

L.E.A.D. Multi-Academy Trust

Registered number: 08296921

Trustees report and financial statements

For the year ended 31 August 2014

L.E.A.D. MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

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

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

Trustees

Mr M Blois, Chair
Mr CE Richards
Mrs DM Harvey (resigned 26 November 2014)
Ms D Owen, Chief Executive & Accounting Officer
Mr D Pomeroy, Head Teacher (appointed 17 September 2013)
Ms A Eastgate (appointed 9 June 2014)

Members

Mr M Blois
Huntingdon Academy (resigned 1 September 2013)
L.E.A.D. Academy Trust
Ms D Owen

Company registered number

08296921

Principal and registered office

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

Senior management team

Ms D Owen, Chief Executive
Mr D Pomeroy, Executive Head Teacher
Mr B Thandi, Business Director
Ms T Shrestha, Executive Head Teacher

Independent auditors

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

Bankers

Lloyds Bank PLC, 1 City Road East, Manchester, M15 4PU

Solicitors

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

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

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period to 31st August 2014. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The charitable company was incorporated on 16 November 2012 and commenced trade as an Academy Trust on 1 January 2013. The Trust as at the 31st August 2014 consists of nine primary academies working across Nottingham, Nottinghamshire and Leicestershire.

Structure, governance and management

a. Constitution

The academy trust 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 the L.E.A.D. Multi-Academy Trust are also the directors of the charitable company for the purposes of company law.

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

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

The total number of Trustees including the Management Team Trustee who are employees of the Company shall not exceed one third of the total number of Trustees.

Subject to Articles 48-49 and 63, the Academy Trust shall have the following Trustees:

- a) Up to six Sponsor Trustees appointed under Article 50.
- b) Academy Trustees, appointed under Article 51;
- c) Management Team Trustee appointed under article 57;
- d) Additional Trustees, if appointed under Article 61, 61A or 67a;
- e) Parent Trustees, if appointed under clause 53 to 56.

The Secretary of State may appoint additional Trustees if the Trustees fail to comply with a Secretary of State warning notice.

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

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

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

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

e. Organisational structure

The L.E.A.D. Multi-Academy Trust is a separate trust sponsored by the L.E.A.D. Academy Trust. The L.E.A.D. Multi-Academy Trust currently contains the following:

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

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

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

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

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

f. Connected organisations, including related party relationships

The L.E.A.D. Multi-Academy Trust is one of two subsidiaries of the L.E.A.D. Academy Trust (company no 07767010) and the other subsidiary is L.E.A.D. Services Limited (company no 08423697).

The L.E.A.D. Academy Trust is the sponsor for the L.E.A.D. Multi Academy Trust and during the financial year 2013/14 there were no connected party transactions between the two entities.

The L.E.A.D. Academy Trust is a registered charity and its' Board of Trustees are responsible for the following principle:

- Appoint majority of Trustees of L.E.A.D. Multi-Academy Trust
- Act as a check and balance on the performance of the L.E.A.D. Multi-Academy Trust
- Provide expert guidance & support on educational issues to the L.E.A.D. Multi-Academy Trust & L.E.A.D. Services Limited
- Appoint directors of L.E.A.D. Services Limited and exercises strategic control over its activities

L.E.A.D. MULTI-ACADEMY TRUST

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2014

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

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

g. Trustees' indemnities

A Trustee may benefit from any 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 trustees have liability insurance with Zurich effective date 1st February 2014. There is a limit of indemnity of £25,000,000.

Objectives and Activities

a. Objects and aims

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

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

In accordance with the articles of association, the charitable company has entered into relevant a funding agreement with the Secretary of State. The funding agreements specify, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should be broad and balanced.

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

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

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

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

b. Objectives, strategies and activities

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

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

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

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

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

c. Public benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Academy has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

Strategic Report

Achievements and performance

a. 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.

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

b. Key financial performance indicators

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

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

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

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

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

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

These results demonstrate success in the Company's public benefit education objectives.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2014

Financial review

a. Financial and risk management objectives and policies

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

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

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

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

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

b. Principal risks and uncertainties

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

Operational Risk

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

Credit Risk

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

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2014

Liquidity Risk

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

c. Reserves policy

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

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

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

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

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

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

d. Material investments policy

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

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

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

Plans for future periods

a. Future developments

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

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

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

Funds held as custodian trustee on behalf of others

None.

Employee involvement and employment of the disabled

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

The academy has implemented a number of detailed policies in relation to all aspects of personnel matters including:

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

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

Full details of these policies are available from the academy's offices.

**L.E.A.D. MULTI-ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

Disclosure of information to auditors

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

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

This report, incorporating the Strategic Report, was approved by order of the board of trustees, as the company directors, on 16/12/14 and signed on the board's behalf by:



**Mr M Blois
Chair of Trustees**

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

GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that L.E.A.D. Multi-Academy 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.

The board of trustees has delegated the day-to-day responsibility to the Accounting 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 L.E.A.D. Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The board of trustees has formally met 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
Mr M Blois, Chair	6	6
Mr CE Richards	6	6
Mrs DM Harvey	1	6
Ms D Owen, Chief Executive & Accounting Officer	6	6
Mr D Pomeroy, Head Teacher	5	5
Ms A Eastgate	0	1

During the year D Pomeroy as an Executive Head Teacher and A Eastgate as a chair of one of the academies joined the Board.

The Trust is currently undertaking an external review of governance at each Local Governing Body level and at the Board level which commenced in July 2014. The review will complete by December 2014 in line with the external review of governance as defined by the National College for Teaching and Leadership.

The pay committee is a sub-committee of the main board of trustees. Its purpose is to review remuneration of the Executive Management Team.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs DM Harvey	3	3
Mr M Blois	3	3
Mr CE Richards	1	1

The audit committee is also a sub-committee of the main board of trustees. Its purpose is to review the risks to internal financial control at the Trust.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs DM Harvey	0	2
Mr M Blois	2	2
Ms D Owen	2	2

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

GOVERNANCE STATEMENT (continued)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in L.E.A.D. Multi-Academy Trust for the year 1 September 2013 to 31 August 2014 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 is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has Adrian Whiteley as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a quarterly basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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

GOVERNANCE STATEMENT (continued)

Review of Effectiveness

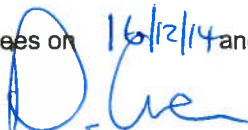
As Accounting Officer, the Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the academy who have 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 the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 16/12/14 and signed on its behalf, by:


Mr M Blois
Chair of Trustees


Ms D Owen
Accounting Officer

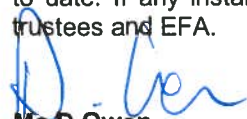
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of L.E.A.D. Multi-Academy Trust I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook.

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 EFA.



**Ms D Owen
Accounting Officer**

Date: 16/12/14

L.E.A.D. MULTI-ACADEMY TRUST

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TRUSTEES' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

The Trustees (who act as governors of L.E.A.D. Multi-Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 EFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable 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:



Mr M Blois
Chair of Trustees

Date: 16/12/14

L.E.A.D. MULTI-ACADEMY TRUST

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INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF L.E.A.D. MULTI-ACADEMY TRUST

We have audited the financial statements of L.E.A.D. Multi-Academy Trust for the year ended 31 August 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the charity's members as a body. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and the members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

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 2014 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 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

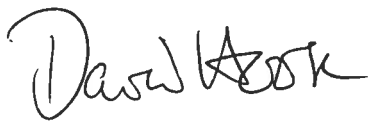
**L.E.A.D. MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF L.E.A.D.
MULTI-ACADEMY TRUST**

Matters on which we are required to report by exception

We report to you if, in our opinion:

- adequate accounting records have not been kept; 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.



Mr David Hoose (Senior Statutory Auditor)

Mazars LLP

Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: 17/12/14

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

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO L.E.A.D. MULTI-ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 24 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by L.E.A.D. Multi-Academy Trust during the year 1 September 2013 to 31 August 2014 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 L.E.A.D. Multi-Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to L.E.A.D. Multi-Academy Trust and EFA 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 L.E.A.D. Multi-Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of L.E.A.D. Multi-Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of L.E.A.D. Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 30 August 2013, and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. 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 2013 to 31 August 2014 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 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

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

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY
TO L.E.A.D. MULTI-ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY
(continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mazars LLP

Mazars LLP

Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: *17/12/14*

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2014

		Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	As restated Total funds 2013 £000
	Note					
Incoming resources						
Incoming resources from generated funds:						
Voluntary income	2	1,088	(3,218)	11,828	9,698	5,174
Activities for generating funds	3	104	-	-	104	16
Investment income	4	3	-	-	3	-
Incoming resources from charitable activities	5	-	12,768	613	13,381	2,424
Other incoming resources	6	276	142	-	418	200
Total incoming resources		1,471	9,692	12,441	23,604	7,814
Resources expended						
Costs of generating funds:						
Fundraising expenses and other costs		-	-	-	-	56
Charitable activities	7	87	12,708	408	13,203	2,420
Governance costs	10	-	89	-	89	29
Total resources expended		87	12,797	408	13,292	2,505
Net incoming / (outgoing) resources before transfers		1,384	(3,105)	12,033	10,312	5,309
Transfers between Funds	21	-	(251)	251	-	-
Net incoming resources before revaluations		1,384	(3,356)	12,284	10,312	5,309
Actuarial gains and losses		-	(78)	-	(78)	(127)
Net movement in funds for the year		1,384	(3,434)	12,284	10,234	5,182
Total funds at 1 September 2013		458	(1,028)	4,799	4,229	-
Prior year adjustment		-	-	953	953	-
Total funds at 31 August 2014		1,842	(4,462)	18,036	15,416	5,182

All of the academy trust's activities derive from continuing operating in the current financial period or acquisitions in the period.

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

The notes on pages 23 to 47 form part of these financial statements.

L.E.A.D. MULTI-ACADEMY TRUST

Registered number: 08296921

(A Company Limited by Guarantee)

BALANCE SHEET

AS AT 31 AUGUST 2014

	Note	£000	2014 £000	£000	As restated Total funds 2013 £000
Fixed assets					
Tangible assets	17		17,968		5,752
Current assets					
Stocks	18	9		-	
Debtors	19	919		17	
Cash at bank		2,344		644	
		<u>3,272</u>		<u>661</u>	
Creditors: amounts falling due within one year	20	(1,213)		(162)	
Net current assets			<u>2,059</u>		<u>499</u>
Total assets less current liabilities			<u>20,027</u>		<u>6,251</u>
Defined benefit pension scheme liability	26		(4,611)		(1,069)
Net assets including pension scheme liability			<u>15,416</u>		<u>5,182</u>
Funds of the academy					
Restricted funds:					
Restricted funds	21	149		41	
Restricted fixed asset funds	21	18,036		5,752	
Restricted funds excluding pension liability		18,185		5,793	
Pension reserve		(4,611)		(1,069)	
Total restricted funds			13,574		4,724
Unrestricted funds	21		1,842		458
Total funds			<u>15,416</u>		<u>5,182</u>

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


Mr M Blois
Chair of Trustees

16/12/14

The notes on pages 23 to 47 form part of these financial statements.

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

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

	Note	2014 £000	As Restated 2013 £000
Net cash flow from operating activities	23	851	381
Returns on investments and servicing of finance	24	3	-
Capital expenditure and financial investment	24	(269)	(59)
Cash transferred on conversion to an academy trust	29	1,115	322
		<u>1,700</u>	<u>644</u>
Increase in cash in the year		<u><u>1,700</u></u>	<u><u>644</u></u>

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

	2014 £000	2013 £000
Increase in cash in the year	<u>1,700</u>	<u>644</u>
Movement in net funds in the year	<u>1,700</u>	<u>644</u>
Net funds at 1 September 2013	<u>644</u>	<u>-</u>
Net funds at 31 August 2014	<u><u>2,344</u></u>	<u><u>644</u></u>

The notes on pages 23 to 47 form part of these financial statements.

L.E.A.D. MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

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

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 to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the academy being notified of an impending distribution or the legacy being received.

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

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

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

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

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

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

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

L.E.A.D. MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting Policies (continued)

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

The policy with respect to impairment reviews of fixed assets is ...

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

Long-term leasehold property	-	50 years
Leasehold improvements	-	20 years
Furniture and equipment	-	5 years
Computer equipment	-	4 years

1.6 Operating leases

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

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

L.E.A.D. MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting Policies (continued)

1.7 Stocks

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

1.8 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 26, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

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

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

1. Accounting Policies (continued)

1.10 Fund accounting

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

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

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

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

1.11 Conversion to an academy trust

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

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

Further details of the transaction are set out in note 29.

2. Voluntary income

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	As restated Total funds 2013 £000
Transfer from Local Authority on conversion	124	2,669	2,793	5,171
Other donations	-	-	-	3
Donations upon the transfer of an existing academy	964	5,941	6,905	-
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	<u>1,088</u>	<u>8,610</u>	<u>9,698</u>	<u>5,174</u>

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

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

3. Activities for generating funds

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	As restated total funds 2013 £000
Hire of facilities	17	-	17	1
Catering income	87	-	87	15
	<u>104</u>	<u>-</u>	<u>104</u>	<u>16</u>

4. Investment income

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Investment income	3	-	3	-

5. Funding for Academy's educational operations

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	10,681	10,681	1,965
Start Up Grants	-	-	-	120
Other DfE/EFA Grants	-	1,334	1,334	305
	<u>-</u>	<u>12,015</u>	<u>12,015</u>	<u>2,390</u>
Other government grants				
Other government grants	-	753	753	6
	<u>-</u>	<u>753</u>	<u>753</u>	<u>6</u>
DfE/EFA capital grants				
Capital Grants	-	527	527	28
Devolved Formula Capital	-	86	86	-
	<u>-</u>	<u>613</u>	<u>613</u>	<u>28</u>
	<u>-</u>	<u>13,381</u>	<u>13,381</u>	<u>2,424</u>

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

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

6. Other incoming resources

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	As restated total funds 2013 £000
Academy trips	-	142	142	-
Other income	276	-	276	200
	<u>276</u>	<u>142</u>	<u>418</u>	<u>200</u>

7. Resources expended

	Staff costs £000	Premises £000	Other costs £000	2014 £000	2013 £000
Cost of activities for generating funds	-	-	-	-	56
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56</u>
Academy's educational operations					
- Direct costs	8,013	350	938	9,301	1,609
- Allocated support costs	1,675	1,447	780	3,902	811
	<u>9,688</u>	<u>1,797</u>	<u>1,718</u>	<u>13,203</u>	<u>2,420</u>
Governance costs including allocated support costs	-	-	89	89	29
	<u>-</u>	<u>-</u>	<u>89</u>	<u>89</u>	<u>29</u>
Total	<u>9,688</u>	<u>1,797</u>	<u>1,807</u>	<u>13,292</u>	<u>2,504</u>

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

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

8. Direct costs

	Unrestricted funds £000	Restricted funds £000	2014 £000	2013 £000
Teaching and educational support staff				
Wages and salaries	-	8,013	8,013	1,453
Depreciation	-	350	350	91
Educational supplies	-	289	289	31
Educational visits	-	157	157	27
Staff development	-	114	114	7
Other direct costs	-	378	378	-
	<u>-</u>	<u>9,301</u>	<u>9,301</u>	<u>1,609</u>
Total	<u>-</u>	<u>9,301</u>	<u>9,301</u>	<u>1,609</u>

9. Allocated support costs

	Unrestricted funds £000	Restricted funds £000	2014 £000	2013 £000
Support staff costs	-	1,675	1,675	428
Maintenance of premises and equipment	-	719	719	90
Cleaning	-	140	140	31
Rent and rates	-	224	224	6
Insurance	-	250	250	48
Security and transport	-	57	57	8
Other support costs	-	348	348	200
Recruitment	-	12	12	-
Catering	87	331	418	-
Bank interest and other charges	-	1	1	-
Depreciation	-	58	58	-
	<u>87</u>	<u>3,815</u>	<u>3,902</u>	<u>811</u>
Total	<u>87</u>	<u>3,815</u>	<u>3,902</u>	<u>811</u>

10. Governance costs

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Total funds 2014 £000	Total funds 2013 £000
Governance Auditors' remuneration	-	29	29	9
Governance Auditors' non audit costs	-	7	7	-
Legal and professional	-	53	53	20
	<u>-</u>	<u>89</u>	<u>89</u>	<u>29</u>
	<u>-</u>	<u>89</u>	<u>89</u>	<u>29</u>

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

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

11. Net incoming / (outgoing) resources

This is stated after charging:

	2014	2013
	£000	£000
Depreciation of tangible fixed assets:		
- owned by the charity	408	91
Auditors' remuneration	29	9
Auditors' remuneration - non-audit	7	3
Operating lease rentals:		
- other operating leases	23	8
	<u> </u>	<u> </u>

12. Staff

a. Staff costs

Staff costs were as follows:

	2014	2013
	£000	£000
Wages and salaries	7,597	1,487
Social security costs	558	95
Other pension costs (Note 26)	1,102	199
	<u> </u>	<u> </u>
	9,257	1,781
Supply teacher costs	275	67
Compensation payments	-	9
FRS17 Pension	156	24
	<u> </u>	<u> </u>
	<u>9,688</u>	<u>1,881</u>

b. Staff numbers

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

	2014	2013
	No.	No.
Teachers	86	63
Administration and support	154	13
Management	23	4
	<u> </u>	<u> </u>
	<u>263</u>	<u>80</u>

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

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

12. Staff (continued)

c. Higher paid staff

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

	2014	2013
	No.	No.
In the band £60,001 - £70,000	6	0
In the band £70,001 - £80,000	1	0
In the band £80,001 - £90,000	1	0
In the band £110,001 - £120,000	1	0
	<hr/>	<hr/>
	9	0
	<hr/> <hr/>	<hr/> <hr/>

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

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

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

13. Central services

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

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

The academy charges for these services on the following basis:

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

The actual amounts charged during the year were as follows:

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

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	2014	2013
	£000	£000
D Pomeroy	85-90	
D Owen	115-120	

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

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15. Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £3,256 (2013 - £900). The cost of this insurance is included in the total insurance cost.

16. Other finance income

	2014	2013
	£000	£000
Expected return on pension scheme assets	195	26
Interest on pension scheme liabilities	(351)	(50)
	<u>(156)</u>	<u>(24)</u>
	<u><u>(156)</u></u>	<u><u>(24)</u></u>

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17. Tangible fixed assets

	Long-term leasehold property £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2013 (as previously stated)	4,830	29	32	4,891
Prior year adjustment	883	-	-	883
At 1 September 2013 (as restated)	5,713	29	32	5,774
Additions	484	204	108	796
Transfer on conversion	3,199	50	29	3,278
Donated assets	8,239	188	123	8,550
At 31 August 2014	17,635	471	292	18,398
Depreciation				
At 1 September 2013 (as previously stated)	83	3	5	91
Prior year adjustment	(69)	-	-	(69)
At 1 September 2013 (as restated)	14	3	5	22
Charge for the year	290	63	55	408
At 31 August 2014	304	66	60	430
Net book value				
At 31 August 2014	17,331	405	232	17,968
At 31 August 2013 (as restated)	5,699	26	27	5,752

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18. Stocks

	2014	2013
	£000	£000
Consumables and goods for resale	9	-
	<u>9</u>	<u>-</u>

19. Debtors

	2014	2013
	£000	£000
Trade debtors	35	5
VAT recoverable	315	-
Other debtors	275	9
Prepayments and accrued income	294	3
	<u>919</u>	<u>17</u>
	<u>919</u>	<u>17</u>

20. Creditors:
Amounts falling due within one year

	2014	2013
	£000	£000
Trade creditors	276	6
Other taxation and social security	210	83
Other creditors	146	36
Accruals and deferred income	581	37
	<u>1,213</u>	<u>162</u>
	<u>1,213</u>	<u>162</u>

Deferred income

Resources deferred during the year	<u>144</u>
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At the Balance Sheet date the academy trust was holding funds received in advance for Free School Meals totaling £141,053 and Rates Relief of £3,149.

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21. Statement of funds

	Brought Forward As restated £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
Unrestricted funds						
General Funds	458	1,471	(87)	-	-	1,842
Restricted funds						
General Annual Grant (GAG)	12	10,473	(10,085)	(251)	-	149
Other DfE/EFA grants	29	1,450	(1,479)	-	-	-
Local authority grants	-	837	(837)	-	-	-
Other reserves	-	150	(150)	-	-	-
Donations	-	27	(27)	-	-	-
Pension reserve	(1,069)	(3,245)	(219)	-	(78)	(4,611)
	(1,028)	9,692	(12,797)	(251)	(78)	(4,462)
Restricted fixed asset funds						
Inherited Assets	5,665	3,278	(158)	-	-	8,785
DfE/EFA capital grants	28	561	(66)	-	-	523
GAG	59	-	(12)	251	-	298
Donations	-	8,602	(172)	-	-	8,430
	5,752	12,441	(408)	251	-	18,036
Total restricted funds	4,724	22,133	(13,205)	-	(78)	13,574
Total of funds	5,182	23,604	(13,292)	-	(78)	15,416

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

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

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

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21. Statement of funds (continued)

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

Analysis of academies by fund balance

Fund balances at 31 August 2014 were allocated as follows:

	Total £000
Edna G Olds Academy	170
Huntingdon Academy	586
St Ann's Well Academy	120
Sycamore Academy	291
Warren Academy	(2)
Windmill L.E.A.D Academy	485
Millfield L.E.A.D Academy	121
Hogarth Academy	(29)
Bishop Alexander L.E.A.D Academy	37
Central	212
	<hr/>
Total before fixed asset fund and pension reserve	1,991
Restricted fixed asset fund	18,036
Pension reserve	(4,611)
	<hr/>
Total	<u>15,416</u>

Analysis of academies by cost

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding dep'n £000	Total £000
Edna G Olds Academy	821	148	38	311	1,318
Huntingdon Academy	752	135	58	565	1,510
St Ann's Well Academy	924	108	41	315	1,388
Sycamore Academy	968	204	32	450	1,654
Warren Academy	865	136	15	206	1,222
Windmill L.E.A.D Academy	1,481	174	61	353	2,069
Millfield L.E.A.D Academy	1,074	170	16	288	1,548
Hogarth Academy	622	74	11	170	877
Bishop Alexander L.E.A.D Academy	563	72	17	166	818
Central	47	284	1	148	480
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>8,117</u>	<u>1,505</u>	<u>290</u>	<u>2,972</u>	<u>12,884</u>

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22. Analysis of net assets between funds

	Unrestricted funds 2014 £000	Restricted funds 2014 £000	Restricted fixed asset funds 2014 £000	Total funds 2014 £000	As restated total funds 2013 £000
Tangible fixed assets	-	-	17,968	17,968	5,753
Current assets	1,842	1,363	68	3,273	660
Creditors due within one year	-	(1,214)	-	(1,214)	(162)
Provisions for liabilities and charges	-	(4,611)	-	(4,611)	(1,069)
	<u>1,842</u>	<u>(4,462)</u>	<u>18,036</u>	<u>15,416</u>	<u>5,182</u>

23. Net cash flow from operations

	2014 £000	As restated 2013 £000
Net incoming resources before revaluations	10,312	5,309
Returns on investments and servicing of finance	(3)	-
Transfer from local authority	(9,698)	(4,218)
Prior year adjustments	-	(952)
Depreciation of tangible fixed assets	408	91
Capital grants from DfE	(527)	(28)
Increase in stocks	(9)	-
Increase in debtors	(902)	(17)
Increase in creditors	1,051	162
FRS 17 adjustments	219	34
Net cash inflow from operations	<u>851</u>	<u>381</u>

24. Analysis of cash flows for headings netted in cash flow statement

	2014 £000	2013 £000
Returns on investments and servicing of finance		
Interest received	<u>3</u>	<u>-</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(796)	(87)
Capital grants from DfE	527	28
Net cash outflow capital expenditure	<u>(269)</u>	<u>(59)</u>

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25. Analysis of changes in net funds

	1 September 2013 £000	Cash flow £000	Other non-cash changes £000	31 August 2014 £000
Cash at bank and in hand:	644	1,700	-	2,344
Net funds	644	1,700	-	2,344

26. Pension commitments

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

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

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

Teachers' Pension Scheme

Introduction

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

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

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

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

26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

A copy of the valuation report and supporting documentation is on the Teachers' Pension Website (<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>).

Teachers' Pension Scheme Changes

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

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

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

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

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

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26. Pension commitments (continued)

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

Local Government Pension Scheme

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

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

As described in note 29 and 30 the LGPS obligation relates to the employees of the academy, 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 at the balance sheet date.

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

	Average expected return at 31 August 2014 %	Fair value at 31 August 2014 £000	Average expected return at 31 August 2013 %	Fair value at 31 August 2013 £000
Equities	6.50	3,225	6.40	633
Bonds	6.20	330	3.70	190
Property	5.40	448	5.00	98
Cash	2.90	160	-	-
Other	-	333	4.40	21
Total market value of assets		4,496		942
Present value of scheme liabilities		(9,107)		(2,011)
(Deficit)/surplus in the scheme		(4,611)		(1,069)

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26. Pension commitments (continued)

The amounts recognised in the Balance Sheet are as follows:

	2014 £000	2013 £000
Present value of funded obligations	(9,107)	(2,011)
Fair value of scheme assets	4,496	942
	<u> </u>	<u> </u>
Net liability	<u>(4,611)</u>	<u>(1,069)</u>

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

	2014 £000	2013 £000
Current service cost	(528)	(92)
Interest on obligation	(351)	(50)
Expected return on scheme assets	195	26
	<u> </u>	<u> </u>
Total	<u>(684)</u>	<u>(116)</u>

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

	2014 £000	2013 £000
Opening defined benefit obligation	2,011	-
Current service cost	528	92
Interest cost	351	50
Contributions by scheme participants	120	26
Actuarial Losses	499	169
Liabilities extinguished on settlements	(147)	-
Benefits paid	(15)	-
Transfer on conversion	5,760	1,674
	<u> </u>	<u> </u>
Closing defined benefit obligation	<u>9,107</u>	<u>2,011</u>

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26. Pension commitments (continued)

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

	2014	2013
	£000	£000
Opening fair value of scheme assets	942	-
Expected return on assets	195	26
Actuarial gains and (losses)	421	42
Assets distributed on settlements	(61)	-
Contributions by employer	379	82
Contributions by employees	120	26
Benefits paid	(15)	-
Transfer on conversion	2,515	766
	<u>4,496</u>	<u>942</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £(78k) (2013 - £(127k)).

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

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

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

Nottinghamshire County Council Pension Fund

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

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

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

	2014	2013
Retiring today		
Males	22.0	19.8
Females	25.1	23.1
Retiring in 20 years		
Males	24.1	22.0
Females	27.4	25.1

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26. Pension commitments (continued)

Leicestershire County Council Pension Fund

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

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

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

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

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014	2013
	£000	£000
Defined benefit obligation	(9,107)	(2,011)
Scheme assets	4,496	942
Deficit	<u>(4,611)</u>	<u>(1,069)</u>
Experience adjustments on scheme assets	<u>421</u>	<u>42</u>

27. Operating lease commitments

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

	Land and buildings		Other	
	2014	2013	2014	2013
	£000	£000	£000	£000
Expiry date:				
Within 1 year	-	-	9	-
Between 2 and 5 years	-	-	14	8
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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28. Related party transactions

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

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

During the period the Trust received services totalling £5,909 (2013: £Nil) from L.E.A.D Services Limited (a limited company under common control). £Nil (2013: £Nil) were outstanding at the year end relating to these transactions.

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

29. Conversion to an academy trust

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

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

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

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

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

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30. Transfer to an academy trust

On 1 September 2013 the following academies transferred all operations and assets and liabilities to L.E.A.D. Multi-Academy Trust for £NIL consideration:

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

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

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

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	-	-
- Freehold/leasehold land and buildings	-	-	8,239	8,239
- Other tangible fixed assets	-	-	311	311
Budget surplus/(deficit) on LA funds	964	-	-	964
LGPS pension surplus/(deficit)	-	(2,609)	-	(2,609)
Total	964	(2,609)	8,550	6,905

31. Ultimate parent undertaking and controlling party

The academy's ultimate parent and controlling party is L.E.A.D Academy Trust.

32. Members' Liabilities

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.

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33. Prior Year Adjustment

A prior year adjustment relating to a change in accounting policy in respect of the capitalisation of leasehold land has been reflected. This prior year adjustment has increased total funds as at 1 September 2013 by £952,000.

Other prior year adjustments are in respect of reclassification of other income totalling £200,000 from Activities for generating funds (note 3) to Other incoming resources (note 6) and reanalysing Allocated support costs (note 9) totalling £811,000. These adjustments have had no effect on the total funds as at 1 September 2013.