

Registered number: 08296921

Trustees' report and financial statements

For the year ended 31st August 2020



L.E.A.D. Academy Trust
Lead • Empower • Achieve • Drive



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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr P Berry (appointed 1st September 2017)
Mr A Buck (appointed 8th July 2020 and resigned 24th November 2020)
Mrs D Harvey (appointed 1st September 2017)
Ms L Talmadge (resigned 27th July 2020)
Ms A Frost (appointed 24th November 2020)

Trustees

Mr M Blois, Chair
Mr I Hancocks (resigned 18th December 2019)
Ms D Owen, Chief Executive and Accounting Officer
Mr M Kenyon
Mr N Ydlibi
Mr D Williams
Mr P Graham
Mr J Hobson (appointed 1st March 2020)
Mrs H McNamara (appointed 28th November 2019)
Mr A Buck (appointed 24th November 2020)

Company registered number

08296921

Company name

L.E.A.D. Academy Trust

Principal and registered office

5a The Ropewalk, Nottingham, NG1 5DU.

Company secretary

Mrs L Bird

Executive management team

Ms D Owen, Chief Executive and Accounting Officer
Mr B Thandi, Deputy Chief Executive and Chief Finance Officer
Mr N Spencelayh, Deputy Chief Executive

Independent auditor

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

Bankers

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

Solicitors

Eversheds-Sutherland LLP, Water Court, 116-118 Canal Street, Nottingham, NG1 7HF.

TRUSTEES' REPORT

L.E.A.D. Academy Trust comprises of 25 academies across Nottingham, Leicester, Derby, Lincoln and Sheffield. Our philosophy is to; lead, empower, achieve and drive. Its academies have a pupil capacity of 11,359 and had a roll of 10,586 in the October 2019 school census.

At the heart of our Trust is the development of outstanding leaders. We empower individuals in our schools to provide the highest quality education, enabling every pupil to realise their full potential. We have also been recognised by Ofsted as an organisation which ensures children are at the heart of the Trust's principles, visions and values.

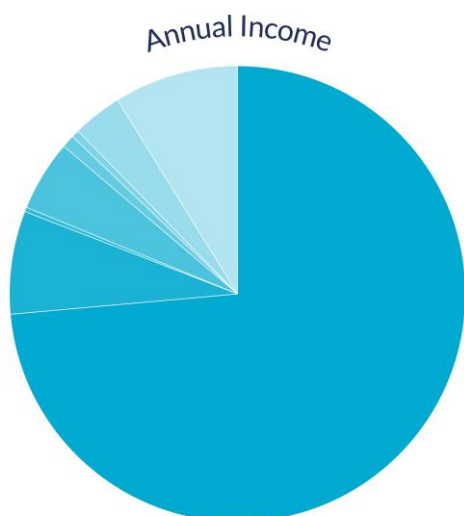
The combination of autonomy and collaboration across key areas of leadership and management, underpinned by shared vision, values and best practice, positions L.E.A.D. as a truly unique Trust.

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1st September 2019 to 31st August 2020.

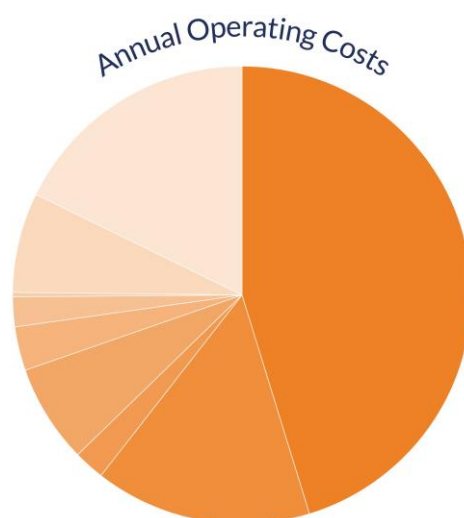
The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The charitable company was incorporated on 16th November 2012 and commenced trade as an Academy Trust on 1st January 2013.





- General Annual Grant
- Pupil Premium
- Rates Relief
- Local Authority
- Lettings
- Catering
- Trips
- Capital
- Other



- Teaching Staff
- Educational Support Staff
- Premises Staffing
- Admin Staffing
- Other Staff
- Agency Staff
- Apprenticeship Levy
- Premises
- Non Staffing

Reserves

£3.9m held as at 31st August 2020 which equates to 6% of revenue expenditure.

+£0.7m movement in reserves.

Capital Investment

1% investment in IT infrastructure.

3% investment in buildings.

Investment in 450 additional IT devices for pupils.

Economies of Scale

1.4% financial saving secured above and beyond existing budgeted levels.

20% reduction to the Trust's supply chain following a procurement programme of consolidating existing contracts.

COVID

£200,000 additional expenditure relating to COVID19.

People

526 FTE teaching staff.

546 FTE support staff.

45 FTE central staff.

494 Teachers (headcount).

960 Support staff (headcount).

89 Management (headcount).

19 primary teacher pupil ratio.

17 secondary teacher pupil ratio.

12 support staff pupil ratio.

83% staffing retention level.

Structure, governance and management

a. Constitution

The L.E.A.D. 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. Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is formerly known as the L.E.A.D. Multi-Academy Trust.

The company is referred to as the L.E.A.D. Academy Trust in terms of its public profile.

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. 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.

The Trustees have liability insurance with Ecclesiastical effective date 1st September 2019. There is a limit of indemnity of £5,000,000,

d. Method of recruitment and appointment or election of Trustees

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

Subject to Articles 45-49 and 63, the Academy Trust shall have the following Trustees:

- a) Up to ten Trustees appointed under Article 50 by Members.
- c) Management Team Trustee appointed under Article 57.
- d) Additional Co-opted Trustees, if appointed under Article 58.
- e) Parent Trustees, if appointed under Clauses 53 to 56.

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

Any vacancies or additions to the Board of Trustees are completed through a recruitment process which also involves sourcing a potential shortlist of candidates from the Academy Ambassadors programmes and existing Academy Governing Bodies. The candidates are assessed jointly by the Chair of Trustees and Chief Executive.

e. 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 the induction programme will provide training on charity, educational, legal and financial matters. All Trustees of the Academy Trust are provided with access to copies of strategic plans, procedures, minutes, accounts, budgets 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 which forms part of the self-review process, should any gaps be identified training courses are offered to address these issues.

f. Organisational structure

The L.E.A.D. Academy Trust is the parent company for the trading subsidiary L.E.A.D. Services Ltd. Huntingdon Academy was the founding member and sponsor for the Trust, prior to the restructure of the company in September 2013. The Trust currently consists of the following academies.



The management structure consists of seven levels; the Members, the Board of Trustees, the Executive Management Team, the Directors, the Head Teachers of each academy, the Academy 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 academy's performance and appointment of the Head Teachers and Chairs of Academy Governing Bodies.

The Executive Management Team is the Chief Executive and two Deputy Chief Executives supported by Directors, Executive Head Teachers and 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 Academy Governing Body receives delegated authority from the Academy Trust Board to support the Board in fulfilling its obligations.

g. Arrangement for setting pay and review of key management personnel

The pay and remuneration of the Executive Management Team and the Directors is set by the Board of Trustees. Head Teachers pay is set in line with teacher's pay and conditions.

The Pay Committee commission external independent reports, which benchmarks the most senior roles across the public sector. Each role is benchmarked taking into consideration the following:

- Internal job size and internal pay relativities.
- Relevant external market positioning and benchmarking data.
- Individual experience, performance and contribution.

The Pay Committee through performance management, review the pay and remuneration of the Executive Management Team.

h. Trade union facility time

The following is a summary of the trade union facility time information for the one employee (0.6FTE) with relevant trade union official duties.

Number of employees	1
Percentage of time spent on facility time	51% to 99%
Total cost of facility time	£31,600
Total pay bill	£42,669,000
Percentage of the total pay bill spent on facility time	0.07%
Time spent on paid trade union activities as a percentage of total paid facility time hours	20%

i. Connected organisations, including related party relationships

The L.E.A.D. Academy Trust is the parent company of its subsidiary L.E.A.D. Services Limited (company no 08423697).

Directors of L.E.A.D. Services Limited received no remuneration and any surpluses generated by L.E.A.D. Services Limited are gifted to the L.E.A.D. Academy Trust for reinvestment as grants within the Trust. During the financial year 2019/20 L.E.A.D. Services provided the following services to the L.E.A.D. Academy Trust at cost only:

- £108,300 Teaching School membership.
- £32,600 Project management support.
- £89,600 IT support.

L.E.A.D. Services provided the following range of services valued at £104,000 for no cost during 2019/20:

- £17,000 portable appliance testing.
- £28,000 for transportation, delivery and travel costs.
- £27,000 set up and installation costs.
- £24,000 helpdesk and software costs.
- £8,000 additional ICT technician onsite support.

The CEO Diana Owen is also a Member of the Queens Street Group and the Trust are also subscribing to the membership scheme with this group resulting in the following related party transaction during this financial year:

- £950 subscription fee.

The chair Mark Blois is employed by Browne Jacobson LLP and the Trust entered into a transaction with this company resulting in the following related party transaction during this financial year:

- £398 networking event.

j. Engagement with employees

Trustees ensure engagement with employees through the following;

- A staff voice consisting of representation from each academy.
- Both teaching and support staff representation on all Academy Governing Bodies.
- Engagement with trade unions through an established Joint Negotiation and Consultation Committee.
- Headteachers regularly brief all of their staff.
- The publication of termly Trust newsletter.
- The Trust communication plan.

In addition to the Trust's equality objectives, there is a suite of policies covering all aspect of personnel management to support employee engagement.

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

Engagement with suppliers engaged with the Trust are focused around the following core principles to ensure the relationship is not just purely a transactional one.

- Collaborative in the form of working in partnership to develop the service provided.
- Recognition in the form of celebrating achievements and milestones.
- Accountability in the form of response times, setting of expectations and clear communication channels.
- Transparency of the supply chain and a deeper understanding of potential delays or problems.

Engagement with customers (parents and carers) is focused around ensuring the following communications are utilised effectively as part of the Trust communications strategy.

- Termly Trust newsletter.
- Social media platforms which include Twitter and Facebook.
- Academy websites.
- Academy newsletters.
- 'Your Voice' campaigns.

The following are examples of media campaigns during this financial year.

Cloudside Academy
@CloudsideJunior

Year 6 enjoyed a fantastic afternoon looking at how to maintain a healthy diet. We enjoyed a talk from a visiting chef who demonstrated how to make a healthy apple crumble! This linked with our work on the heart and how to keep this vital organ healthy.



Sycamore Academy
@sycamorelead

We have been learning outside in our new 'Wild Zone'!



Windmill Academy
@windmilllead

Rodrigo in Year 5 composed a sensational poem for #NationalPoetryDay based on the theme #SpeakYourTruth. Check it out @SI_Moiet #MyNPDpoem @PoetryDayUK



Birley Head
@birleyhead

Congratulations to our amazing catering team who were awarded the highest possible mark from the Environmental Health Department, following an unannounced spot check this morning! @birleyacademy @LEADAcadTrust



LEADEquate
@LEADEquateTSA

Active English is now in approximately 50 schools and it has had a phenomenal impact in all of the settings it has been implemented in. It is loved by both the children and staff!



Active English is a support package for the teaching of grammar, writing and punctuation, for Years 1-4

LEADLanguages
@LEADlanguages

@DianaOwenLEAD opened the @LEADAcadTrust cross-secondary conference in Sheffield today, hosted by @birleyacademy. Great to see everyone from the three schools here together! #WeAreLEAD



Millfield Academy
@millfieldlead

Well done to our Year 5/6 football team who finished 4th in the area A league – a great achievement in some very difficult weather conditions. They showed great teamwork, resilience and determination.

Sports Achievement



Charnock Hall
@charnocklead

This morning we've had a visit from PCSO Clayton of South Yorkshire Police, who spoke with pupils about stranger danger and the risks of running away from home. Pupils showed great knowledge and posed very good questions. #LOVECHPA @LEADAcadTrust @syptweet



May 2019



L.E.A.D. Academy Trust
Newsletter

L.E.A.D. Academy Trust
Lead | Follow | Inspire | Challenge | Grow

Follow us on twitter: @LEADAcadTrust

December 2019



L.E.A.D. Academy Trust
Newsletter

L.E.A.D. Academy Trust
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Spring Edition



L.E.A.D. Academy Trust
Newsletter

L.E.A.D. Academy Trust
Lead | Follow | Inspire | Challenge | Grow

Follow us on twitter: @LEADAcadTrust

Objectives and Activities

a. Objectives and aims

The principal objective and activity of the charitable company is to advance for the public benefit, education in the United Kingdom by establishing, maintaining, 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 recreation 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 funding agreements 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 aims of the Trust during the period ended 31st August 2020 are summarised below:

- Through outstanding leadership we, at the L.E.A.D. Academy Trust, will provide the highest quality education to enable every pupil to realise their full potential.
- 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.

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, ensuring the development of pupils as leaders of their own learning.

At the Trust academies, 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 Trust 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.

Achievements and performance

Strategic report

The Trust now provides the education for approximately 11,000 children across the East Midlands and South Yorkshire fulfilling its primary objective in some of the most deprived areas in England. To add further context, 48% of the pupils served by the Trust live in the 20% of wards with the highest level of deprivation.

The following is a summary of our successes during 2019/20.

Governance

Successfully managed the impact of COVID19 ensuring all sites were safe to accommodate pupils and staff.

Enhanced the level of membership across all tiers of governance.

Implemented a new risk management framework.

Education

Prior to COVID19 the following successes were on track to be secured.

- 90% of teaching was judged 'good' or better across primary academies and 80% across secondary academies.
- Curriculum planning was evaluated as 'good' (as defined by internal assessment documents) or better in all academies.

Growth

Successfully enhanced the portfolio of clients and increased the volume of trading activity.

Grown the Teaching School presence, influence and reach through the accredited English and Behaviour Hubs.

People

Wellbeing strategies have been implemented.

Employee Assistance Programme has been embedded.

Improved levels of staff retention.

Finance

Financial stability has been maintained.

General Annual Grant (GAG) Pooling in the form of the Trust Funding Formula (TFF) has been implemented.

Communications

Created and co-ordinated an innovative internal and external communications strategy, focusing on three key channels: social media, film/digital media and printed material.

Raised the profile of the Trust through an all-encompassing, multi-channel communications and marketing programme.

The 'Your Voice' campaign has increased the level of engagement with parents and carers.

'Your Voice' campaign examples



Radford Academy – Parents asked for a wider range of after-school clubs for children in key stages 1 and 2.

The Birley Academy – Parents requested more regular updates about the performance of their child.

Da Vinci Academy – Parents said that they sometimes found it hard to get in touch with staff.

Edna G. Olds Academy – Parents wanted their children to spend more time outside.

Sycamore Academy – Some parents said children were struggling with homework and parents were unable to help.



Radford Academy – The academy is offering 13 different clubs and has ensured that all sessions help to develop the children's interest and talents.

The Birley Academy – The academy recently launched 'Marvelous Me'. This app has enabled the sharing of wonderful news on a daily basis and the celebration of learning and success.

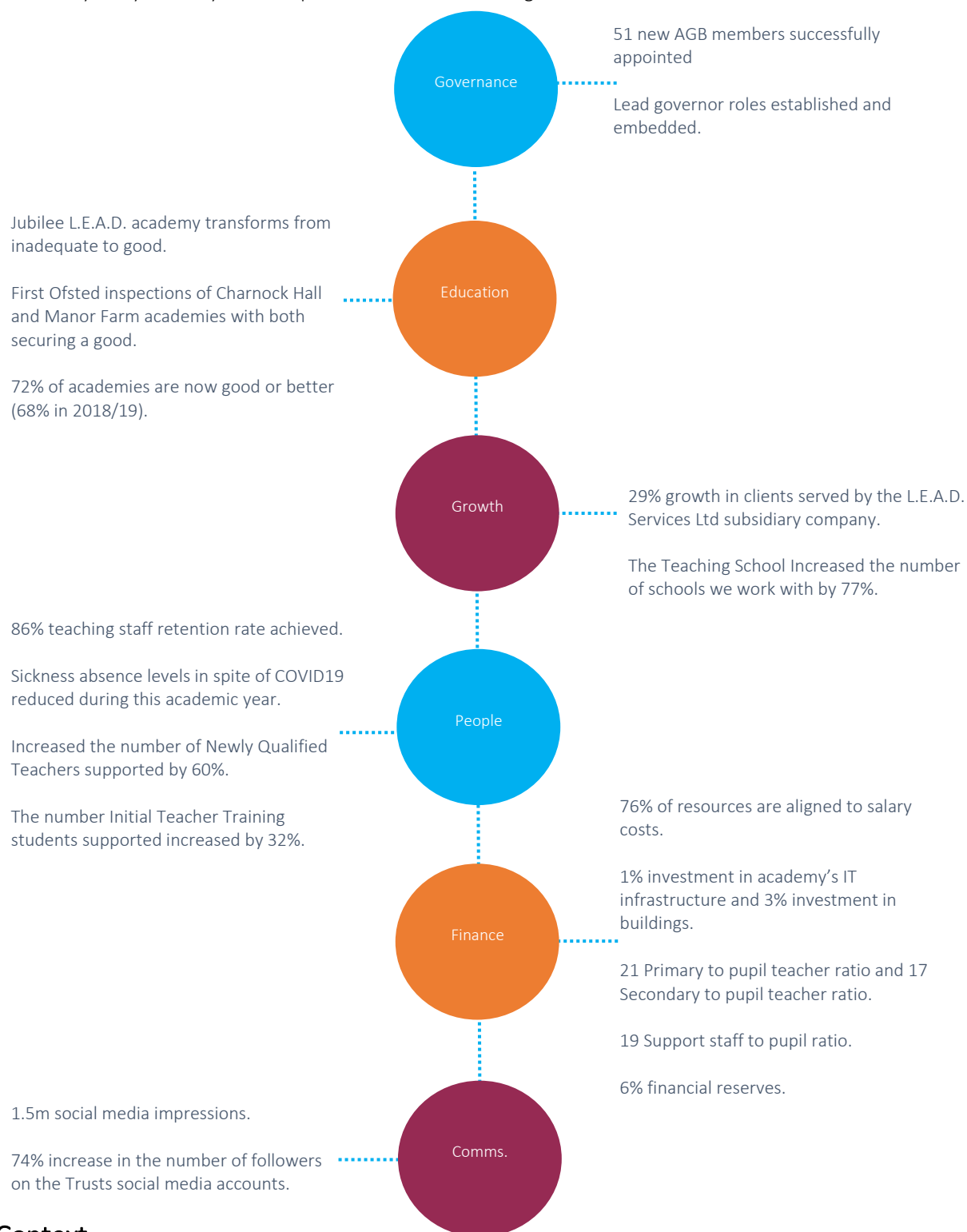
Da Vinci Academy – The academy has extended reception hours to 5pm and has added staff email addresses to the website.

Edna G. Olds – The academy has improved the outdoor learning area, with a range of extensive facilities.

Sycamore Academy – The academy has set up after-school homework clubs and some curriculum workshops for parents.

a. Key performance indicators

A summary analysis of key financial performance indicators is given below:



Context

33% (primary) and 41% (secondary) disadvantaged backgrounds

23% (primary) and 6% (secondary) English as an additional language

14% (primary) and 16% (secondary) SEN

1% looked after

The Trust also provides education for almost 3,000 secondary-aged pupils living in Derby and Sheffield. The demographic of the secondary estate shows that the Trust serves communities with higher than average levels of social deprivation.

b. 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.

The going concern judgement of the Board of Trustees is reinforced by the projected level of future financial reserves which are forecast to remain within the Trust's tolerance levels, which equates to 5% and 6% of expenditure levels. The ability of the Trust to operate at 5% if required provides a contingency for dealing with projected COVID related financial pressures. In addition the Trusts strategy to secure additional income through its trading subsidiary and site development plans is expected to reinforce the financial security of the Trust over the next five years.

Financial review

The vast majority of the Trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) 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 31st August 2020 and the associated expenditure are shown within Restricted Funds in the Statement of Financial Activities.

At 31st August 2020 the net book value of fixed assets was £101,304k and the net book value of intangible assets was £38k; the movements in tangible and intangible fixed assets are shown in notes 14 & 15 to the financial statements. The assets were used exclusively for providing education and the associated support services for pupils of the academies.

During the year capital expenditure of £2,207k was utilised for investment in the Trust's fixed assets.

Key financial policies adopted or reviewed during the period cover Assets and Depreciation, Finance Procedures and Regulations which are set out within the Trust's Finance Procedures. In addition the Trust has approved policies on Fraud, Whistleblowing, Tendering and Expenses and Charges. The Trust's procedures set out the framework for financial management, including the financial responsibilities of Trustees, Executive Management Team, Head Teachers and Finance staff centrally and in academies. Delegated financial responsibilities are set out within the Trust's 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 further over the next 12 months.

a. Reserves policy

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

The Trust is mindful of the level of cash required to ensure the ongoing liquidity and success of the Trust and will continue to invest surplus reserves in capital projects across its academies.

The Board of Trustees have agreed that the minimum level of reserves held for revenue purposes should be maintained at 6% of expenditure which equates to £3.6m, with current reserves held at £3.9m exceeding the target by £0.3m. The current level of reserves has increased despite the financial pressures driven by COVID over the past few months.

Future financial pressures driven by COVID, High Level Needs (HLN) and future pay awards may place additional pressure on future reserves, however the Trust has the financial security to transition future reserves to 5% of expenditure, which would equate to £3m if required.

At the year end, the total unrestricted funds were £2,372k (2019: £2,197k) and the total restricted general funds were £1,503k (2019: £953k).

b. 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 only.

c. 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 is tabled and reviewed at all Board Meetings and mitigating actions are agreed as required.

Operational Risk

The uncertainties relating to the delayed implementation of the National Funding Formula has been addressed by the implementation of the Trust Funding Formula. However the potential financial impact of COVID19, future pay awards, and pension costs could contribute towards cost pressure in future periods, which increases the importance of maintaining a robust level of revenue reserves.

Credit Risk

The Trust recognises exposure to credit risk, being 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 being with banks assigned high credit ratings.

The Trust does not hold client cash balances or assets, so is not exposed to client credit risk.

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), set out in note 29 to the financial statements, which represents a significant potential liability. However, as the Trustees consider that the 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.

Cash Flow

Forward financial planning and the strategy to maintain reserves at 6% has mitigated the risk of any potential cash flow issues across the Trust.

Energy and Carbon Reporting

The UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020 and methodology applied is summarised in the following table. The total energy consumption used to calculate emissions KWH was 10,300,864.

Scope	Energy Source	Note	Consumption	Units	Conversion Factor	Emissions calculation kg (CO ² e)	Emissions calculation tonnes (CO ² e)
1	Gas	1	6,463,108	KWH	0.18397	1,188,372	1188.37
	Oil	2	0	KWH	0.27000	0	0
	Vehicles	3	52,724	Miles	0.30417	16,037	16.04
2	Electricity Standard	4	3,600,806	KWH	0.23314	839,492	839.49
	Electricity Renewable		12,034	KWH		0	0
3	Staff mileage	5	149,557	Miles	0.28052	41,954	41.95
Total emissions							
	Intensity ratio	6		Pupils		10,586	0.20

Note 1 - total KWH used for the year taken from gas bills for each academy

Note 2 - total KWH used for the year taken from oil bills for each academy

Note 3 - miles in the year for Trust vehicles

Note 4 - total KWH used for the year taken from electricity bills for each academy

Note 5 - total mileage for fuel reimbursed from staff claims

Note 6 - based on total pupil numbers

The Trust 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.

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

Measures taken during this academic year to improve energy efficiency include the following.

- Installed LED lighting at a limited number of our academies.
- Upgraded windows at a limited number of academies.
- Enabled virtual meetings reducing the requirement for travel between sites and regions.

Fundraising

The Trust has no commercial fund raising arrangements in place with any internal or external partners. Academies within the Trust do secure a relatively small amount of funding as voluntary contributions.

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 in the short term to maintain the number of academies it runs. It is anticipated during the 2020/21 financial year, there may be further schools joining the Trust, as the development of hubs within each region continues.

The next phase of growth is currently being carefully planned and measured and will be reviewed on an annual basis by the Trustees.

Funds held as custodian

None.

Employee involvement and employment of the disabled

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

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

- Equal Opportunities Policy
- Health & Safety Policy

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


Full details of these policies are available from the Trust and individual academy websites.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on the 16th December 2020 and signed on its behalf by:



Mr M Blois
Chair of Trustees

GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that L.E.A.D. 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 Chief Executive, 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. 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 Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 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	5	5
Mr I Hancocks, Vice Chair**	2	2
Ms D Owen, Chief Executive and Accounting Officer	5	5
Mr D Williams	5	5
Mr M Kenyon	5	5
Mr N Ydlibi	4	5
Mr P Graham	5	5
Mr J Hobson	3	3
Mrs H McNamara	4	4

** retired as a Trustee in December 2019.

The Board of Trustees meets five times a year which complements the regional governance model and the committee cycle. The trustees do not feel that they need to meet more frequently in order to discharge their obligations due to the governance structure providing an effective framework of robust challenge and interrogation through the subcommittees and Academy Governing Bodies.

Trustees regularly discuss strategic matters and organisational development as a group of trustees and with their respective Executive Management Team. Some of the key pieces of work throughout the year included:

- Approval of a revised scheme of delegation.
- Approval of 2020-21 budget.
- Approval of the strategic plan.
- Approval of the revised Executive Management pay policy.
- Further development of the risk appetite framework and risk register.
- Approval of the Trust Funding Formula (TFF) enabling General Annual Grant (GAG) pooling.
- Development of a change management protocol.
- Recruitment of additional Trustees to the Board.
- Oversight of the impact and risks of COVID19.

The Pay Committee is a subcommittee 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
Mr I Hancocks**	2	2
Mr M Blois	4	4
Mrs H McNamara	2	2
Mr D Williams	4	4

** retired as a Trustee in December 2019.

The work of the Pay subcommittee this year has included:

- Independent benchmarking and review of Executive pay.
- Revised Executive pay policy.

The Audit and Risk Committee is also a subcommittee of the main Board of Trustees. The core purpose of the committee is to ensure the quality and integrity of the organisation's risk management framework; accounting and reporting practices, controls and financial statements; legal and regulatory compliance; the auditor's qualifications and independence; and the performance of the company's internal audit function and independent auditors.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Williams	2	2
Mr M Kenyon	4	4
Mr N Ydlibi	3	4

The work of the Audit and Risk subcommittee this year has included:

- Oversight of the 2018-2019 and 2019-20 Mazars audit.
- Closure of the 2017-18 Audit Management actions, all of which have been completed.
- Recommendation of the statutory accounts.
- Strategic oversight and scrutiny of Internal Audit Plan.
- An updated risk register and review of actions points.
- Receipt and scrutiny of internal audit and Cyber Security audit reports.
- Scrutiny of Health and Safety, with a particular focus on COVID19 and Fire Risk Assessments.
- Scrutiny of Cyber Security and GDPR compliance.
- Impact of COVID19.

The Finance and Resources Committee is also a subcommittee of the main Board of Trustees. Its purpose is to review the financial performance of the Trust.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Graham	3	3
Mr N Ydlibi	3	3
Mrs H McNamara	2	3

The work of the Finance and Resources subcommittee this year has included:

- Review of the management accounts.
- 2020-21 budget approval and recommendation to the Board.
- Principles for financial planning.
- Oversight of the People Plan.
- Oversight of the TFF and GAG pooling.
- Strategic oversight of staff vacancies, sickness and retention.
- Oversight of the capital strategy.

- Financial impact of COVID19.

The Performance and Standards Committee is also a subcommittee of the main Board of Trustees. Its purpose is to review the education performance of the Trust.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr J Hobson	1	1
Mr D Williams	2	2

The work of the Performance and Standards subcommittee this year has included:

- Regular review of the performance of academies.
- Review of exam results and projections.
- Regular oversight of Safeguarding.
- Oversight and development of a new data dashboard.
- Educational impact of COVID19.

Review of Value for Money

As Accounting Officer, the Chief Executive 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 uses its resources and how it 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 securing the following:

- 41% reduction to photocopier costs.
- 18% reduction to IT licencing costs.
- 41% reduction to telephony systems.
- 46% reduction to recruitment fees.
- Continued drive for supplier rationalisation.
- Benchmarking summary for each academy.

Due to COVID19 there has been a requirement to delay a number of procurement processes and in some cases a need to accelerate support, in order to enable academies to transition from accommodating key workers children to a wider reopening strategy during the summer term.

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 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 in L.E.A.D. Academy Trust for the year 1st September 2019 to 31st 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 Trust's significant risks, which have been in place during the financial year 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;
- the review and monitoring of the main risks are reflected in the risk register which includes the following:
 - Safeguarding.
 - Maintaining academic standards.
 - Managing growth.
 - Cyber Security and GDPR
 - Political change.
 - Financial management.
 - Governance.
 - Effective leadership.
 - L.E.A.D. Services Ltd subsidiary.
 - Health and Safety.
 - COVID19.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Veritau as internal auditors, who have supported meeting the requirements of the Audit and Risk Committee.

Veritau is a shared service company providing a broad range of public sector assurance services, including internal audit, counter fraud, risk management and information governance.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, the internal auditor reports to the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The current checks carried out include:

- Safeguarding
- GDPR
- Payroll
- Financial Controls
- Budgeting

- L.E.A.D. Services Ltd
- Procurement

In addition an independent Cyber Security network testing has also been completed alongside assurances from Ofsted Inspections and HMRC reviews.

No material control issues were identified by the internal auditors.


Review of Effectiveness

As Accounting Officer, the Chief Executive 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 auditor;
- the work of the executive managers within the Trust 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 audit committee and a plan to address any identified weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 16th December 2020 and signed on their behalf by:



Mr M Blois
Chair of Trustees



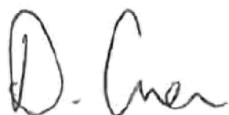
Ms D Owen
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of L.E.A.D. Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency ('the 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 the ESFA.



.....
Ms D Owen
Accounting Officer

Date: 16th December 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

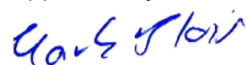
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 group will continue in business.

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

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



.....
Mr M Blois
Chair of Trustees

Date: 16th December 2020

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF L.E.A.D. ACADEMY TRUST

Opinion

We have audited the financial statements of L.E.A.D. Academy Trust (the 'Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Trust Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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 Group's and of the Academy Trust's affairs as at 31 August 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Group's or 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.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF L.E.A.D. ACADEMY TRUST (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Other information includes the Reference and administrative details, the trustees' report including the incorporated 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 including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the incorporated strategic 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:

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF L.E.A.D. ACADEMY TRUST (CONTINUED)

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the Trustees on page 23 (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 Group's and 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 Group or the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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. This description forms part of our auditor's report.

Use of the audit 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 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Hoose (Senior Statutory Auditor)
for and on behalf of
Mazars LLP

Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date:

L.E.A.D. ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO L.E.A.D. ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 September 2020 and further to the requirements of the Education and Skills Funding Agency ('the 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 L.E.A.D. Academy Trust 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 L.E.A.D. Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to L.E.A.D. Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than L.E.A.D. Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of L.E.A.D. Academy Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of L.E.A.D. 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 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 the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

L.E.A.D. ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO L.E.A.D. ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date:

L.E.A.D. ACADEMY TRUST
(A company limited by guarantee)

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

		Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
	Note					
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		-	-	-	-	1,188
Other donations and capital grants		8	-	2,019	2,027	2,221
Charitable activities:						
Funding for the Academy Trust's educational operations	4	555	58,211	-	58,766	56,605
Teaching schools	31	-	874	-	874	689
Other trading activities	5	1,670	307	-	1,977	3,087
Investments	6	5	-	-	5	4
Total income		2,238	59,392	2,019	63,649	63,794
Expenditure on:						
Raising funds	7	1,312	355	-	1,667	3,219
Charitable activities:						
Academy Trust educational operations	8	751	60,034	2,947	63,732	62,743
Teaching schools	31	-	877	-	877	474
Total expenditure		2,063	61,266	2,947	66,276	66,436
Net expenditure		175	(1,874)	(928)	(2,627)	(2,642)

L.E.A.D. ACADEMY TRUST
(A company limited by guarantee)

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

		Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
	Note					
Net expenditure brought forward		175	(1,874)	(928)	(2,627)	(2,642)
Transfers between funds	20	-	(786)	786	-	-
Net movement in funds before other recognised losses		175	(2,660)	(142)	(2,627)	(2,642)
Other recognised losses:						
Actuarial losses on defined benefit pension schemes	27	-	(2,941)	-	(2,941)	(8,636)
Net movement in funds		175	(5,601)	(142)	(5,568)	(11,278)
Reconciliation of funds:						
Total funds brought forward		2,197	(34,768)	102,088	69,517	80,795
Net movement in funds		175	(5,601)	(142)	(5,568)	(11,278)
Total funds carried forward		2,372	(40,369)	101,946	63,949	69,517

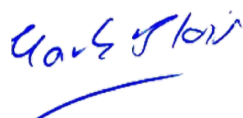
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	14	38	66
Tangible assets	15	101,304	102,022
		<u>101,342</u>	<u>102,088</u>
Current assets			
Stocks	16	96	52
Debtors	17	3,497	2,556
Cash at bank and in hand	25	7,069	6,641
		<u>10,662</u>	<u>9,249</u>
Creditors: Amounts falling due within one year	18	(6,183)	(6,092)
Net current assets		<u>4,479</u>	<u>3,157</u>
Total assets less current liabilities		<u>105,821</u>	<u>105,245</u>
Creditors: Amounts falling due after more than one year	19	-	(7)
Net assets excluding pension liability		<u>105,821</u>	<u>105,238</u>
Defined benefit pension scheme liability	27	(41,872)	(35,721)
Total net assets		<u><u>63,949</u></u>	<u><u>69,517</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	101,946	102,088
Restricted income funds	20	1,503	953
		<u>103,449</u>	<u>103,041</u>
Restricted funds excluding pension liability	20	103,449	103,041
Pension reserve	20	(41,872)	(35,721)
Total restricted funds	20	<u>61,577</u>	<u>67,320</u>
Unrestricted income funds	20	<u>2,372</u>	<u>2,197</u>
Total funds		<u><u>63,949</u></u>	<u><u>69,517</u></u>

L.E.A.D. ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08296921

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 29 to 68 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr M Blois
Chair of Trustees

Date: 16th December 2020

The notes on pages 36 to 68 form part of these financial statements.

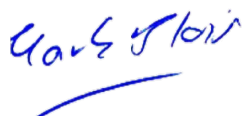
ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	14	38	66
Tangible assets	15	101,264	101,996
		<u>101,302</u>	<u>102,062</u>
Current assets			
Stocks	16	-	11
Debtors	17	2,528	2,126
Cash at bank and in hand	25	7,039	6,537
		<u>9,567</u>	<u>8,674</u>
Liabilities			
Creditors: Amounts falling due within one year	18	(5,292)	(5,611)
		<u>4,275</u>	<u>3,063</u>
Net current assets			
		<u>105,577</u>	<u>105,125</u>
Total assets less current liabilities			
Creditors: Amounts falling due after more than one year	19	-	(7)
		<u>105,577</u>	<u>105,118</u>
Net assets excluding pension liability			
Defined benefit pension scheme liability	27	(41,872)	(35,721)
		<u>63,705</u>	<u>69,397</u>
Total net assets		<u><u>63,705</u></u>	<u><u>69,397</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	101,946	102,088
Restricted income funds	20	1,503	953
		<u>103,449</u>	<u>103,041</u>
Restricted funds excluding pension liability	20	103,449	103,041
Pension reserve	20	(41,872)	(35,721)
		<u>61,577</u>	<u>67,320</u>
Total restricted funds	20	61,577	67,320
Unrestricted funds	20	2,128	2,077
		<u>63,705</u>	<u>69,397</u>
Total funds		<u><u>63,705</u></u>	<u><u>69,397</u></u>

L.E.A.D. ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08296921

ACADEMY TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 29 to 68 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr M Blois
Chair of Trustees

Date: 16th December 2020

The notes on pages 36 to 68 form part of these financial statements.

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

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	22	612	691
Cash flows from investing activities	24	(183)	(490)
Cash flows from financing activities	23	(1)	41
Change in cash and cash equivalents in the year		428	242
Cash and cash equivalents at the beginning of the year		6,641	6,399
Cash and cash equivalents at the end of the year	25, 26	<u>7,069</u>	<u>6,641</u>

The notes on pages 36 to 68 form part of these financial statements.

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

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.

L.E.A.D. Academy Trust meets the definition of a public benefit entity under FRS 102.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

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.

For more details, refer to the Going concern disclosures in the Trustees Report.

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

Grants are included in the consolidated 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 consolidated statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

1. Accounting policies (continued)

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 Group 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 Group's educational operations, including support costs and costs relating to the governance of the Group apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Intangible assets

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	- 5 years
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £1,000 (ICT), £2,000 (Fixtures & Fittings), £5,000 (Long Leasehold) and £5,000 (Motor Vehicles) 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 consolidated 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 consolidated 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 on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold buildings	- 50 years
Leasehold buildings	- 50 years
Furniture, fittings and equipment	- 5 years
Motor vehicles	- 5 years
Computer hardware	- 4 years

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 consolidated statement of financial activities.

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 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 Group 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.

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

1. Accounting policies (continued)

1.9 Provisions

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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

1.10 Leased assets

Rentals paid under operating leases are charged on a straight line basis over the lease term.

1.11 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised 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. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.12 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.

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

1. Accounting policies (continued)

1.13 Pensions

Retirement benefits to employees of the Group 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 Group 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 Group 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 consolidated statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 30.

1.15 Fund accounting

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

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.

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

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

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

3. Income from donations and capital grants

	Unrestricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Donations				
Transfer from local authority on conversion	-	-	-	1,188
Donations	8	-	8	108
Capital Grants	-	2,019	2,019	2,113
Total 2020	8	2,019	2,027	3,409
Total 2019	109	3,300	3,409	

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

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	46,655	46,655	46,051
Other DfE Group grants	-	8,338	8,338	6,461
	-	54,993	54,993	52,512
Other government grants				
Local authority grants	-	3,131	3,131	3,266
Other income from the Academy Trust's educational operations	555	-	555	827
	555	3,131	3,686	4,093
Exceptional government funding				
Coronavirus exceptional support	-	87	87	-
Total 2020	555	58,211	58,766	56,605
Total 2019	827	55,778	56,605	

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 funding received for coronavirus exceptional support covers £87k of Free School Meal costs. These costs are included in notes 7 and 8 below as appropriate.

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

5. Income from other trading activities

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Hire of facilities	81	-	81	195
Income from other charitable activities	1,589	307	1,896	2,892
Total 2020	1,670	307	1,977	3,087
Total 2019	2,735	352	3,087	

6. Investment income

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Short term deposits	5	5	4
Total 2019	4	4	

7. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000	Total 2019 £000
Expenditure on fundraising trading	557	-	1,110	1,667	3,219
Academy's educational operations:					
Direct costs	34,783	1,748	3,192	39,723	40,385
Allocated support costs	14,618	4,298	5,093	24,009	22,358
Teaching school	407	-	470	877	474
Total 2020	50,365	6,046	9,865	66,276	66,436
Total 2019	47,324	6,836	12,276	66,436	

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

8. Charitable activities

	2020 £000	2019 £000
Direct costs - educational operations	39,723	40,385
Support costs - educational operations	24,009	22,358
	<u>63,732</u>	<u>62,743</u>

	2020 £000	2019 £000
Analysis of support costs		
Support staff costs	14,618	12,036
Depreciation	1,199	1,033
Technology costs	651	838
Premises costs	4,298	4,907
Legal costs - other	45	-
Other support costs	2,681	2,710
Governance costs	517	834
	<u>24,009</u>	<u>22,358</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £000	2019 £000
Operating lease rentals	1,433	1,430
Depreciation of tangible fixed assets	2,925	2,942
Amortisation of intangible assets	28	28
Fees paid to auditor for:		
- audit	32	31
- other services	25	24
	<u>25</u>	<u>24</u>

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Wages and salaries	34,709	33,109	33,931	32,506
Social security costs	3,453	3,257	3,395	3,227
Pension costs	10,814	8,710	10,733	8,683
	<u>48,976</u>	<u>45,076</u>	<u>48,059</u>	<u>44,416</u>
Agency staff costs	1,338	2,112	1,332	2,112
Staff restructuring costs	51	136	51	136
	<u>50,365</u>	<u>47,324</u>	<u>49,442</u>	<u>46,664</u>

Staff restructuring costs comprise:

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Redundancy payments	-	111	-	111
Severance payments	51	25	51	25
	<u>51</u>	<u>136</u>	<u>51</u>	<u>136</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2019 - £25k).

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

10. Staff (continued)

c. Staff numbers

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

	Group 2020 No.	Group 2019 No.	Academy Trust 2020 No.	Academy Trust 2019 No.
Teachers	494	487	494	487
Administration and support	960	926	932	902
Management	89	87	89	87
	<u>1,543</u>	<u>1,500</u>	<u>1,515</u>	<u>1,476</u>

d. Higher paid staff

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	15	13
In the band £70,001 - £80,000	7	6
In the band £80,001 - £90,000	7	8
In the band £90,001 - £100,000	2	2
In the band £100,001 - £110,000	1	2
In the band £110,001 - £120,000	2	-
In the band £130,001 - £140,000	1	1
In the band £140,001 - £150,000	1	1
In the band £190,001 - £200,000	1	1
	<u>1</u>	<u>1</u>

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 £590k (2019 - £570k).

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

11. Central services

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

- Educational support services
- ICT services
- Governance services
- Data services
- Academy conversion services
- Internal audit
- Human Resources services
- Financial services
- Estates services
- Procurement services
- Marketing
- Legal
- Software and licences
- Strategic
- Systems and GDPR

The Group charges for these services on the following basis:

Academy charges for these services is 6% for all academies apart from PFI academies which have a 4.6% charge

L.E.A.D. ACADEMY TRUST
(A company limited by guarantee)

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

11. Central services (continued)

The actual amounts charged during the year were as follows:

	2020	2019
	£000	£000
Birley Academy	326	326
Birley Primary Academy	137	133
Birley Spa Academy	101	103
Bishop Alexander Academy	72	73
Charnock Hall Primary School	89	87
Cloudside Academy	56	58
Da Vinci Academy	153	145
Edna G Olds Academy	69	70
Forest Lodge Academy	155	143
Glapton Academy	90	89
Hogarth Academy	61	58
Huntingdon Academy	114	104
Jubilee Academy	100	117
Manor Farm Academy	28	23
Millfield Academy	87	91
Noel Baker Academy	290	289
Radford Academy	62	62
Rainbow Forge Primary Academy	85	82
St Ann's Well Academy	69	71
Sycamore Academy	134	132
Uplands Junior Academy	115	114
Waddington All Saint Academy	86	76
Warren Academy	60	60
Windmill Academy	127	124
Witham St Hughes Academy	80	71
Total	2,746	2,701

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

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020	2019
		£000	£000
Ms D Owen, Chief Executive and Accounting Officer	Remuneration	195 - 200	190 - 195
	Pension contributions paid	-	-

During the year ended 31 August 2020, travel expenses totalling £1,562 were reimbursed or paid directly to 5 Trustees (2019 - £1,617 to 5 Trustees).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Group 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. The cost of this insurance for the year ended 31 August 2020 is included in the total insurance cost.

14. Intangible assets

Group and Academy Trust

	Computer software
	£000
Cost	
At 1 September 2019	138
At 31 August 2020	138
Amortisation	
At 1 September 2019	72
Charge for the year	28
At 31 August 2020	100
Net book value	
At 31 August 2020	38
At 31 August 2019	66

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

15. Tangible fixed assets

Group

	Assets under construction £000	Freehold and Leasehold land and buildings £000	Furniture and equipment £000	Computer hardware £000	Motor vehicles £000	Total £000
Cost						
At 1 September 2019	-	104,144	3,446	2,928	11	110,529
Additions	170	996	523	518	-	2,207
At 31 August 2020	170	105,140	3,969	3,446	11	112,736
Depreciation						
At 1 September 2019	-	5,275	1,559	1,663	10	8,507
Charge for the year	-	1,772	574	579	-	2,925
At 31 August 2020	-	7,047	2,133	2,242	10	11,432
Net book value						
At 31 August 2020	170	98,093	1,836	1,204	1	101,304
At 31 August 2019	-	98,869	1,887	1,265	1	102,022

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

15. Tangible fixed assets (continued)

Academy Trust

	Assets under construction £000	Freehold and Leasehold land and buildings £000	Furniture and equipment £000	Computer hardware £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 September 2019	-	104,144	3,443	2,896	11	110,494
Additions	170	996	523	492	-	2,181
At 31 August 2020	170	105,140	3,966	3,388	11	112,675
Depreciation						
At 1 September 2019	-	5,275	1,558	1,655	10	8,498
Charge for the year	-	1,772	573	568	-	2,913
At 31 August 2020	-	7,047	2,131	2,223	10	11,411
Net book value						
At 31 August 2020	170	98,093	1,835	1,165	1	101,264
At 31 August 2019	-	98,869	1,885	1,241	1	101,996

16. Stocks

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Goods for resale	96	52	-	11

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

17. Debtors

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Due within one year				
Trade debtors	814	459	30	47
VAT recoverable	551	447	524	447
Amounts owed by group undertakings	-	-	85	127
Other debtors	244	194	237	49
Prepayments and accrued income	1,888	1,456	1,652	1,456
	<u>3,497</u>	<u>2,556</u>	<u>2,528</u>	<u>2,126</u>

18. Creditors: Amounts falling due within one year

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Other loans	6	-	6	-
Trade creditors	2,258	2,177	1,577	1,606
Amounts owed to group undertakings	-	-	-	296
Other taxation and social security	771	719	761	713
Other creditors	914	367	905	357
Accruals and deferred income	2,234	2,829	2,043	2,639
	<u>6,183</u>	<u>6,092</u>	<u>5,292</u>	<u>5,611</u>

Included within other loans is a loan from Salix, which is an approved ESFA loan via the Salix loan programme for capital projects. The loan is interest free, unsecured and repayable via a General Annual Grant sacrifice.

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Deferred income at 1 September 2019	1,188	1,051	1,187	1,051
Resources deferred during the year	896	1,188	896	1,187
Amounts released from previous periods	(1,188)	(1,051)	(1,187)	(1,051)
	<u>896</u>	<u>1,188</u>	<u>896</u>	<u>1,187</u>

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

18. Creditors: Amounts falling due within one year (continued)

Deferred income includes the following income received in advance:

Universal Infant Free School Meal Income of £514k (2019 - £512k)
SEN of £Nil (2019 - £413k)
Early Years of £303k (2019 - £44k)
Rates Relief of £Nil (2019 - £5k)
Trip income of £Nil (2019 - £109k)
Pupil growth funds of £51k (2019 - £68k)
Expansion funding of £16k (2019 - £24k)
Miscellaneous items of £12k (2019 - £13k)

19. Creditors: Amounts falling due after more than one year

	Group	Group	Academy	Academy
	2020	2019	Trust	Trust
	£000	£000	2020	2019
			£000	£000
Other loans	-	7	-	7

Included within other loans is a loan from Salix, which is an approved ESFA loan via the Salix loan programme for capital projects. The loan is interest free, unsecured and repayable via a General Annual Grant sacrifice.

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

20. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	2,197	2,238	(2,063)	-	-	2,372
Restricted general funds						
General Annual Grant (GAG)	231	46,655	(45,327)	(786)	-	773
Pupil Premium	722	4,475	(4,467)	-	-	730
Other grants	-	8,262	(8,262)	-	-	-
Pension reserve	(35,721)	-	(3,210)	-	(2,941)	(41,872)
	(34,768)	59,392	(61,266)	(786)	(2,941)	(40,369)
Restricted fixed asset funds						
Capital Donations	93,724	-	(2,653)	-	-	91,071
DfE Group capital grants	6,454	2,019	(240)	-	-	8,233
Capital expenditure from GAG	1,910	-	(54)	786	-	2,642
	102,088	2,019	(2,947)	786	-	101,946
Total Restricted funds	67,320	61,411	(64,213)	-	(2,941)	61,577
Total funds	69,517	63,649	(66,276)	-	(2,941)	63,949

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

20. Statement of funds (continued)

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 Trustees;
- 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 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.

Transfers relate to GAG funds used for capital expenditure.

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.

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

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£000	£000
Birley Academy	(203)	(159)
Birley Primary Academy	103	120
Birley Spa Academy	40	35
Bishop Alexander Academy	(200)	(34)
Charnock Hall Primary School	8	(35)
Cloudside Academy	24	114
Da Vinci Academy	(219)	(106)
Edna G Olds Academy	178	180
Forest Lodge Academy	602	450
Glapton Academy	228	179
Hogarth Academy	118	93
Huntingdon Academy	202	102
Jubilee Academy	91	42
Manor Farm Academy	84	56
Millfield Academy	241	213
Noel Baker Academy	100	(342)
Radford Academy	110	82
Rainbow Forge Primary Academy	100	187
St Ann's Well Academy	107	109
Sycamore Academy	989	856
Uplands Junior Academy	216	240
Waddington All Saint Academy	286	230
Warren Academy	47	4
Windmill Academy	442	339
Witham St Hughes Academy	491	416
Central and trading subsidiary	(310)	(221)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,875	3,150
Restricted fixed asset fund	101,946	102,088
Pension reserve	(41,872)	(35,721)
	<hr/>	<hr/>
Total	63,949	69,517
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. Statement of funds (continued)

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £000
Birley Academy	203
Bishop Alexander Academy	200
Da Vinci Academy	219
Central and trading subsidiary	310
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The Academy Trust is taking the following action to return the academies to surplus:

Birley Academy

This academy is on course to secure a surplus position during the 2020/21 financial year subject to COVID financial pressures.

Bishop Alexander Academy

This academy requires a Pupil Admission Number (PAN) change in order to secure a more sustainable financial position, however the change cannot be activated due to legal reasons until September 2022. Until the PAN change is secured the academy will continue to maintain a deficit position.

Da Vinci Academy

Due to the fixed cost PFI charges for this site the academy is currently in a deficit position. The academy will continue to operate with a deficit for the foreseeable future, however pupils numbers are increasing and once the academy achieves its full capacity a break even position is expected to be secured, subject to COVID financial pressures.

Central

The central fund is projected to secure a surplus position in three years, possibly sooner should more schools join the Trust in the future.

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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 £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000	Total 2019 £000
Birley	3,464	1,675	443	716	6,298	6,335
Birley Primary	1,697	649	123	137	2,606	2,741
Birley Spa	1,333	491	90	213	2,127	2,129
Bishop Alexander	1,076	303	74	88	1,541	1,554
Charnock Hall	1,065	287	47	224	1,623	1,677
Cloudside	780	197	90	197	1,264	1,226
Da Vinci	2,009	992	214	732	3,947	3,756
Edna G Olds	791	326	84	130	1,331	1,345
Forest Lodge	1,796	682	79	302	2,859	2,955
Glapton	1,215	246	51	217	1,729	1,767
Hogarth	692	269	70	119	1,150	1,183
Huntingdon	1,515	487	96	223	2,321	2,339
Jubilee	1,024	588	100	225	1,937	2,257
Manor Farm	424	113	39	67	643	557
Millfield	1,283	412	44	187	1,926	1,951
Noel Baker	3,465	1,427	386	1,344	6,622	7,398
Radford	679	346	49	107	1,181	1,266
Rainbow Forge	1,278	366	68	142	1,854	1,711
St Ann's Well	880	342	66	135	1,423	1,552
Sycamore	1,601	464	161	293	2,519	2,481
Uplands Junior	1,436	418	76	156	2,086	2,140
Waddington All Saint	1,166	209	54	115	1,544	1,583
Warren	618	337	59	144	1,158	1,250
Windmill	1,545	551	74	230	2,400	2,926
Witham St Hughes	982	292	88	182	1,544	1,480
Central and trading subsidiary	969	2,190	465	1,033	4,657	3,935
L.E.A.D. Services	-	923	-	2,116	3,039	1,980
Academy Trust	34,783	15,582	3,190	9,774	63,329	63,474

**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 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
General Funds	2,527	3,675	(4,005)	-	-	2,197
Restricted general funds						
General Annual Grant (GAG)	333	46,051	(45,707)	(446)	-	231
Pupil Premium	718	4,431	(4,427)	-	-	722
Other grants	-	6,337	(6,337)	-	-	-
Pension reserve	(24,087)	-	(2,998)	-	(8,636)	(35,721)
	(23,036)	56,819	(59,469)	(446)	(8,636)	(34,768)
Restricted fixed asset funds						
Capital Donations	95,268	1,187	(2,731)	-	-	93,724
DfE Group capital grants	4,529	2,113	(188)	-	-	6,454
Capital expenditure from GAG	1,507	-	(43)	446	-	1,910
	101,304	3,300	(2,962)	446	-	102,088
Total Restricted funds	78,268	60,119	(62,431)	-	(8,636)	67,320
Total funds	80,795	63,794	(66,436)	-	(8,636)	69,517

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

21. Analysis of net assets between funds

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	101,304	101,304
Intangible fixed assets	-	-	38	38
Current assets	2,372	7,686	604	10,662
Creditors due within one year	-	(6,183)	-	(6,183)
Provisions for liabilities and charges	-	(41,872)	-	(41,872)
Total	2,372	(40,369)	101,946	63,949

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

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	102,022	102,022
Intangible fixed assets	-	-	66	66
Current assets	2,197	7,052	-	9,249
Creditors due within one year	-	(6,092)	-	(6,092)
Creditors due in more than one year	-	(7)	-	(7)
Provisions for liabilities and charges	-	(35,721)	-	(35,721)
Total	2,197	(34,768)	102,088	69,517

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

22. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £000	2019 £000
Net expenditure for the period (as per statement of financial activities)	(2,627)	(2,642)
Adjustments for:		
Amortisation	28	28
Depreciation	2,925	2,942
Capital grants from DfE and other capital income	(2,019)	(2,113)
Interest receivable	(5)	(4)
Defined benefit pension scheme cost less contributions payable	2,547	2,352
Defined benefit pension scheme finance cost	663	646
Increase in stocks	(44)	(16)
Increase in debtors	(941)	(267)
Increase in creditors	85	953
Transfer on conversion from local authority	-	(1,188)
Net cash provided by operating activities	612	691

23. Cash flows from financing activities

	Group 2020 £000	Group 2019 £000
Repayments of borrowing	(1)	-
Cash transferred on conversion from local authority	-	41
Net cash (used in)/provided by financing activities	(1)	41

24. Cash flows from investing activities

	Group 2020 £000	Group 2019 £000
Interest received	5	4
Purchase of tangible fixed assets	(2,207)	(2,607)
Capital grants from DfE Group	2,019	2,113
Net cash used in investing activities	(183)	(490)

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

25. Analysis of cash and cash equivalents

	Group 2020 £000	Group 2019 £000
Cash in hand	7,069	6,641

26. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	6,641	428	7,069
Debt due within 1 year	-	(6)	(6)
Debt due after 1 year	(7)	7	-
	6,634	429	7,063

27. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Nottinghamshire County Council, Derbyshire County Council, Leicestershire County Council, Lincolnshire County Council and South Yorkshire Pension Fund. 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 £864k were payable to the schemes at 31 August 2020 (2019 - £325k) 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.

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

27. Pension commitments (continued)

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 £4,787k (2019 - £3,180k).

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 Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £3,370k (2019 - £3,190k), of which employer's contributions totalled £2,673k (2019 - £2,532k) and employees' contributions totalled £697k (2019 - £658k). The agreed contribution rates for future years are 12.2% - 24.3% for employers and 2.5% - 12.5% for employees.

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

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

27. Pension commitments (continued)

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	2.70 - 3.65	2.70 - 3.75
Rate of increase for pensions in payment/inflation	2.20 - 2.50	2.10 - 2.30
Discount rate for scheme liabilities	1.60 - 1.80	1.80 - 1.90

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

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	21.5 - 22.4	21.2 - 23.1
Females	23.7 - 25.2	23.4 - 25.9
<i>Retiring in 20 years</i>		
Males	22.2 - 25.9	22.2 - 25.3
Females	25.2 - 27.1	24.7 - 28.3

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	(1,712)	(1,566)
Discount rate -0.1%	1,748	1,594
CPI rate +0.1%	1,432	255
CPI rate -0.1%	(1,410)	(254)
Salary rate +0.1%	218	255
Salary rate -0.1%	(216)	(254)

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

27. Pension commitments (continued)

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

	2020	2019
	£000	£000
Equities	16,946	15,542
Gilts	508	394
Corporate bonds	5,074	4,412
Property	3,068	2,742
Cash and other liquid assets	3,622	2,641
Total market value of assets	29,218	25,731

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

	2020	2019
	£000	£000
Current service cost	(5,206)	(3,931)
Past service cost	-	(942)
Interest income	490	630
Interest cost	(1,153)	(1,276)
Administrative expenses	(14)	(11)
Total amount recognised in the consolidated statement of financial activities	(5,883)	(5,530)

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

	2020	2019
	£000	£000
At 1 September	61,452	45,686
Current service cost	5,206	3,931
Interest cost	1,153	1,276
Employee contributions	697	658
Actuarial losses	3,125	9,308
Benefits paid	(543)	(349)
Past service costs	-	942
At 31 August	71,090	61,452

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

27. Pension commitments (continued)

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

	2020 £000	2019 £000
At 1 September	25,731	21,599
Interest income	490	630
Actuarial gains	184	672
Employer contributions	2,673	2,532
Employee contributions	697	658
Benefits paid	(543)	(349)
Administration expenses	(14)	(11)
At 31 August	29,218	25,731

28. Operating lease commitments

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

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Not later than 1 year	1,465	1,433	1,459	1,424
Later than 1 year and not later than 5 years	5,449	5,491	5,449	5,485
Later than 5 years	13,320	14,656	13,320	14,656
	20,234	21,580	20,228	21,565

29. Members' liability

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

30. Related party transactions

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 12.

L.E.A.D. ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

31. Teaching school trading account

	2020 £000	2020 £000	2019 £000	2019 £000
Income				
Direct income				
Other income	874		689	
Total income		874		689
Expenditure				
Direct expenditure				
Direct staff costs	345		106	
Other staff costs	62		153	
Other direct costs	470		215	
Total other expenditure	532		368	
Total expenditure		877		474
(Deficit)/surplus from all sources		(3)		215
Teaching school balances at 1 September 2019		222		7
Teaching school balances at 31 August 2020		219		222

32. Principal subsidiaries

L.E.A.D. Services Limited

Subsidiary name	L.E.A.D. Services Limited
Company registration number	08423697
Basis of control	100% owned subsidiary
Total assets as at 31 August 2020	£1,220,000
Total liabilities as at 31 August 2020	£(976,000)
Total equity as at 31 August 2020	£244,000
Turnover for the year ended 31 August 2020	£3,271,000
Expenditure for the year ended 31 August 2020	£(3,051,000)
Profit for the year ended 31 August 2020	£220,000