

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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**LEADING EDGE ACADEMIES PARTNERSHIP  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	S Karkeek (resigned 31 August 2020) J P Field J Osborne K Fitzsimmons J Eason
<b>Trustees</b>	J Eason, Chair <sup>1,2</sup> S J Davey, Chief Executive Officer (resigned 31 August 2020) <sup>1,2</sup> S Alexander (resigned 3 October 2019) <sup>2</sup> G Anderson (appointed 23 April 2019) <sup>2</sup> R Webb, Vice Chair <sup>1</sup> P Gay <sup>2</sup> J Osborne <sup>1</sup> D Sharp <sup>1,2</sup> G Chappell (appointed 5 December 2019) <sup>1</sup> C Finch (resigned 6 September 2019) <sup>2</sup> P Taylor-McCartney (appointed 1 May 2020) <sup>2</sup> K Butcher, Chief Executive Officer (appointed 1 September 2020) <sup>1,2</sup>  <sup>1</sup> Compliance Committee <sup>2</sup> Education Committee
<b>Company registered number</b>	07657923
<b>Company name</b>	Leading Edge Academies Partnership
<b>Principal and Registered office</b>	Boscathnoe Lane Hearmoor Penzance Cornwall TR18 3JT
<b>Company secretary</b>	L Sadler
<b>Accounting Officer</b>	S Davey (resigned 31 August 2020) K Butcher (appointed 1 September 2020)
<b>Senior Leadership Team</b>	S Davey, Executive Principal & CEO (resigned 31 August 2020) A Harvey, Chief Operating Officer, Executive Principal (secondary) K Butcher, Executive Principal Primary (appointed to CEO from 1 September 2020) L Sadler, Executive Assistant
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors Chy Nyverow Newham Road Truro Cornwall TR1 2DP

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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<b>Bankers</b>	Lloyds Bank PLC Market House Penzance Cornwall TR18 2TN
<b>Solicitors</b>	Browne Jacobson 1 Manor Court Dix's Field Exeter Devon EX1 1UP
<b>Actuary</b>	Hymans Robertson LLP One London Wall London EC2Y 5EA

**LEADING EDGE ACADEMIES PARTNERSHIP  
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**TRUSTEES REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**INTRODUCTION**

The Trustees present their annual report together with the financial statements and Auditors' Report of the Charitable Company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' Report and a Directors' Report under company law.

The Leading Edge Academies Partnership (the 'Academy Trust') operates as a Multi Academy Trust that includes five Academies for pupils aged 3 to 16 in Cornwall and the Isles of Scilly.

Trust Academies have a combined pupil capacity of 3000 and at the time of the School Census on 4th October 2019 had a roll of 971 at Mounts Bay Academy, 568 at Fowey River Academy, 259 at The Five Islands Academy, 239 at St Hilary School and 200 at Ludgvan School.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

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

Academies that have joined the MAT over the last eighteen months include Five Islands Academy (1st January 2019) as a Sponsored Academy, St Hilary School and Ludgvan School (1st April) as Convertor Academies and finally Fowey River Academy (1st May 2019) as a re-brokered Academy from the Adventure Learning Academies Trust (ALAT).

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

**Members' Liability**

Each Member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while 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 cease to be a Member.

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees, which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission, which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10.

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

**Method of recruitment and appointment or election of Trustees**

On 1st August 2018 the new organisation called 'Leading Edge Academies Partnership' came into existence. The founding Members of the new Trust appointed the Trustees from a group that had served as the Shadow Trust Board from March 2018. The Trustees were appointed to ensure a strong and varied skill set from a range of business and educational backgrounds including Church representation.

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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

- Up to 6 Trustees who are appointed by Members;
- Up to 2 Trustees who are representatives from the Diocese;
- Up to 2 co-opted Trustees who are appointed by the Trustee Board; and
- The CEO who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four-year period, although this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected. The Diocese body called 'Askel Veur' is empowered to appoint two Trustees.

When appointing new Trustees, consideration will be given by the Board to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the development of the Trust's Academies.

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

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

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

A training day for Trustees is organised each year, which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

**Organisational Structure**

The Board of Trustees normally meets once each quarter. The Board establishes an overall framework for the governance of the Academies 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.

There are 2 committees as follows:

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

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

**LEADING EDGE ACADEMIES PARTNERSHIP  
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**TRUSTEES REPORT (CONTINUED)  
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The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

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

The Academy Trust has a leadership structure which consists of five Members, up to ten Trustees, an Executive Leadership Team and separate Academy Senior Leadership Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The MAT Executive Leadership Team (ELT) consists of the CEO, the COO, the Headteachers/ Principals of the five Academies and the Executive Assistant. The CEO as Accounting Officer, COO, Academy Trust Finance Director and the Compliance Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to budget holders, which must be authorised in line with the Scheme of Delegation. The individual Headteachers, in consultation with the CEO, are responsible for the appointment of staff, though appointment panels for teaching posts should always include a Local Governor where possible.

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

**Arrangements for setting pay and remuneration of key management personnel**

All Trustees give their time freely and no Trustee received remuneration in the year.

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

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

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

**Trade Union facility time**

Relevant union officials:

There were seven union officials representing staff in the Academies and a number attended representative training over the past year. Whilst administration support was made available, no additional time was requested over the year by the representatives.

**Related Parties and other connected charities and organisations**

The Academy Trust has a wide range of organisations within its network and international links with a number of schools in America, Africa, Asia and Europe, as well as international companies, such as 'Apple' and 'Google' who support digital learning with free training and materials. It is also part of the global network of world class schools called 'High Performance Learning'. Mounts Bay Academy was successful in achieving 'World Class Status' this year after an external review.

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**TRUSTEES REPORT (CONTINUED)  
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In addition, the Academy Trust has national links with the following organisations who all help provide high quality CPD:

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

Most recently, the Academy Trust has been nominated, via Mounts Bay Academy, as a regional Associate Research School, in addition to its National Teaching School Status, and works with the Education Endowment Foundation to support the dissemination of recent educational research.

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

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

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal objective and activity of the Trust is to advance for the public benefit, education in the United Kingdom, in particular, by establishing, maintaining, carrying on, managing and developing Leading Edge schools that offer a very broad range of curriculum opportunities for pupils of different abilities. All Academies in the Trust do this by having a strong emphasis on values-based education and in one case, at Five Islands Academy, this is explicitly Christian in its teaching. The vision for all schools in the Trust is to provide 'World Class Education for Global Learners' and all the schools use the UN Global Goals to focus project work. The Academy Trust bases all its decisions on six core values adopted within an ecological framework. These are our six Es and they include the following:

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

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

The aims of the Academy Trust during the year ended 31 August 2020 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils, (Excellence).
- To develop positive relationships of trust and collaboration that will support well-being for all, (Empathy).
- To develop learners who are resilient and flexible in changing times, (Endurance).
- To provide an innovative, broad and balanced curriculum, including extra-curricular activities based on the latest educational research (Excellence).
- To develop students as more effective learners and responsible citizens (Ethical Behaviour).



**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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- To develop the learning environments and premises in each school so that it enables students to achieve their full potential (Equity).
- To ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care (Equity).
- To improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review (Evolution).
- To provide value for money for the funds expended (Efficiency and Effectiveness).
- To conduct the Trust's business in accordance with the highest standards of integrity, probity and openness (Ethical Behaviour).

**Objectives, Strategies and Activities**

Key priorities for the year are contained in our 'MAT Strategic Plan' and the linked 'MAT Educational Improvement Plan', which are available on the website [www.leadingedgeacademies.org](http://www.leadingedgeacademies.org), as well as from the Trust's Executive Team at Mounts Bay Academy.

There were four Strategic Priorities. We were aiming to have achieved the following successes this year, although the Covid-19 pandemic meant our original priorities had to be recalibrated to develop safe working environments for key workers and vulnerable children and an inclusive digital curriculum for all students.

- Leading Edge Curriculum - we were aiming to achieve the Values-Based Education Award by July 2020 in all five Academies. The official awards were not applied for due to school closures from March 2020 for most students.
- Leading Edge Ethos and Culture - we were aiming to achieve either the Arts Award or School Games Awards by July 2020 in all of the Academies. The official accreditation was delayed by school closures.
- Leading Edge Community Partners - we were aiming to develop three to five REAL Projects that link to our local community contexts and were successful in developing outstanding projects in all the schools in the Trust during the Autumn and Spring terms. The projects are available on the individual school websites.
- Leading Edge Professional Services - we were aiming to set up strong teams of staff in finance, HR, premises, IT and safeguarding by sharing expertise and support across all Academies. This has developed through the introduction of Research Circles where teams have met either in real or virtual meetings via the project management software called Basecamp.

The MAT Educational Improvement Plan foci identified by the Executive Heads Team for this year after three Ofsted visits included:

- Literacy - using the EEF Toolkit strands – this was developed by the English Research Circle group using Basecamp and Zoom meetings.
- Numeracy - using the Maths Hub support and the EEF Toolkit strand -this was developed by the Mathematics Research Circle group.
- Digital Technology – using the EEF Toolkit strands and sharing the extensive expertise that has been built up by Mounts Bay Academy in the development of the secondary digital curriculum.
- EEF Research-based top impact pedagogies such as meta-cognition and feedback were developed by the adoption of High Performance Learning in the three largest schools as an explicit programme of language for the growth on meta-thinking and meta-learning.

These were all be supported by the Research School network. The support and sharing will take place in regular Research School meetings and the use of Basecamp as a project management tool.

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**Public Benefit**

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

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

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

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

**STRATEGIC REPORT**

**Achievements and Performance**

The Academy Trust grew from one school to five over the last year and a half with all schools contributing to a central funding pot from September 2019. All Trust Academies have been part of the MAT for at least a full year and Mounts Bay Academy has been in the Trust for two years, having joined in August 2018. The plan is that St Buryan Academy will join the Trust on 1 October 2020 making it the sixth school to become part of the Trust.

The achievement and performance data have been included below although it should be noted that this year the results have been atypical. This means that normal year on year comparisons are not valid, as the pandemic changed the nature of schooling and assessment. From March 2020 whilst all the achievement priorities remained, the importance of health and safety became a priority focus alongside the development of an inclusive digital curriculum.

Outcome data is available for all the secondary schools in the Trust. All the Academies improved their average progress scores compared to the national average for 2019, using the normal key benchmark published by the government. This year the government will not be publishing the outcomes officially, as the normal examination processes had to be adapted and Centre Assessment Grades were given to students instead with some uplift in certain subjects. The progress and attainment scores were improvements on the previous years but as we are not comparing like with like we must recognise that valid comparisons are difficult to justify completely. The main categories of performance are included below.

The cohort size for each school is as follows with E/M percentages at grade 5, grade 4 and for all GCSEs at grade 4:

Mounts Bay Academy (5+ GCSEs)	168 students.	53% (strong pass), 76% (standard pass), 76.8%
Five Islands Academy (5+GCSEs)	18 students	72.2% (strong pass), 83.3% (standard pass), 83.3%
Fowey River Academy (5+GCSEs)	119 students	34.0% (strong pass), 60% (standard pass), 66%

The secondary Progress 8 figures are as follows for 2020 and are much improved on 2019:

Mounts Bay Academy	0.45
Five Islands Academy	1.41
Fowey River Academy	-0.09

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

Mounts Bay Academy 52.82  
Five Islands Academy 56.40  
Fowey River Academy 42.50

The EBACC figures are for strong pass and a standard pass as a percentage of the cohort, and are as follows:

Mounts Bay Academy 19.5% for a strong pass and 28.7% for a standard pass  
Five Islands Academy 22.2% for a strong pass and 33.3% for a standard pass  
Fowey River Academy 10% for a strong pass and 30% for a standard pass

The Pupil Premium results are as follows:

Mounts Bay Academy +0.13 (P8)  
Five Islands Academy 64.3 (A8 point score for the one PP student which is above the cohort average)  
Fowey River Academy -8.9 (P8)

The primary figures are not being published this year as no formal assessments were taken by the pupils. The priority for all of the Academies remains to improve the performance in Mathematics and also the performance of the boys. In the majority of the Trust schools, the performance of disadvantaged students has improved but remains an area to focus upon.

The recent Ofsted Report at Fowey River Academy in September 2019 commented on an improving picture although they are still graded 'Requires Improvement' overall. As a new school, Five Islands Academy currently has no Ofsted rating. Their Boarding Provision is inspected by Social Care and has just been graded as 'Good' overall. Mounts Bay Academy has an 'Outstanding' grade. Ludgvan and St Hilary both have 'Good' Ofsted grades (as does St Buryan Academy that hopes to join the Trust in October 2020). Numbers on roll have increased at all the Academies, including Fowey River Academy which experienced a drop in numbers last year.

All three secondary schools have been accepted onto the 'High Performance Learning' programme led by Professor Deborah Eyre, to develop into World Class Schools. All Academies have invested in IT infrastructure and resources. Three of the Academies now have one-to-one digital tablets to support the personalised learning agenda which has proved invaluable during lockdown allowing students to continue to experience a world class education whatever economic background they came from. The primary schools have also developed an excellent digital curriculum involving the parents using a collaboration and communication app called 'Seesaw'. The outcomes for boys and Year 10 students have been notable by an improvement in the quality and motivation of their work and efforts.

**Other 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 - the amount of carry forward is not limited. In period under review, £4,396 was carried forward representing 0.04% of GAG.

As funding is based on pupil numbers, this is also a key performance indicator. Pupil numbers for the 2019-2020 year-end are 2237 remaining steady with a dip for Fowey, however these are set to increase under the new Leadership.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2019 this was 89%, compared to 87% in 2018 and 92% in 2019/20.

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**TRUSTEES REPORT (CONTINUED)  
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	Target	Actual
Total unrestricted funds balance	£607,550 (5% of GAG)	£710,046
Pupil to teacher ratio		16.41:1
Teaching to non-teaching staff ratio		1.34:1
Student attendance %		94.96%
Ratio of staff costs to total income	80%	75%

**Going Concern**

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

**FINANCIAL REVIEW**

Most of the Academy Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2020, the Academy Trust received total income of £17,314,060 and incurred total expenditure of £15,823,497. The excess of income over expenditure for the year was £1,490,563.

At 31 August 2020 the net book value of fixed assets was £34,014,313 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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

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

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

**Reserves Policy**

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

**TRUSTEES REPORT (CONTINUED)  
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Trustees have determined that the appropriate level of free reserves should be approximately 5% of the GAG. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

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

**Investment Policy**

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

**PRINCIPAL RISKS AND UNCERTAINTIES**

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

**Covid-19** – the lack of clarity about the Covid-19 strategies required from the Government remains an ongoing risk and it brings uncertainty to all leaders, as well as the stakeholders throughout the organisation. Information about the virus and its management are constantly changing and this brings heightened levels of stress and possible absence once there is a full return to school. The likelihood of some staff leaving is high, particularly those staff who are older or more vulnerable.

**Financial** - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year the vast majority 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. There are also unexpected costs associated with the virus which may be an added risk to a normal year.

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

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

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

**Staffing** - the success of the Academy Trust is reliant upon the quality of its staff. Trustees monitor and review policies and procedures to ensure continued development and training of staff, as well as to ensure there is clear succession planning. An Interim CEO has been recruited to replace the existing CEO who retired on 31st August 2020. The COO will also be retiring on 31st December 2020 and will need to be replaced. The appointment of a new Headteacher at Five Islands Academy and an Interim Headteacher at Fowey River Academy will also bring risk, as staff grow into their new roles. This is mitigated by induction processes and support for each individual.

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

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

The Academy Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually. A recent strategy has been developed for the Academy Trust in collaboration with all the Academies to ensure that all schools re-open safely in September 2020.

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

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

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

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 26 to the financial statements, represents a significant potential liability. However, as the Trustees consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**FUNDRAISING**

Mounts Bay Academy and Ludgvan Academy were both successful in gaining two substantial Condition Improvement Grants for the new year and Fowey River Academy has been granted over four million pounds to support the development of the school estate.

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

**STREAMLINED ENERGY AND CARBON REPORTING**

<b>UK Greenhouse gas emissions and energy use data for the year 1 September 2019 to 31 August 2020</b>	
Energy consumption used to calculate emissions (kWh)	4,123,820
Energy consumption break down (kWh) (optional)	
• gas,	2,475,129
• electricity,	1,515,073
• transport fuel	133,618
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	360.1
Owned transport – mini-buses	24.1
Other fuels	132.7
<u>Total scope 1</u>	
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	353.2
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles	8.3
Total gross emissions in metric tonnes CO2e	878.4
<u>Intensity ratio</u>	
Tonnes CO2e per pupil	0.39

**Quantification and Reporting Methodology**

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government’s Conversion Factors for Company Reporting.

**Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

**Measures taken to improve energy efficiency**

The Trust has applied for grants in the year to enable investment in future energy saving measures. As a result, Mounts Bay have received a CIF grant to install new windows and a Salix loan to install LED lighting – this will be in 2020/21.

**PLANS FOR FUTURE PERIODS**

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

The Academy Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

**LEADING EDGE ACADEMIES PARTNERSHIP  
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**TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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Following the notification of a successful capital funding bid, the Academy Trust will complete the necessary works needed for the Fowey River premises, Mounts Bay Academy, Ludgvan Academy and complete the build of an additional classroom at St Mary's Base on the Isles of Scilly. This will be using grant funding only and it will not use any reserves.

**AUDITOR**

In so far as the Trustees are aware:

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

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

Approved by order of the members of the Board of Trustees on *8/12/2020* and signed on their behalf, by:



**Jackie Eason**  
Chair of the Trust Board



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

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Leading Edge Academies Partnership 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.

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

**GOVERNANCE STATEMENT (CONTINUED)**

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**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 7 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
J Eason, Chair	7	7
R Webb, Vice Chair	5	7
S Alexander	0	1
G Anderson	6	7
G Chappell	5	6
S J Davey, Chief Executive Officer	7	7
J Osborne	7	7
P Gay	5	7
D Sharp	5	7
P Taylor-McCartney	2	2
C Finch	0	0
K Butcher, Chief Executive Officer	0	0

Changes in the Composition of the Board 2019-2020

The Leading Edge Academies Partnership Shadow Board of Trustees became the Leading Edge Trustees officially on the 1st August 2018. The original group of Trustees were ten in number and were all approved by the DfE. Of this first group of Trustees, some were linked to their original Academy Boards as Chairs or ex Chairs and brought with them their Trustee skills and knowledge of their Single Academy Trusts into the new Multi Academy Trust. Over the course of the year, board membership has evolved and the Trustees have managed a careful recruitment process, meaning that now, there is far less overlap between the layers of Governance. Some of the original Trustees have resigned to return to the Local Governor level and others have left for different personal reasons. In total, two Trustees have resigned and one was removed by the members. Over the year, two Trustees have been recruited using a skills-based audit, allowing the Board to replace the people who have left with external and independent Trustees.

The Coverage of the Work of the Board

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

The Trustees have set up two Committees to organise the key business of the organisation. The Education Committee sets policy and scrutinises all aspects of the key education objectives of the Trust. The Compliance Committee sets policy and scrutinises the business and compliance objectives of the Trust. The two Committees meet before the Full Board meetings to ensure the effective and detailed scrutiny of all proposals before they are presented to the Full Board for approval. During the first year of the Trust there have also been some emergency Board meetings with single item agendas to discuss key decisions, including the transfer of schools into the Trust and other internal matters, such as the recruitment of a new CEO. There are also smaller Committees for the CEO's Performance Management and Student and Staff Discipline and Pay Appeals.

**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE (CONTINUED)**

Performance of the Board including Key Challenges

The Chair of Trustees and the CEO have both completed DfE recommended 'Self-Assessment Frameworks' to evaluate their work and the effectiveness of the organisation this year. This has helped prepare both colleagues for the Members' Meetings where the main agenda items have been to challenge the Trust Chair, and on occasions, the CEO, about the effectiveness of the Board in fulfilling their duties over the last year. In addition to the internal challenge, the Chair and CEO have been challenged about the overall performance of the Trust this year by the yearly RSC Review meeting and in three Ofsted inspections. These have all been led by senior HMIs and other Ofsted Inspectors. They have reviewed Governance at Five Islands Academy before conversion and Fowey River Academy after re-brokering into the Trust in September 2019. Their findings include the following comments;

"School leaders are unstinting in their work to improve all aspects of the school" and "since the school has formally joined the Leading Edge Academies Partnership in May 2019 even more rapid improvement has been seen". Governance was praised as being a strength in the informal feedback.

The Trustees have focussed on ensuring that communication is a strength across the Trust. To measure the success of this the board engaged the services of an external survey team, Edurio, to survey the Local Academy Committees. Eighty-eight percent of those surveys agreed that communication was a strength of the Trust.

The challenges identified include the recruitment of new Trustees to replace Trustees that have decided to stand down. This is currently being addressed. Other challenges include the succession planning of the Chair and Vice Chair and it has been agreed a two-year cycle of tenure should be set up, including coaching for incumbent Vice Chairs, to ensure they have the confidence and skill set to take over without an implementation dip. Finance has been a challenge faced by all Academy Trusts in the country this year. This area has been closely scrutinised by the Board and with careful budget monitoring they have ensured that there are sufficient reserves for good financial management protocol going forward.

Information and Data used by the Board

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

**Governance Review**

The Trust has carried out a review of its performance using the MAT Capacity Improvement Framework from the RSC Office and the development areas that will be priorities are as follows:

- The development of MAT-wide recruitment and retention policies need to be developed at all levels
- A clear talent development policy needs to be written and agreed
- Middle leaders need to be offered more subject specialist professional development opportunities
- A clear curriculum policy needs to be established by all stakeholders in light of the new Ofsted expectations
- MAT-wide assessment procedures need to be embedded
- Benchmarking against like schools needs to be custom and practice
- A formal Complaints Log across all Academies is about to be set up and reviewed as part of the work of the Compliance Committee

The Compliance Committee is a sub-committee of the main Board of Trustees. Its purpose is to review and propose new policies to the Full Board in the following key areas: Finance, staff pay and conditions, staff performance management, health and safety compliance and scrutiny of reports, premises bids and development and implementation of plans, IT infrastructure decisions, complaints and other administrative functions.

During the year Guy Chappell, who has extensive board room experience both as a CEO and a Trustee, as well

**LEADING EDGE ACADEMIES PARTNERSHIP  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE (CONTINUED)**

as twenty-two years' experience of working within education strategic leadership and management, was appointed by Trustees and joined the Committee on 5 December 2019. This was later changed to a Member appointment via Written Resolution with effect from 24 August 2020.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Webb	2	4
J Eason	4	4
G Chappell	2	3
S Davey	4	4
J Osborne	4	4
D Sharp	2	4

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

During the year Paul Taylor-McCartney, who has an extensive background in education and considerable experience in teacher initial training recruitment and retention, was appointed by Trustees and joined the Committee on 1 May 2020. This was later changed to a Member appointment via Written Resolution with effect from 24 August 2020.

Similarly, Gary Anderson, originally appointed by Trustees on 23 April 2019 became a Member appointment via Written Resolution with effect from 24 August 2020. Gary was elected Chair of the Education Committee on 10 December 2019.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Alexander	0	1
G Anderson	4	4
S Davey	4	4
P Gay	2	4
P Taylor-McCartney	1	1

**LEADING EDGE ACADEMIES PARTNERSHIP  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**REVIEW OF VALUE FOR MONEY**

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

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

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

An example of cost effectiveness this year was the securing of a 12-month MAT-wide Gold package with the TES for the recruitment of all teaching and support staff roles, including leadership roles across the Trust at a massive 65% discount. This package normally costs around £50k and the deal secured cost a fraction of the price at £17,532.

The Trust endeavours to find value for money wherever possible, however, since March 2020 this has proved very challenging in the current climate due to the Covid-19 pandemic.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at Leading Edge Academies Partnership for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**GOVERNANCE STATEMENT (CONTINUED)**

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**THE RISK AND CONTROL FRAMEWORK**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance and General Purposes 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
- Identification and management of risks

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

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

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

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

On a quarterly basis the auditor/reviewer reports to the Board of Trustees through the Compliance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Any issues reported have been swiftly actioned by the Finance Director and the Accounting Officer during the year.

**REVIEW OF EFFECTIVENESS**

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

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

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

**LEADING EDGE ACADEMIES PARTNERSHIP  
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**GOVERNANCE STATEMENT (CONTINUED)**

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



**J Eason**

Chair of Trustees

Date: 8/12/2020

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

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Leading Edge Academies Partnership I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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



**K Butcher**

Accounting Officer

Date: 8/12/2020



**LEADING EDGE ACADEMIES PARTNERSHIP  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

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

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

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

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

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



**J Eason**

Chair of Trustees

Date: 8/12/2020

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

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

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**OPINION**

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

In our opinion the financial statements:

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

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

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**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. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. 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.

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 has been prepared in accordance with applicable legal requirements.

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

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

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

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

**RESPONSIBILITIES OF TRUSTEES**

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

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

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

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

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



**Alison Oliver FCA (Senior statutory auditor)**

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

Date: 18/01/2021

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

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

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

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

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

The accounting officer is responsible, under the requirements of Leading Edge Academies Partnership's funding agreement with the Secretary of State for Education dated June 2011 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

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

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

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

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**CONCLUSION**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Bishop Fleming LLP*

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

Date: *18/01/2021*

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>INCOME FROM:</b>						
Donations and capital grants	3	24,556	450	2,788,873	2,813,879	24,944,891
Charitable activities	4,5	573,354	13,793,408	-	14,366,762	9,521,492
Teaching schools	31	2,793	31,023	-	33,816	-
Other trading activities	6	98,603	-	-	98,603	247,376
Investments	7	1,000	-	-	1,000	599
<b>TOTAL INCOME</b>		<b>700,306</b>	<b>13,824,881</b>	<b>2,788,873</b>	<b>17,314,060</b>	<b>34,714,358</b>
<b>EXPENDITURE ON:</b>						
Raising funds	9	114,613	-	-	114,613	176,662
Charitable activities	10	357,630	14,508,001	809,437	15,675,068	11,016,545
Teaching schools	31	2,793	31,023	-	33,816	-
<b>TOTAL EXPENDITURE</b>		<b>475,036</b>	<b>14,539,024</b>	<b>809,437</b>	<b>15,823,497</b>	<b>11,193,207</b>
<b>NET INCOME/ (EXPENDITURE)</b>		<b>225,270</b>	<b>(714,143)</b>	<b>1,979,436</b>	<b>1,490,563</b>	<b>23,521,151</b>
Transfers between funds	20	103,199	478	(103,677)	-	-
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)</b>		<b>328,469</b>	<b>(713,665)</b>	<b>1,875,759</b>	<b>1,490,563</b>	<b>23,521,151</b>
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Actuarial losses on defined benefit pension schemes	26	-	(437,000)	-	(437,000)	(1,175,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>328,469</b>	<b>(1,150,665)</b>	<b>1,875,759</b>	<b>1,053,563</b>	<b>22,346,151</b>

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward	585,358	(3,764,845)	34,573,847	31,394,360	9,048,209
Net movement in funds	328,469	(1,150,665)	1,875,759	1,053,563	22,346,151
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>913,827</b>	<b>(4,915,510)</b>	<b>36,449,606</b>	<b>32,447,923</b>	<b>31,394,360</b>

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

The notes on pages 34 to 70 form part of these financial statements.



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

**BALANCE SHEET  
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	16	34,014,313	34,411,179
<b>CURRENT ASSETS</b>			
Debtors	17	2,531,004	456,209
Cash at bank and in hand		1,688,651	1,352,441
		<u>4,219,655</u>	<u>1,808,650</u>
CREDITORS: amounts falling due within one year	18	(796,229)	(922,134)
<b>NET CURRENT ASSETS</b>		<u>3,423,426</u>	<u>886,516</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>37,437,739</u>	<u>35,297,695</u>
Creditors: amounts falling due after more than one year	19	(8,816)	(11,335)
Defined benefit pension scheme liability	26	(4,981,000)	(3,892,000)
<b>NET ASSETS</b>		<u><u>32,447,923</u></u>	<u><u>31,394,360</u></u>
<b>FUNDS OF THE ACADEMY TRUST</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	36,449,606	34,573,847
Restricted income funds	20	65,490	127,155
		<u>36,515,096</u>	<u>34,701,002</u>
Restricted funds excluding pension asset	20	36,515,096	34,701,002
Pension reserve	20	(4,981,000)	(3,892,000)
<b>Total restricted funds</b>	20	<u>31,534,096</u>	<u>30,809,002</u>
<b>Unrestricted income funds</b>			
Designated funds	20	203,781	-
General funds	20	710,046	585,358
		<u>913,827</u>	<u>585,358</u>
<b>Total unrestricted income funds</b>	20	<u>913,827</u>	<u>585,358</u>
<b>TOTAL FUNDS</b>		<u><u>32,447,923</u></u>	<u><u>31,394,360</u></u>

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

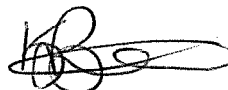
**BALANCE SHEET (CONTINUED)  
AS AT 31 AUGUST 2020**

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The financial statements on pages 29 to 70 were approved by the Trustees, and authorised for issue on  
8/12/2020 and are signed on their behalf, by:



**J Eason**  
Chair of Trustees



**K Butcher**  
Accounting Officer

The notes on pages 34 to 70 form part of these financial statements.

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

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by operating activities	22	<b>226,298</b>	465,132
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	23	<b>109,912</b>	543,669
		<hr/>	<hr/>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>336,210</b>	1,008,801
Cash and cash equivalents at the beginning of the year		<b>1,352,441</b>	343,640
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	24, 25	<b>1,688,651</b>	1,352,441
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 34 to 70 form part of these financial statements

## **1. ACCOUNTING POLICIES**

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

### **1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Leading Edge Academies Partnership meets the definition of a public benefit entity under FRS 102.

### **1.2 GOING CONCERN**

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

### **1.3 INCOME**

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

- **Grants**

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

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

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

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOME (CONTINUED)**

- **Other income**

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

**1.4 EXPENDITURE**

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 INTEREST RECEIVABLE**

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

**1.6 TAXATION**

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

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

**1. ACCOUNTING POLICIES (continued)**

**1.7 TANGIBLE FIXED ASSETS**

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

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

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

Depreciation is provided 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
Computer equipment	- 33% Straight Line
Motor vehicles	- 25% Reducing Balance

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

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

**1.8 DEBTORS**

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

**1.9 CASH AT BANK AND IN HAND**

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

**1.10 LIABILITIES**

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

**1. ACCOUNTING POLICIES (continued)**

**1.11 FINANCIAL INSTRUMENTS**

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

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

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

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

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

**1.12 OPERATING LEASES**

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

**1.13 PENSIONS**

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

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. ACCOUNTING POLICIES (continued)**

**1.14 FUND ACCOUNTING**

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

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

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

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

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

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

**2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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

Critical accounting estimates and assumptions:

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
<b>DONATIONS</b>				
LGPS Pension from joining schools	-	-	-	-
<b>SUBTOTAL</b>	-	-	-	-
Donations	24,556	450	-	<b>25,006</b>
Capital Grants	-	-	2,788,873	<b>2,788,873</b>
<b>SUBTOTAL</b>	24,556	450	2,788,873	<b>2,813,879</b>
	24,556	450	2,788,873	<b>2,813,879</b>

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
<b>DONATIONS</b>				
LGPS Pension from joining schools	-	(1,305,000)	-	(1,305,000)
<b>SUBTOTAL DETAILED DISCLOSURE</b>	-	(1,305,000)	-	(1,305,000)
Donations	567,764	221,720	24,964,933	25,754,417
Capital Grants	-	-	495,474	495,474
<b>SUBTOTAL</b>	567,764	221,720	25,460,407	26,249,891
	567,764	(1,083,280)	25,460,407	24,944,891

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Education	544,472	13,679,933	<b>14,224,405</b>
Nursery	28,882	-	<b>28,882</b>
Boarding	-	113,475	<b>113,475</b>
	<u>573,354</u>	<u>13,793,408</u>	<u><b>14,366,762</b></u>
	<u>573,354</u>	<u>13,793,408</u>	<u><b>14,366,762</b></u>
	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Education	452,241	9,069,252	9,521,493
	<u>452,241</u>	<u>9,069,252</u>	<u>9,521,493</u>
	<u>452,241</u>	<u>9,069,252</u>	<u>9,521,493</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**5. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
<b>DFE/ESFA GRANTS</b>			
General Annual Grant	-	12,041,005	<b>12,041,005</b>
Start up Grants	-	8,267	<b>8,267</b>
Other DfE/ESFA grants	-	1,239,566	<b>1,239,566</b>
	<hr/>	<hr/>	<hr/>
	-	13,288,838	<b>13,288,838</b>
<b>OTHER GOVERNMENT GRANTS</b>			
High Needs	-	183,915	<b>183,915</b>
Other government grants	-	76,757	<b>76,757</b>
	<hr/>	<hr/>	<hr/>
	-	260,672	<b>260,672</b>
<b>OTHER FUNDING</b>			
Internal catering income	152,543	-	<b>152,543</b>
Income for hosting trainee teachers	-	17,105	<b>17,105</b>
Sales to students	96,243	-	<b>96,243</b>
Other	295,686	75,900	<b>371,586</b>
Exceptional government funding	-	37,418	<b>37,418</b>
	<hr/>	<hr/>	<hr/>
	544,472	-	<b>674,895</b>
	<hr/>	<hr/>	<hr/>
	544,472	13,679,933	<b>14,224,405</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "Exceptional government funding".

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**5. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS (CONTINUED)**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
<b>DFE/ESFA GRANTS</b>			
General Annual Grant	-	8,365,572	8,365,572
Start up Grants	-	43,217	43,217
Other DfE/ESFA grants	-	324,185	324,185
	<u>-</u>	<u>8,732,974</u>	<u>8,732,974</u>
<b>OTHER GOVERNMENT GRANTS</b>			
High Needs	-	96,293	96,293
Other government grants non capital	-	77,692	77,692
	<u>-</u>	<u>173,985</u>	<u>173,985</u>
<b>OTHER FUNDING</b>			
Internal catering income	67,568	-	67,568
Income for hosting trainee teachers	1,495	32,640	34,135
Sales to students	196,792	100	196,892
Other	186,386	129,553	315,939
	<u>452,241</u>	<u>162,293</u>	<u>614,534</u>
	<u>452,241</u>	<u>9,069,252</u>	<u>9,521,493</u>

**6. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	66,538	<b>66,538</b>	99,295
Consultancy	24,484	<b>24,484</b>	131,469
Fees received	7,581	<b>7,581</b>	16,612
	<u>98,603</u>	<u><b>98,603</b></u>	<u>247,376</u>

All 2019 income related to unrestricted funds.

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**7. INVESTMENT INCOME**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Bank interest	1,000	<b>1,000</b>	599

All of the 2019 investment income was allocated in the unrestricted funds.

**8. EXPENDITURE**

	<b>Staff Costs 2020 £</b>	<b>Premises 2020 £</b>	<b>Other 2020 £</b>	<b>Total 2020 £</b>
<b>COSTS OF GENERATING VOLUNTARY INCOME:</b>				
Direct costs	-	-	114,613	<b>114,613</b>
<b>EDUCATION:</b>				
Direct costs	9,723,681	359,706	965,989	<b>11,049,376</b>
Allocated support costs	2,084,231	1,087,280	1,312,631	<b>4,484,142</b>
<b>NURSERY:</b>				
Direct costs	37,860	-	566	<b>38,426</b>
<b>BOARDING:</b>				
Direct costs	-	-	2,373	<b>2,373</b>
Allocated support costs	73,614	15,799	11,338	<b>100,751</b>
Teaching school	-	-	33,816	<b>33,816</b>
	<b>11,919,386</b>	<b>1,462,785</b>	<b>2,441,326</b>	<b>15,823,497</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. EXPENDITURE (CONTINUED)**

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
<b>EXPENDITURE ON FUNDRAISING TRADING ACTIVITIES:</b>				
Direct costs	-	-	176,662	176,662
<b>EDUCATION:</b>				
Direct costs	6,749,819	3,190	917,164	7,670,173
Allocated support costs	1,105,877	853,503	1,342,340	3,301,720
<b>BOARDING:</b>				
Direct costs	44,652	-	(44,652)	-
Allocated support costs	-	-	44,652	44,652
	<u>7,900,348</u>	<u>856,693</u>	<u>2,436,166</u>	<u>11,193,207</u>

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**9. EXPENDITURE ON RAISING FUNDS**

**FUNDRAISING TRADING EXPENSES**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Trips subsistence	17,373	<b>17,373</b>	12,093
Trips	97,240	<b>97,240</b>	164,569
	<u>114,613</u>	<u><b>114,613</b></u>	<u>176,662</u>

All 2019 income related to unrestricted funds.

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>
Education	11,049,376	4,484,142	<b>15,533,518</b>
Nursery	38,426	-	<b>38,426</b>
Boarding	2,373	100,751	<b>103,124</b>
	<u>11,090,175</u>	<u>4,584,893</u>	<u><b>15,675,068</b></u>

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>
Education	7,670,173	3,301,720	10,971,893
Boarding	-	44,652	44,652
	<u>7,670,173</u>	<u>3,346,372</u>	<u>11,016,545</u>

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**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs**

	<b>Education 2020 £</b>	<b>Boarding 2020 £</b>	<b>Total funds 2020 £</b>
Pension finance cost	46,000	-	<b>46,000</b>
Staff costs	2,083,672	73,614	<b>2,157,286</b>
Depreciation	447,946	-	<b>447,946</b>
Staff development	66,231	-	<b>66,231</b>
Other costs	2,000	-	<b>2,000</b>
Supply teachers	4,559	-	<b>4,559</b>
Recruitment and support	41,886	-	<b>41,886</b>
Maintenance of premises and equipment	238,292	11,715	<b>250,007</b>
Cleaning	155,549	-	<b>155,549</b>
Rent and rates	86,297	270	<b>86,567</b>
Energy costs	251,575	3,814	<b>255,389</b>
Insurance	63,299	-	<b>63,299</b>
Security and transport	116,363	6	<b>116,369</b>
Catering	235,756	7,726	<b>243,482</b>
Technology costs	279,804	51	<b>279,855</b>
Office overheads	147,613	3,555	<b>151,168</b>
Legal and professional - other	214,968	-	<b>214,968</b>
Bank interest and charges	547	-	<b>547</b>
(Profit) / Loss on disposal of fixed assets	1,785	-	<b>1,785</b>
	<u>4,484,142</u>	<u>100,751</u>	<u><b>4,584,893</b></u>



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**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs (continued)**

	Education 2019 £	Nursery 2019 £	Total funds 2019 £
Pension income	24,480	-	24,480
Staff costs	1,101,760	44,652	1,146,412
Depreciation	607,502	-	607,502
Staff development	74,728	-	74,728
Other costs	354	-	354
Supply teachers	4,117	-	4,117
Recruitment and support	13,700	-	13,700
Maintenance of premises and equipment	288,553	-	288,553
Cleaning	131,485	-	131,485
Rent and rates	127,817	-	127,817
Energy costs	198,671	-	198,671
Insurance	45,931	-	45,931
Security and transport	86,697	-	86,697
Catering	141,382	-	141,382
Technology costs	165,453	-	165,453
Office overheads	137,668	-	137,668
Legal and professional - other	187,217	-	187,217
Bank interest and charges	627	-	627
(Profit) / Loss on disposal of fixed assets	(56,470)	-	(56,470)
Legal and professional - on conversion	20,048	-	20,048
	<u>3,301,720</u>	<u>44,652</u>	<u>3,346,372</u>

**11. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	<b>291,839</b>	242,745
Depreciation of tangible fixed assets	<b>807,652</b>	609,227
Fees paid to auditors for:		
- audit	<b>13,900</b>	11,735
- other services	<b>11,776</b>	2,276
	<u><b>11,776</b></u>	<u>2,276</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	<b>2020</b>	2019
	<b>£</b>	£
Wages and salaries	<b>8,594,309</b>	5,896,139
Social security costs	<b>813,830</b>	574,061
Pension costs	<b>2,426,605</b>	1,208,794
	<b>11,834,744</b>	7,678,994
Agency staff costs	<b>84,642</b>	67,584
Staff restructuring costs	-	153,770
	<b>11,919,386</b>	7,900,348

Staff restructuring costs comprise:

	<b>2020</b>	2019
	<b>£</b>	£
Redundancy payments	-	138,770
Severance payments	-	15,000
	-	153,770

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2019: £15,000).

**c. STAFF NUMBERS**

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

	<b>2020</b>	2019
	<b>No.</b>	No.
Management	<b>7</b>	7
Teaching	<b>145</b>	86
Administration/Support	<b>189</b>	146
	<b>341</b>	239

**LEADING EDGE ACADEMIES PARTNERSHIP  
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**12. STAFF (CONTINUED)**

**d. HIGHER PAID STAFF**

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	<b>2020</b>	2019
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>5</b>	5
In the band £70,001 - £80,000	<b>4</b>	3
In the band £80,001 - £90,000	<b>2</b>	1
In the band £100,001 - £110,000	<b>1</b>	1
	<b>=====</b>	<b>=====</b>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2020, pension contributions for employees whose emoluments fell within the above bands amounted to £205,952 (2019: £69,271).

**e. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £407,751 (2019: £296,619).

**13. CENTRAL SERVICES**

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

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

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

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

The actual amounts charged during the year were as follows:

	<b>2020</b>	2019
	<b>£</b>	£
Fowey River Academy	<b>150,396</b>	40,872
Five Islands Academy	<b>114,606</b>	-
St Hilary School	<b>37,903</b>	-
Ludgvan School	<b>34,412</b>	-
Mounts Bay Academy	<b>224,889</b>	-
<b>TOTAL</b>	<b>=====</b>	<b>=====</b>
	<b>562,206</b>	40,872

**14. TRUSTEES' REMUNERATION AND EXPENSES**

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' gross salary in the year was as follows: Sara Davey, one hundred and five to one hundred and ten thousand pounds (2019: one hundred to one hundred and five thousand pounds). The value of Trustees' employer's pension contributions in the year was as follows: Sara Davey, twenty five to thirty thousand pounds (2019: fifteen to twenty thousand pounds).

Other related party transactions involving the Trustees are set out in note 29.

During the year ended 31 August 2020, expenses totalling £6,141 were reimbursed or paid directly to 3 Trustees (2019 - £2,925 to 2 Trustees) to cover mileage and professional membership fees.

**15. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £490 (2019 - £1,600). The cost of this insurance is included in the total insurance cost.

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**16. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>COST OR VALUATION</b>					
At 1 September 2019	35,946,011	400,754	280,382	19,640	36,646,787
Additions	281,926	81,000	49,646	-	412,572
Disposals	-	-	(58,487)	-	(58,487)
At 31 August 2020	<u>36,227,937</u>	<u>481,754</u>	<u>271,541</u>	<u>19,640</u>	<u>37,000,872</u>
<b>DEPRECIATION</b>					
At 1 September 2019	1,810,328	174,770	236,689	13,822	2,235,609
Charge for the year	685,534	73,407	47,256	1,455	807,652
On disposals	-	-	(56,702)	-	(56,702)
At 31 August 2020	<u>2,495,862</u>	<u>248,177</u>	<u>227,243</u>	<u>15,277</u>	<u>2,986,559</u>
<b>NET BOOK VALUE</b>					
At 31 August 2020	<u><u>33,732,075</u></u>	<u><u>233,577</u></u>	<u><u>44,298</u></u>	<u><u>4,363</u></u>	<u><u>34,014,313</u></u>
At 31 August 2019	<u><u>34,135,683</u></u>	<u><u>225,984</u></u>	<u><u>43,693</u></u>	<u><u>5,818</u></u>	<u><u>34,411,178</u></u>

**17. DEBTORS**

	2020 £	2019 £
Trade debtors	18,179	13,847
Other debtors	32	295,154
Prepayments and accrued income	2,475,481	114,029
VAT recoverable	37,312	33,179
	<u><u>2,531,004</u></u>	<u><u>456,209</u></u>

**LEADING EDGE ACADEMIES PARTNERSHIP  
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**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	2019
	£	£
Trade creditors	<b>166,251</b>	435,005
Other taxation and social security	<b>430,066</b>	311,997
Other creditors	<b>2,521</b>	5,037
Accruals and deferred income	<b>197,391</b>	170,095
	<u><b>796,229</b></u>	<u>922,134</u>
	<b>2020</b>	2019
	£	£
Deferred income at 1 September 2019	<b>106,142</b>	13,880
Resources deferred during the year	<b>160,837</b>	106,142
Amounts released from previous periods	<b>(106,142)</b>	(13,880)
<b>Deferred income at 31 August 2020</b>	<u><b>160,837</b></u>	<u>106,142</u>

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

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

	<b>2020</b>	2019
	£	£
Other loans	<b>8,816</b>	11,335
	<u><b>8,816</b></u>	<u>11,335</u>

Included within other loans are the remaining balances of a loan of £13,854 from Salix Finance Ltd which was provided on the following terms: Repayable over 7 years bi-annual payments and interest free, 5 years remaining.

The loan was transferred from St Hillary School.

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

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

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

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



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**20. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>TOTAL RESTRICTED FUNDS</b>	<b>30,809,002</b>	<b>16,613,754</b>	<b>(15,348,461)</b>	<b>(103,199)</b>	<b>(437,000)</b>	<b>31,534,096</b>
<b>TOTAL FUNDS</b>	<b>31,394,360</b>	<b>17,314,060</b>	<b>(15,823,497)</b>	<b>-</b>	<b>(437,000)</b>	<b>32,447,923</b>

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 used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the pupils who need it most.

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

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

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

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

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

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

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

Rates relief - provided by the DfE

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

**20. STATEMENT OF FUNDS (CONTINUED)**

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

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

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

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

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

**RESTRICTED FIXED ASSET FUNDS**

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

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

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

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

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

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

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

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

**OTHER INFORMATION**

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. STATEMENT OF FUNDS (CONTINUED)**

**Total funds analysis by academy**

Fund balances at 31 August 2020 were allocated as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Mounts Bay Academy	<b>363,457</b>	121,571
St Hilary School	<b>117,638</b>	135,512
Ludgvan School	<b>122,591</b>	123,268
Fowey River Academy	<b>92,438</b>	46,596
The Five Islands academy	<b>303,938</b>	279,520
Central	<b>(20,745)</b>	6,046
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	<b>979,317</b>	712,513
Restricted fixed asset fund	<b>36,449,606</b>	34,573,847
Pension reserve	<b>(4,981,000)</b>	(3,892,000)
	<hr/>	<hr/>
<b>TOTAL</b>	<b>32,447,923</b>	<b>31,394,360</b>
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>Deficit</b>
	<b>£</b>
Central	<b>(20,745)</b>
	<hr/> <hr/>

In 2019/20 there was unbudgeted expenditure due to SuperAnnuation Deficit payments being more than budgeted due to the number of schools joining, a Condition Survey re St Buryan joining LEAP, additional subscriptions and a insurance cost re Fowey for the period May- Aug 2019.

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

In 2020/21 the budget has been set at a surplus of £13,500 and again in 2021/22 a surplus budget is forecast of £10,500.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**20. STATEMENT OF FUNDS (CONTINUED)**

**TOTAL COST ANALYSIS BY ACADEMY**

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

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

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Mounts Bay Academy	4,099,094	607,769	611,481	1,011,027	6,329,371
St Hilary School	246,702	50,885	23,989	60,496	382,072
Ludgvan School	252,676	41,755	31,581	55,234	381,246
Fowey River Academy	757,735	87,232	82,298	209,938	1,137,203
The Five Islands academy Central	1,285,087 30,294	207,839 3,980	136,800 -	361,945 32,679	1,991,671 66,953
<b>ACADEMY TRUST</b>	<b>6,671,588</b>	<b>999,460</b>	<b>886,149</b>	<b>1,731,319</b>	<b>10,288,516</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**20. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	193,401	1,267,979	(1,005,108)	129,086	-	585,358
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	-	8,365,572	(8,408,801)	102,276	-	59,047
Rates funding	-	22,019	(22,019)	-	-	-
Higher needs	-	96,293	(94,228)	-	-	2,065
Pupil premium	-	302,166	(302,166)	-	-	-
MAT development fund	25,568	-	(25,568)	-	-	-
Erasmus	30,259	-	(4,937)	-	-	25,322
Bikeability	3,530	32,551	(35,148)	-	-	933
Transferred on conversion	-	52,147	(52,147)	-	-	-
Start up grant	-	43,217	(43,217)	-	-	-
Universal infant free school meals	-	23,575	(23,575)	-	-	-
PE & sports	-	22,159	(22,159)	-	-	-
Comenius 4	3,710	-	-	-	-	3,710
Teachers pay grant	-	23,619	(23,619)	-	-	-
Teaching school	-	60,165	(59,495)	-	-	670
Euro funding	-	27,182	(27,182)	-	-	-
Primary PE	-	59,439	(48,956)	-	-	10,483
School games	-	10,978	(8,344)	-	-	2,634
Sport England	-	18,760	(5,918)	-	-	12,842
Other restricted	10,896	131,130	(132,577)	-	-	9,449
Pension reserve	(1,118,000)	(1,305,000)	(294,000)	-	(1,175,000)	(3,892,000)
	<u>(1,044,037)</u>	<u>7,985,972</u>	<u>(9,634,056)</u>	<u>102,276</u>	<u>(1,175,000)</u>	<u>(3,764,845)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**20. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	7,097,547	24,964,933	(488,937)	-	-	31,573,543
Fixed assets purchased from GAG and other restricted funds	177,430	-	-	-	-	177,430
Fixed assets purchased from DfE/ESFA Capital grants	1,396,529	-	(26,681)	-	-	1,369,848
Football Association 3G Football Pitch	38,661	-	-	-	-	38,661
Condition Improvement Fund (CIF)	1,120,620	79,417	(34,946)	-	-	1,165,091
Other grants	48,128	-	-	(48,128)	-	-
Devolved Formula Capital	19,930	171,117	(42,150)	(46,584)	-	102,313
Devolved Formula Capital (unspent)	-	80,000	-	(80,000)	-	-
Proceeds from assets disposed of	-	-	56,650	(56,650)	-	-
Other Restricted Funds	-	131,283	(17,979)	-	-	113,304
Other Restricted Funds (unspent)	-	33,657	-	-	-	33,657
	<u>9,898,845</u>	<u>25,460,407</u>	<u>(554,043)</u>	<u>(231,362)</u>	<u>-</u>	<u>34,573,847</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>8,854,808</u>	<u>33,446,379</u>	<u>(10,188,099)</u>	<u>(129,086)</u>	<u>(1,175,000)</u>	<u>30,809,002</u>
<b>TOTAL FUNDS</b>	<u>9,048,209</u>	<u>34,714,358</u>	<u>(11,193,207)</u>	<u>-</u>	<u>(1,175,000)</u>	<u>31,394,360</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

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

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Restricted fixed asset funds 2019 £</b>	<b>Total funds 2019 £</b>
Tangible fixed assets	-	-	34,411,178	34,411,178
Current assets	1,222,904	423,078	162,669	1,808,651
Creditors due within one year	(626,211)	(295,923)	-	(922,134)
Creditors due in more than one year	(11,335)	-	-	(11,335)
Provisions for liabilities and charges	-	(3,892,000)	-	(3,892,000)
<b>TOTAL</b>	<b>585,358</b>	<b>(3,764,845)</b>	<b>34,573,847</b>	<b>31,394,360</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

	2020 £	2019 £
Net income for the period (as per Statement of financial activities)	<b>1,490,563</b>	23,521,151
<b>ADJUSTMENTS FOR:</b>		
Depreciation	<b>807,652</b>	610,692
Capital grants from DfE and other capital income	<b>(521,484)</b>	(495,474)
Interest receivable	<b>(1,000)</b>	(599)
Defined benefit pension scheme cost less contributions payable	<b>572,000</b>	243,000
Defined benefit pension scheme finance cost	<b>80,000</b>	51,000
Increase in debtors	<b>(2,074,794)</b>	(212,639)
(Decrease)/increase in creditors	<b>(128,424)</b>	775,401
Profit in the sale of fixed assets	<b>1,785</b>	(56,470)
Net assets received on conversion	-	(23,970,930)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>226,298</b>	465,132

**23. CASH FLOWS FROM INVESTING ACTIVITIES**

	2020 £	2019 £
Dividends, interest and rents from investments	<b>1,000</b>	599
Purchase of tangible fixed assets	<b>(412,572)</b>	(29,254)
Capital grants from DfE Group	<b>521,484</b>	495,474
Proceeds from the sale of tangible fixed assets	-	76,850
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>109,912</b>	543,669

**24. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2020 £	2019 £
Cash in hand	<b>1,688,651</b>	1,352,441



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**25. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 September 2019 £</b>	<b>Cash flows £</b>	<b>At 31 August 2020 £</b>
Cash at bank and in hand	1,352,441	336,210	1,688,651
Debt due after 1 year	(11,335)	2,519	(8,816)
	<u>1,341,106</u>	<u>338,729</u>	<u>1,679,835</u>

## **26. PENSION COMMITMENTS**

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

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

Contributions amounting to £218,944 were payable to the schemes at 31 August 2020 (2019 - £104,231) and are included within creditors.

### **TEACHERS' PENSION SCHEME**

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

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

### **VALUATION OF THE TEACHERS' PENSION SCHEME**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,422,478 (2019 - £691,220).

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**26. PENSION COMMITMENTS (CONTINUED)**

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £562,377 (2019 - £327,744), of which employer's contributions totalled £431,672 (2019 - £242,366) and employees' contributions totalled £ 130,705 (2019 - £85,377). The agreed contribution rates for future years are 17 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

**Principal actuarial assumptions**

	<b>2020</b>	2019
	%	%
Rate of increase in salaries	<b>2.2</b>	2.4
Rate of increase in pensions	<b>2.2</b>	2.3
Discount rate for scheme liabilities	<b>1.7</b>	1.9

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

	<b>2020</b>	2019
	Years	Years
<i>Retiring day</i>		
Males	<b>21.4</b>	21.1
Females	<b>23.6</b>	23.6
<i>Retiring in 20 years</i>		
Males	<b>22.3</b>	22.3
Females	<b>25.1</b>	25

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**26. PENSION COMMITMENTS (CONTINUED)**

**Sensitivity analysis**

	<b>2020</b>	2019
	<b>£000</b>	£000
Discount rate -0.1%	<b>305</b>	289
CPI rate +0.1%	<b>271</b>	246
Salary increase rate +0.1%	<b>29</b>	38

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

	<b>2020</b>	2019
	<b>£</b>	£
Equities	<b>2,789,360</b>	2,062,760
Bonds	<b>1,793,160</b>	1,517,880
Property	<b>298,860</b>	272,440
Cash	<b>99,620</b>	38,920
<b>Total market value of assets</b>	<b>4,981,000</b>	3,892,000

The actual return on scheme assets was £(97,000) (2019 - £524,000).

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

	<b>2020</b>	2019
	<b>£</b>	£
Current service cost	<b>(1,004,000)</b>	(516,000)
Past service cost	-	(11,000)
Interest income	<b>121,000</b>	98,000
Interest cost	<b>(201,000)</b>	(149,000)
<b>Total</b>	<b>(1,084,000)</b>	(578,000)

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**26. PENSION COMMITMENTS (CONTINUED)**

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

	2020 £	2019 £
<b>Opening defined benefit obligation</b>	<b>10,013,000</b>	3,164,000
Liability transferred on conversion	-	4,416,000
Current service cost	<b>1,004,000</b>	516,000
Interest cost	<b>201,000</b>	149,000
Employee contributions	<b>131,000</b>	85,000
Actuarial gains	<b>420,000</b>	1,699,000
Benefits paid	<b>(78,000)</b>	(27,000)
Past service costs	-	11,000
<b>Closing defined benefit obligation</b>	<b>11,691,000</b>	10,013,000

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

	2020 £	2019 £
<b>Opening fair value of scheme assets</b>	<b>6,121,000</b>	2,046,000
Transferred on conversion	-	3,111,000
Interest income	<b>121,000</b>	98,000
Actuarial losses/(gains)	<b>(17,000)</b>	524,000
Employer contributions	<b>432,000</b>	284,000
Employee contributions	<b>131,000</b>	85,000
Benefits paid	<b>(78,000)</b>	(27,000)
<b>Closing fair value of scheme assets</b>	<b>6,710,000</b>	6,121,000

**27. OPERATING LEASE COMMITMENTS**

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	<b>308,634</b>	242,745
Later than 1 year and not later than 5 years	<b>258,139</b>	615,897
	<b>566,773</b>	858,642

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**28. 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.

**29. RELATED PARTY TRANSACTIONS**

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**30. BOARDING TRADING ACCOUNT**

	<b>2020</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>INCOME</b>		
Boarding income		113,475
		<hr/>
		113,475
<b>DIRECT COSTS</b>		
Educational supplies	2,373	
	<hr/>	
		(2,373)
<b>SUPPORT COSTS</b>		
Maintenance of premises and equipment	11,715	
Rent and rates	270	
Energy costs	3,814	
Catering	7,726	
Technology costs	51	
Office overheads	3,561	
Wages and salaries	61,358	
National Insurance	3,760	
Pension costs	8,496	
	<hr/>	
		(100,751)
<b>SURPLUS / (DEFICIT)</b>		<hr/> 10,351
<b>SURPLUS / (DEFICIT) FOR THE PERIOD</b>		<hr/> <hr/> 10,351

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**31. TEACHING SCHOOL TRADING ACCOUNT**

	2020 £	2020 £	2019 £	2019 £
<b>Income</b>				
<b>DIRECT INCOME</b>				
Other income - self generated	2,793		-	
Student teacher income	7,690		-	
Other ESFA grants	23,333		-	
<b>TOTAL DIRECT INCOME</b>	<u>33,816</u>		<u>-</u>	
<b>TOTAL INCOME</b>		33,816		-
<b>Expenditure</b>				
<b>DIRECT EXPENDITURE</b>				
Photocopying	64		-	
Course fees	7,977		-	
<b>TOTAL DIRECT EXPENDITURE</b>	<u>8,041</u>		<u>-</u>	
<b>OTHER EXPENDITURE</b>				
Catering	41		-	
IT licensing	73		-	
Training related expenses	25,661		-	
<b>TOTAL OTHER EXPENDITURE</b>	<u>25,775</u>		<u>-</u>	
<b>TOTAL EXPENDITURE</b>		<u>33,816</u>		<u>-</u>
<b>Surplus from all sources</b>		-		-
<b>Teaching school balances at 1 September 2019</b>		-		-
<b>TEACHING SCHOOL BALANCES AT 31 AUGUST 2020</b>		<u>-</u>		<u>-</u>



**Leading Edge Academies Partnership**  
Boscathnoe Lane  
HEAMOOR  
Penzance  
TR18 3JT



Leading Edge Academies Partnership  
Boscathnoe Lane  
Heamoor  
Penzance  
TR18 3JT

Company number: 07657923

Bishop Fleming LLP  
Chy Nyverow  
Newham Road  
Truro  
Cornwall  
TR1 2DP

Dear Sirs

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 OF LEADING EDGE ACADEMIES PARTNERSHIP**

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your audit of the academy trust's financial statements and, as relevant, your assurance engagement on regularity for the year ended 31 August 2020 to the Academy Trust and the Education and Skills Funding Agency (ESFA). These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

### **1. Responsibility for the financial statements**

We have fulfilled our responsibilities as trustees under the Companies Act 2006 for preparing financial statements in accordance with applicable law, United Kingdom Financial Reporting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you. We have requested that you process the attached adjustments and incorporate them into the financial statements.

### **2. Completeness of information**

All the accounting records have been made available to you for the purpose of your audit and regularity assurance engagement and all the transactions undertaken by the Academy Trust have been properly reflected and recorded in the accounting records.

We have provided you with unrestricted access to all appropriate persons within the academy trust, and with all other records and related information requested, including minutes of all management and trustee meetings (held during the accounting period and up to the date of this letter) and correspondence with the ESFA, Department for Education and the Charity Commission. The financial statements are free from material misstatement including omissions.

Significant matters of which you should be aware have been brought to your attention including any instances of irregularity, impropriety or non-compliance with laws and regulations specific to the Academy Trust's authorising framework.

### **3. Fraud and error and compliance with law and regulations**

We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect error and fraud and which confirm to the requirements both of propriety and good financial management. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

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We have disclosed to you all instances of known or suspected fraud affecting the entity, involving management, employees who have a significant role in the internal control or others that could have a material effect on the financial statements. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

We are not aware of any suspected, possible or actual instances of non-compliance with law or regulations which are central to the charity's ability to carry on business or which would otherwise have a potentially material effect on the financial statements. The Academy has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. No allegations of such irregularities, including fraud, or such breaches have come to our notice.

#### 4. Legal claims

We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

#### 5. Transactions with trustees and other related parties

Related party relationships and transactions, comply with the Academy Trust's financial regulations, relevant requirements of the Academies Financial Handbook and have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements and guidance set out in the Companies Act 2006, the Charities SORP and the applicable Academies Accounts Direction issued by the ESFA.

In addition, the Academy Trust has had at no time during the accounting period any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit transactions) for trustees or connected persons nor to guarantee or provide security for any such matters except as disclosed in the notes to the financial statements.

#### 6. Grants and donations

Grants made by the Department for Education and the ESFA have been applied for the purposes intended and the Accounting Officer has ensured regular and proper use and value for money of monies received from government bodies.

All other grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

We confirm that the expenditure disbursed and income received by the Academy Trust during the accounting period has been applied to the purposes identified by Parliament, and the financial transactions conform to the authorities which govern them.

#### 7. Control

We confirm that there is no controlling party.

#### 8. 51% Group companies

We confirm that there are no 51% group companies related to this company for tax purposes.

We understand that companies are part of a '51% group' where they, directly or indirectly, own more than 50% of a company or are owned more than 50% by a company for any part of the period.

CEO/Executive Principal (Primary): Mrs Kelley Butcher BEd Hons NPQH MCCT

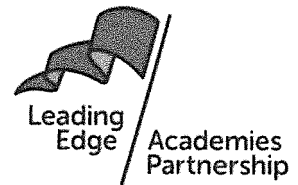
T 01736 352397 E [info@leadingedgeacademies.org](mailto:info@leadingedgeacademies.org) [www.leadingedgeacademies.org](http://www.leadingedgeacademies.org)

Registered Office: Leading Edge Academies Partnership, Boscathnoe Lane, Heamoor, Penzance, TR18 3JT

A charitable company registered in England and Wales. Company No: 07657923. Charity No: XT 36962

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We also understand that a 51% group also applies to companies that are each owned more than 50% by the same company. For these purposes, ownership is determined by ownership of the ordinary share capital.

### 9. Going concern

We believe that the Academy Trust's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Academy Trust's needs. We have considered a period of at least twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the Academy Trust's ability to continue as a going concern need to be made in the financial statements.

### 10. Accounting Estimates

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

### 11. Subsequent events

All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

### 12. Assets and Liabilities

The Academy Trust has satisfactory title to all assets and there are no liens or encumbrances on the Academy Trust's assets.

We have considered the useful life of our buildings and have depreciated them at an appropriate rate.

All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

We have dealt with all inspection visits from Ofsted, the ESFA and other government bodies appropriately and there are no matters arising that will have a significant impact on the financial statements of the Academy Trust.

We confirm that the assumptions used to value the Local Government Pension Scheme are reasonable.

We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

### 13. Fund balances

We confirm that overheads have been allocated to restricted and unrestricted funds on an appropriate basis.

We confirm that the carry forward balance on the Academy Trust's General Annual Grant has been calculated after deducting expenditure incurred in line with the Academy Trust's funding agreement and the Academies Financial Handbook.

We confirm that the carry forward balance on the Academy Trust's General Annual Grant(s) is below the percentage imposed by the ESFA.

### 14. Unadjusted errors

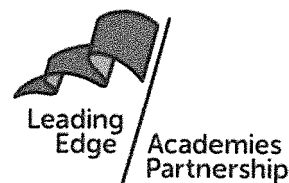
We attach a schedule showing the unadjusted errors you have identified. These are both misstatements of fact and misstatements that arise from differences in judgement. In our opinion, the effects of not recording such misstatements identified in the financial statement are, both individually and in the aggregate, immaterial to the financial statements of the Academy Trust as a whole.

### 15. Responsibility for regularity

CEO/Executive Principal (Primary): Mrs Kelley Butcher BEd Hons NPQH MCCT  
T 01736 352397 E [info@leadingedgeacademies.org](mailto:info@leadingedgeacademies.org) [www.leadingedgeacademies.org](http://www.leadingedgeacademies.org)  
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The Accounting Officer has fulfilled their responsibilities, under the requirements of the funding agreement between the Academy Trust and the Secretary of State for Education and the relevant Academies Financial Handbook.

The Accounting Officer acknowledges that they are responsible to Parliament for the regularity and propriety of the public finances for which they are answerable; for the keeping of proper accounts; for effective internal controls; for prudent and economical administration; for the avoidance of waste and extravagance; for achieving value for money; and for the efficient and effective use of all the resources in their charge. They have fulfilled their responsibilities in this respect.

### 16. Extra-contractual payments

The Accounting Officer confirms that the Academy Trust has not made any extra-contractual payments (such as for severance)

### 17. Other income

The Accounting Officer confirms that all other income has been received in connection with activities that are permitted within the Academy Trust's charitable objects.

They also confirm that all other income including lettings to related parties have been made at standard rates.

### 18. Cash and credit cards

The Accounting Officer confirms that cash and credit card transactions are subject to the Academy Trust's normal internal control and authorisation procedures and have been applied to the purposes identified by Parliament, and the financial transactions conform to the authorities which govern them.

In particular they confirm that no cash and credit card transactions have been for personal use by the staff, the Headteacher or the trustees.

### 19. Informing the ESFA

The Accounting Officer acknowledges their responsibility to notify the governing body and the ESFA of any instances of material irregularity or impropriety, or non-compliance with the terms of the Academy Trust's funding agreement and have had due regard to the requirements of the relevant Academies Financial Handbook in performing this duty.

Any instances of material irregularity, impropriety, or non-compliance discovered to date have been notified to the governing body and the ESFA.

### 20. Borrowings

The Accounting Officer confirms that the Academy Trust has not taken out any borrowings including loans and finance leases since conversion.

### 21. Sale of assets

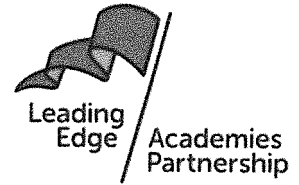
The Accounting Officer confirms that there have been no sales of land, buildings or grant funded assets.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

We confirm that so far as we are aware, there is no relevant other information needed by you in connection with preparing your reporting accountant's assurance report on regularity of which you are unaware.

Each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make themselves aware of any relevant audit/other information and to establish that you are aware of that information.

**Leading Edge Academies Partnership**  
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Penzance  
TR18 3JT



As minuted by the Board of Trustees.

Yours faithfully

.....  
Signed on behalf of the Board of Trustees  
of Leading Edge Academies Partnership

.....  
Signed by the Accounting Officer of Leading  
Edge Academies Partnership