                            | <u>(1,255,098)</u>   | <u>5,420,603</u> | <u>(5,610,542)</u> | <u>-</u>                 | <u>401,000</u>          | <u>(1,044,037)</u>   |

RESTRICTED FIXED ASSET FUNDS

|  | Brought forward<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Carried forward<br>£ |
|--|----------------------|------------------|--------------------|--------------------------|-------------------------|----------------------|
| Fixed assets transferred on conversion                     | 7,246,814            | -                | (149,267)          | -                        | -                       | 7,097,547            |
| Fixed assets purchased from GAG and other restricted funds | 185,277              | -                | (7,847)            | -                        | -                       | 177,430              |
| Fixed assets purchased from DfE/ESFA Capital grants        | 1,461,242            | -                | (64,714)           | -                        | -                       | 1,396,528            |
| Football Association 3G Football Pitch                     | 39,520               | -                | (859)              | -                        | -                       | 38,661               |
| Condition Improvement Fund (CIF)                           | 1,153,660            | -                | (33,039)           | -                        | -                       | 1,120,621            |
| Other grants   | 52,168               | -                | (4,040)            | -                        | -                       | 48,128               |
| Devolved Formula Capital                                   | -                    | 19,930           | -                  | -                        | -                       | 19,930               |
|  | <u>10,138,681</u>    | <u>19,930</u>    | <u>(259,766)</u>   | <u>-</u>                 | <u>-</u>                | <u>9,898,845</u>     |
| Total restricted funds                                     | <u>8,883,583</u>     | <u>5,440,533</u> | <u>(5,870,308)</u> | <u>-</u>                 | <u>401,000</u>          | <u>8,854,808</u>     |
| Total of funds   | <u>9,214,407</u>     | <u>6,080,806</u> | <u>(6,648,004)</u> | <u>-</u>                 | <u>401,000</u>          | <u>9,048,209</u>     |

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**16. 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.

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

Pupil premium - Income from the ESFA which is to be 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 - 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

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 the 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 represent 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

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**16. STATEMENT OF FUNDS (continued)**

DfE/ESFA Capital Grants – These funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

Football association 3G football pitch - This represents the value of the buildings on the 3G pitch which were funded by the Football Association Grant after conversion.

**STATEMENT OF FUNDS - PRIOR YEAR**

|  | Balance at<br>1 September<br>2016<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2017<br>£ |
|--|--|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| <b>DESIGNATED FUNDS</b>                |  |             |                  |                          |                         |                                      |
| Football pitch carpet replacement fund | 99,019                                 | -           | -                | -                        | -                       | 99,019                               |
| General funds                          | 231,929                                | 453,748     | (338,941)        | (114,932)                | -                       | 231,804                              |
| <b>RESTRICTED FUNDS</b>                |  |             |                  |                          |                         |                                      |
|  | Balance at<br>1 September<br>2016<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2017<br>£ |
| General Annual Grant (GAG)             | 146,365                                | 4,996,590   | (5,131,417)      | (11,538)                 | -                       | -                                    |
| Rates funding                          | -                                      | 19,447      | (18,467)         | (980)                    | -                       | -                                    |
| High needs                             | -                                      | 7,247       | (7,247)          | -                        | -                       | -                                    |
| Pupil premium                          | -                                      | 204,318     | (204,318)        | -                        | -                       | -                                    |
| Year 7 Catch up funding                | -                                      | 9,912       | (9,912)          | -                        | -                       | -                                    |
| Applied Minds                          | -                                      | 69,079      | (65,635)         | -                        | -                       | 3,444                                |
| Pupil premium LAC                      | -                                      | 19,900      | (19,900)         | -                        | -                       | -                                    |
| Erasmus                                | 26,596                                 | 29,293      | (26,595)         | -                        | -                       | 29,294                               |
| Bikeability                            | 200                                    | 37,170      | (32,197)         | -                        | -                       | 5,173                                |
| School Games                           | -                                      | 12,668      | (12,668)         | -                        | -                       | -                                    |
| School Games-Organiser                 | -                                      | 23,800      | (23,800)         | -                        | -                       | -                                    |
| PE Primary fund                        | 21,178                                 | 40,000      | (61,178)         | -                        | -                       | -                                    |
| Connecting Classrooms                  | 333                                    | -           | -                | -                        | -                       | 333                                  |
| Comenius 4                             | 3,710                                  | -           | -                | -                        | -                       | 3,710                                |
| Other restricted funds                 | 13,010                                 | 12,177      | (13,219)         | 980                      | -                       | 12,948                               |
| Pension reserve                        | (1,600,000)                            | -           | (172,000)        | -                        | 462,000                 | (1,310,000)                          |
|  | (1,388,608)                            | 5,481,601   | (5,798,553)      | (11,538)                 | 462,000                 | (1,255,098)                          |

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**16. STATEMENT OF FUNDS (continued)**

**RESTRICTED FIXED ASSET FUNDS**

|  | Balance at<br>1 September<br>2016<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2017<br>£ |
|--|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| Fixed assets transferred<br>on conversion                        | 7,396,081                              | -                | (149,267)          | -                        | -                       | 7,246,814                            |
| Fixed assets purchased<br>from GAG and other<br>restricted funds | 213,172                                | -                | (39,433)           | 11,538                   | -                       | 185,277                              |
| Fixed assets purchased<br>from DfE/ESFA Capital<br>grants        | 1,401,791                              | 20,166           | (82,920)           | 122,205                  | -                       | 1,461,242                            |
| Football Association 3G<br>Football Pitch                        | 40,378                                 | -                | (858)              | -                        | -                       | 39,520                               |
| Condition Improvement<br>Fund (CIF)                              | 1,193,971                              | -                | (33,038)           | (7,273)                  | -                       | 1,153,660                            |
| Other grants   | -                                      | 56,210           | (4,042)            | -                        | -                       | 52,168                               |
|  | <u>10,245,393</u>                      | <u>76,376</u>    | <u>(309,558)</u>   | <u>126,470</u>           | <u>-</u>                | <u>10,138,681</u>                    |
| Total restricted funds   | <u>8,856,785</u>                       | <u>5,557,977</u> | <u>(6,108,111)</u> | <u>114,932</u>           | <u>462,000</u>          | <u>8,883,583</u>                     |
| Total of funds   | <u>9,187,733</u>                       | <u>6,011,725</u> | <u>(6,447,052)</u> | <u>-</u>                 | <u>462,000</u>          | <u>9,214,406</u>                     |

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

|                               | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Restricted<br>fixed asset<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ |
|-------------------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets         | (50,776)                           | -                                | 9,898,845                                       | 9,848,069                   |
| Current assets                | 440,927                            | 73,963                           | -   | 514,890                     |
| Creditors due within one year | (196,750)                          | -                                | -   | (196,750)                   |
| Pension scheme liability      | -                                  | (1,118,000)                      | -   | (1,118,000)                 |
|                               | <u>193,401</u>                     | <u>(1,044,037)</u>               | <u>9,898,845</u>                                | <u>9,048,209</u>            |

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17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

|  | Unrestricted<br>funds | Restricted<br>funds | Restricted<br>fixed asset<br>funds | Total<br>funds   |
|--|-----------------------|---------------------|------------------------------------|------------------|
|  | 2017                  | 2017                | 2017                               | 2017             |
|  | £                     | £                   | £                                  | £                |
| Tangible fixed assets                  | -                     | -                   | 10,137,466                         | 10,137,466       |
| Current assets                         | 373,133               | 178,859             | 28,122                             | 580,114          |
| Creditors due within one year          | (42,310)              | (123,957)           | (26,907)                           | (193,174)        |
| Provisions for liabilities and charges | -                     | (1,310,000)         | -                                  | (1,310,000)      |
|  | <u>330,823</u>        | <u>(1,255,098)</u>  | <u>10,138,681</u>                  | <u>9,214,407</u> |

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

|   | 2018             | 2017            |
|---|------------------|-----------------|
|   | £                | £               |
| Net expenditure for the year (as per Statement of Financial Activities) | (567,198)        | (435,328)       |
| <b>Adjustment for:</b>  |                  |                 |
| Depreciation charges  | 282,304          | 309,558         |
| Dividends, interest and rents from investments                          | (384)            | (3,192)         |
| Profit on the sale of fixed assets                                      | (22,538)         | (475)           |
| Decrease in debtors   | 7,340            | 474,550         |
| Increase/(decrease) in creditors  | 576              | (509,344)       |
| Capital grants from DfE and other capital income                        | (19,930)         | (76,376)        |
| Defined benefit pension scheme cost less contributions payable          | 177,000          | 137,000         |
| Defined benefit pension scheme finance cost                             | 35,000           | 35,000          |
| <b>Net cash used in operating activities</b>                            | <u>(107,830)</u> | <u>(68,607)</u> |

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

|                          | 2018           | 2017           |
|--------------------------|----------------|----------------|
|                          | £              | £              |
| Cash at bank and in hand | 343,640        | 401,525        |
|                          | <u>343,640</u> | <u>401,525</u> |

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**20. PENSION COMMITMENTS**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

**Teachers' Pension Scheme**

**Introduction**

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

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

**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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
(A COMPANY LIMITED BY GUARANTEE)**

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**20. PENSION COMMITMENTS (continued)**

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £428,917 (2017: £424,422).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £204,787 (2017: £171,005), of which employer's contributions totalled £156,022 (2017: £125,495) and employees' contributions totalled £48,765 (2017: £45,510). The agreed contribution rates for future years are 16.9% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions:

|                                      | 2018   | 2017   |
|--------------------------------------|--------|--------|
| Discount rate for scheme liabilities | 2.80 % | 2.50 % |
| Rate of increase in salaries         | 2.40 % | 2.50 % |
| Rate of increase for pensions        | 2.30 % | 2.40 % |

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

|                      | 2018 | 2017 |
|----------------------|------|------|
| Retiring today       |      |      |
| Males                | 22.1 | 22.1 |
| Females              | 24.5 | 24.5 |
| Retiring in 20 years |      |      |
| Males                | 24   | 24.0 |
| Females              | 26.4 | 26.4 |

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')**  
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**20. PENSION COMMITMENTS (continued)**

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

|                              | Fair value at<br>31 August<br>2018<br>£ | Fair value at<br>31 August<br>2017<br>£ |
|------------------------------|---|---|
| Equities                     | 1,003,000                               | 821,000                                 |
| Bonds                        | 880,000                                 | 751,000                                 |
| Property                     | 143,000                                 | 122,000                                 |
| Cash                         | 20,000                                  | 52,000                                  |
| Total market value of assets | <u>2,046,000</u>                        | <u>1,746,000</u>                        |

The actual return on scheme assets was £53,000 (2017: £35,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

|                      | 2018<br>£        | 2017<br>£        |
|----------------------|------------------|------------------|
| Current service cost | (331,000)        | (279,000)        |
| Past service cost    | (17,000)         | -                |
| Interest income      | 46,000           | 35,000           |
| Interest cost        | (81,000)         | (70,000)         |
| Total                | <u>(383,000)</u> | <u>(314,000)</u> |

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

|                                    | 2018<br>£        | 2017<br>£        |
|------------------------------------|------------------|------------------|
| Opening defined benefit obligation | 3,056,000        | 3,182,000        |
| Current service cost               | 331,000          | 279,000          |
| Interest cost                      | 81,000           | 70,000           |
| Employee contributions             | 49,000           | 46,000           |
| Actuarial gains                    | (348,000)        | (506,000)        |
| Benefits paid                      | (22,000)         | (15,000)         |
| Past service costs                 | 17,000           | -                |
| Closing defined benefit obligation | <u>3,164,000</u> | <u>3,056,000</u> |



**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**20. PENSION COMMITMENTS (continued)**

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

|                                     | 2018<br>£        | 2017<br>£        |
|-------------------------------------|------------------|------------------|
| Opening fair value of scheme assets | 1,746,000        | 1,582,000        |
| Interest income                     | 46,000           | 35,000           |
| Actuarial losses/(gains)            | 53,000           | (44,000)         |
| Employer contributions              | 174,000          | 142,000          |
| Employee contributions              | 49,000           | 46,000           |
| Benefits paid                       | (22,000)         | (15,000)         |
|                                     | <u>2,046,000</u> | <u>1,746,000</u> |

**21. OPERATING LEASE COMMITMENTS**

At 31 August 2018 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

|                         | 2018<br>£      | 2017<br>£     |
|-------------------------|----------------|---------------|
| <b>AMOUNTS PAYABLE:</b> |                |               |
| Within 1 year           | 178,608        | 66,046        |
| Between 1 and 5 years   | 275,060        | 32,550        |
| Total                   | <u>453,668</u> | <u>98,596</u> |

**22. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations it is inevitable that transactions will take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

**23. POST BALANCE SHEET EVENTS**

The Leading Edge Academies Partnership (LEAP) was established on 1 September 2018 as a MAT. Five Islands School, an all through school will join LEAP in early 2019 and a further two further primaries and a secondary school have also requested to join LEAP in 2019.

**24. CONTROLLING PARTY**

There was no controlling party during the year.

**LEADING EDGE ACADEMIES PARTNERSHIP (FORMERLY KNOWN AS 'MOUNTS BAY ACADEMY')  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**25. 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.

**26. GENERAL INFORMATION**

Mounts Bay Academy is a company limited by guarantee, incorporated in England and Wales. The registered office is Boscathnoe Lane, Heamoor, Penzance, Cornwall, TR18 3JT.

**27. AGENCY ARRANGEMENTS**

The Academy distributes funds to schools as an agent for NCTL. In the year ending 31 August 2018 the Academy received £6,000 (2017: £6,000) and disbursed £6,000 (2017: £6,000) from the fund, towards mentoring support.

**28. TEACHING SCHOOL TRADING ACCOUNT**

|   | 2018<br>£ | 2018<br>£ | 2017<br>£ | 2017<br>£ |
|---|-----------|-----------|-----------|-----------|
| <b>INCOME</b>                                       |           |           |           |           |
| <b>DIRECT INCOME</b>                                |           |           |           |           |
| Income  | 63,315    |           | 69,079    |           |
| <b>TOTAL INCOME</b>                                 |           | 63,315    |           | 69,079    |
| <b>EXPENDITURE</b>                                  |           |           |           |           |
| <b>DIRECT EXPENDITURE</b>                           |           |           |           |           |
| Direct staff costs                                  | 32,105    |           | 30,980    |           |
| Other direct costs                                  | 31,161    |           | 34,655    |           |
| <b>TOTAL DIRECT EXPENDITURE</b>                     | 63,266    |           | 65,635    |           |
| <b>OTHER EXPENDITURE</b>                            |           |           |           |           |
| Other staff costs                                   | 3,493     |           | -         |           |
| <b>TOTAL EXPENDITURE</b>                            |           | 66,759    |           | 65,635    |
| <b>(DEFICIT) / SURPLUS FROM ALL SOURCES</b>         |           | (3,444)   |           | 3,444     |
| <b>TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017</b> |           | 3,444     |           | -         |
| <b>TEACHING SCHOOL BALANCES AT 31 AUGUST 2018</b>   |           | -         |           | 3,444     |