

Joseph Leckie Academy Trust

Registered number: 07892678

Trustees' report and financial statements

For the year ended 31 August 2017

JOSEPH LECKIE ACADEMY TRUST
(A company limited by guarantee)

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JOSEPH LECKIE ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Trustees

Mr M Hussain¹
Mrs K Kaur, Vice Chair¹
Mr K Whittlestone, Principal and Accounting Officer¹
Cllr A Ditta¹
Ms P Wade¹
Mr P Freeman¹
Mrs H Hampshire (resigned 27 June 2017)
Mr B Edge
Ms P Tutrice
Fr M McIntyre
Mr G S Sangha (resigned 5 July 2017)
Mrs S Kauser
Mrs L Ingram, Chair¹
Mr E Seedat¹
Mrs N Kaur
Mrs S Choudhury¹
Mr M Kadir (appointed 23 March 2017)

¹ Donotes Members of the Finance and General Purpose Committee

Company registered number 07892678

Company name Joseph Leckie Academy Trust

Principal and registered office Walstead Road West
Walsall
West Midlands
WS5 4PG

Company secretary Mr S Bell

Senior management team

Mr K Whittlestone, Principal
Miss R Cook, Vice Principal
Mrs J Smith, Vice Principal
Mrs R Ghale, Assistant Principal
Mr A Banbery, Assistant Principal

Independent auditors Mazars LLP
Chartered Accountants
45 Church Street
Birmingham
West Midlands
B3 2RT

Bankers Lloyds Bank
Walsall
West Midlands
WS1 1LQ

JOSEPH LECKIE ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017

Advisers (continued)

Solicitors	Brown Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ
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JOSEPH LECKIE ACADEMY TRUST

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Joseph Leckie Academy Trust (the Academy) for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under Company Law.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The Academy is a charitable company limited by guarantee and was set up by a Memorandum of Association.

The Academy is constituted under a Memorandum of Association.

The principle object of the Academy is the operation of Joseph Leckie Academy Trust to provide education for students of different abilities between the ages of 11 and 18 providing a broad and balanced curriculum.

b. Method of recruitment and appointment or election of Trustees

The management of the Academy is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association.

Any trustee elections will be held as soon as practicable after the occurrence of a vacancy. The objective will always be to ensure that the governing body's business is conducted with as many Trusteeships as possible filled and as many Trustees as possible on the governing body. Any vacancies will be advertised on the Academy website and newsletter.

We have delegated to the Principal the overall responsibility for organising the election and to also undertake the role of returning officer. At any one time the structure of the governing body must be:

- a. Up to 6 Community Trustees, appointed under Article 50;
- b. 4 Staff Trustees, appointed under Articles 58A to 58C (at least 1 teacher and at least 1 support staff);
- c. 6 Parent Trustees appointed under Articles 53 58;
- d. the Principal; and
- e. Any Additional Trustees, if appointed under Article 62, 62A or 68A.

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

New Trustees are invited to meet the Principal and the Chair of Trustees before their first meeting. In addition they are sent a pack of documentation which provides guidance on the trustee's role.

At their first meeting, the Trustees' subcommittee meeting structure is explained and they are invited to attend such meetings according to their expertise, experience and interests.

JOSEPH LECKIE ACADEMY TRUST (A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

d. Organisational structure

The structure of the Academy consists of three senior levels: the Trustees including the Principal, two Vice Principals and two Assistant Principals. An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so that the Academy nurtures the talents of the entire staff to support continual improvement.

The Trustees meet four times per year and are responsible for setting the Academy's policies, adopting the Academy Improvement Plan and budget, monitoring performance against these plans and making major decisions about the direction of the Academy including its curriculum, the achievement and welfare of students and staffing.

The Principal and other members of the Leadership Team manage the Academy at an executive level, implementing the policies set by the Trustees and reporting back to them.

The Trustees have delegated areas of its work, and in three cases decision making responsibilities, to a number of committees. All of these committees:

- Meet twice a term, elect a Chair and Vice Chair at the first meeting of the year, and have a quorum of 3 members;
- Receive reports from the Principal once a term which contain key issues for the attention of the committee;
- Perform a largely strategic role (setting aims and objectives, formulating, agreeing and updating policies, targets and priorities, and monitoring and reviewing aims, objectives and progress), act as a 'critical friend', delegate responsibilities to the Principal as appropriate, and make necessary decisions / recommendations; and
- Work within the bounds of Policies and Practices, Local Authority and Statutory Instruments.

The following committees are currently in place:

Personnel: Chair Mr M Hussain, Vice Chair Mrs P Wade.

All personnel matters including establishment, development, leave of absence, pay policy, pay awards, performance management, early retirements, disciplinary action, dismissal [first committee – Full Trustees provide second or appeals' committee] overseeing freedom of information requests. Decisions are reported twice a term.

Finance & General Purposes: Chair Mrs K Kaur, Vice Chair Mr P Freeman. All financial matters including preparation of draft budget, approving virements and transfers, making contractual arrangements, approving write offs, maintaining a charges and remissions policy, monitoring of expenditure, considering audit reports. Approval of the budget, Best Value Statement and virements over £100,000 will remain the responsibility of the full Trustees. Reports decisions with appropriate recommendations twice a term.

Pay Appeals: Chair Mrs K Kaur

Admissions: Chair Mr M Hussain

Sites & Buildings Health and Safety: Chair Mrs L Ingram, Maintenance, Improvement and Security of buildings and grounds, making related contractual arrangements, health and safety, insurance, determining the Premises Development Plan and draft budget, lettings policy and charges, use of premises, community links and partnerships. Oversight of capital bids such as the Condition Improvement Fund (CIF) for the Education Funding Agency and other potential funding organisations. Decisions are reported twice a term.

Staffing: Chair To be determined at first meeting, Vice Chair To be determined at first meeting. Appointments apart from Principal and Vice Principal.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2017

Curriculum: Chair Mrs P Wade, Vice Chair Mrs K Kaur

Discipline / Exclusions: Student Exclusions. Membership for this committee is drawn from the full range of Trustees with the exception of staff Trustees. Reports are produced as appropriate / necessary.

Principal's Performance Management Review: Chair Cllr Ditta, Vice Chair Mr P Freeman, Mrs P Wade.

The terms of reference of each committee are approved by the full governing body and reviewed each year. They provide the sole agreed framework within which each committee operates.

e. Connected organisations including related party relationships

The Academy works closely with other schools in Walsall and beyond on School to School Support. Additionally the Academy is linked to Streetly Academy through the Sutton Park Alliance and Wood Green Academy.

The Academy is a member of the Walsall Association of Secondary Headteachers. The Principal was Chair of this group for 4 years until September 2014. As members of this association, the Academy works with other schools in the Walsall area to work collaboratively, develop and share good practice. We are able to offer opportunities to colleagues – so, for example, our NQTs attended an Induction / Introduction to Walsall Programme' arranged and delivered by Walsall Childrens' Services. A number of our colleagues have completed the Middle Leadership Programme and the Principal is a Local Leader of Education (LLE) – an NCSL initiative allowing excellent practitioners to provide support to other Headteachers / senior colleagues in other schools. LLE applications are usually brokered by Local Authority Officers and support the Local Leaders in Education network and the National College for Teaching and Leadership (NCTL). The Principal is also a Home Office trained Prevent Officer and has delivered training both in – house as well as to other schools.

f. Risk management

The Trustees have assessed the major risks to which the Academy is exposed, in particular those related to the operations and finances of the Academy, and are satisfied that systems and procedures are in place to mitigate the Academy's exposure to the major risks.

The Academy has a risk register that is reviewed annually by the Governing Body. It was last reviewed in October 2016. The register records the risks that have been identified and the control measures it has implemented. The statement of internal control is considered annually.

g. Trustees indemnities

The Trustees have liability Insurance with Zurich Municipal effective date 1 September 2017. There is a limit of Indemnity of £5,000,000 (2016: £5,000,000).

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2017

OBJECTIVES AND ACTIVITIES

a. Objectives and aims

Joseph Leckie Academy Trust strives to be a centre of excellence, working in a spirit of openness and partnership with a wide range of organisations to meet the needs, and further the aspirations, of all of its students and the wider communities it serves.

A set of shared values underpins the positive working atmosphere and success of our Academy community:

- Respect for each other and the Academy environment;
- Courtesy in all our actions;
- High standards and quality in all that we do;
- Recognition and celebration of achievement, both personal and collective;
- Enthusiasm for all aspects of our work in the Academy;
- Commitment to the securing of our goals; and
- Initiative, imagination and innovation in our approaches to problems and in establishing the Academy as a learning organisation.

b. Objectives, strategies and activities

The principle object of the Academy is the operation of Joseph Leckie Academy Trust to provide education for students of different abilities between the ages of 11 and 18, via a broad and balanced curriculum for all regardless of ability, aptitude, race or religion. At Key Stage 4 and Key Stage 5 the curriculum is increasingly personalised to accommodate differing interests and rates of progress within the constraints of staffing, rooming / facilities and the requirements of National policies.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy and that the curriculum should comply with the substance of the national curriculum with an emphasis on technology. The main objectives of the Academy during the period ended 31 August 2017 are summarised below:

- Offering the widest possible range of academic and vocational educational opportunities to match every student's needs and ambitions thus enabling them to achieve economic well being in an increasingly 'technological' world;
- Fostering attitudes that will help all students grow into tolerant, responsible citizens in our multicultural society, who will make a positive contribution in the community;
- Providing emotional and pastoral support to help individual students meet the challenges they face in a safe, happy and caring environment;
- Nurturing positive attitudes towards personal safety and a healthy lifestyle;
- Exploiting the benefits of the technology we have to further raise individual levels of achievement and standards of performance;
- Working in close partnership with parents, outside agencies, business, civic and voluntary bodies in order to enhance and enrich the curriculum for all students, motivate students, broaden their experience, develop enterprise and help them to see the relevance of education to their future prospects in life;
- Working with schools, colleges and universities in Walsall and further afield as necessary;
- Providing an attractive and stimulating working environment with regard to buildings, facilities, equipment and furniture; and
- Making teaching and learning and assessment more productive and efficient by harnessing modern technology and promoting independent learning.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2017

c. Public benefit

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidelines on public benefit.

The Academy looks to promote for the benefit of the inhabitants of Delves, Palfrey, Whitehall and Caldmore areas of Walsall and the surrounding areas: the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

ACHIEVEMENTS AND PERFORMANCE

a. Going concern

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

b. Key financial performance indicators

The intake numbers for September 2017 are above the Academy's Pupil Admission Number of 240 and at the time of writing there were 248 students enrolled in Year 7. It is anticipated that numbers will continue to improve in future years as the numbers transferring from primary to secondary increase. Mid-year admissions have increased in number throughout the year with families moving to the area from other parts of the country as well as from outside the UK. During the 2016 – 2017 academic year the Academy admitted 110 students across all years. These additional students increased the pressure on staff as many had little or no English language acquisition and many had additional or special educational needs.

We have some outstanding individual examination achievements at GCSE and A Level with results at GCSE seeing an improvement on last year's results in the percentage number of students achieving 5 A* - C grades including English and mathematics.

Students in the Academy performed particularly well at GCSE in art, history, maths, English, psychology, biology, chemistry, physics and RE. All staff and trustees receive, discuss and challenge these results. Middle, senior leaders and trustees are developing further strategies to ensure that all of our students achieve the very best results possible in summer 2018 and beyond.

Headline Results

49.6% (46.7%) of students gained 5 or more A* - C grades including English and Maths

62.9% (58.4%) of students achieved 4+ grades in maths

56.6% (62%) of students achieved 4+ grades in English Language.

??% of all students entered attained grade A* - C in at least one science qualification

45.8% of all students entered attained grade A* - C in languages

21.2% of all students entered attained grade A* - C grade in geography

54.8% of all students entered attained a grade A* -C in history

11% of all students gained an EBACC qualification compared with 10% in 2016.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2017

At Post 16:

The overall pass rate was 94.8% with 32 out of 39 curriculum areas / courses achieving a 100% pass rate. There were a large number of individual successes leading to a large majority of students progressing to their chosen university degree courses.

92.4% of students achieved A* -E passes at A Level
A Level Average Points Score (APS) is 24.4
99.1% achieved 2+ A Level qualifications
APS for Academic qualifications is 25.4
99.1% of students entered achieved 2+ Level 3 qualifications.
APS for vocational subjects is 36.0

Staffing achievements and appointments

- The Academy is fully staffed in all areas of the curriculum with additional teachers employed in English and maths to further support students and to reduce the gap in outcomes between various groups of students such as Pupil Premium, non-Pupil Premium, boys / girls, Looked after Children (LAC) and various ethnic groups. The quality of the applicants was generally good although numbers applying for teaching vacancies were low with the exception of history.
- Successful induction of NQT's and other new to Joseph Leckie Academy teaching staff members.
- Full programme of support for ITT students from Birmingham, City of Birmingham and Wolverhampton Universities. Successful Student Associate and Teacher Taster visits.
- Appointment of lead practitioners for teaching and learning as well as for attendance and behaviour will further support other colleagues with their professional development and students with enhancing their rate of progress and increase levels of attainment.

Curriculum achievements

- Successful embedding of the Key Stage 4 academic and vocational pathways.
- Development of the GCSE Study Centre (A7) and the Post 16 Study Supervision each of which has a full time member of staff supporting the tailored programmes of support.
- Further development of the 6th Form Bursary Scheme.

Ways in which we are supporting students

- Additional teachers employed in English and maths with subsequent smaller teaching groups.
- Further development of Sixth Form and Library areas.
- Sixth Form Student Leaders' selection and training.
- Additional Teaching Assistants in a number of curriculum areas including English, maths, science, humanities and English as an Additional Language to enable us to better support an increasing number of students from other countries such as Afghanistan, Poland, Hungary, Italy, France, Slovakia and Romania.
- Improved attendance figures following the successful embedding of the Attendance Team allied to tighter processes and procedures within the Academy.
- Year 11 Prom
- Sixth Form Prom

Primary liaison

The Transition Manager and Learning Mentors visited the main feeder Primary Schools to talk to Year 6 pupils and their teachers prior to transfer. In addition each pupil transferring to Joseph Leckie Academy spent a day undertaking a variety of activities led by teachers and student mentors in July. We have developed a programme of Peer Mentoring / Year 8 Mentors, LSA / mentor support for new Year 7 students.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2017

Partnership working

- Member of the Walsall Association of Headteachers.
- The Principal is a Local Leader of Education and has supported local schools in various ways.

Buildings & Resources works

- Major improvement in ICT facilities including major hardware replacements in several areas of the Academy.
- New CCTV servers and new and replacement cameras giving much greater coverage of the campus.
- New teaching block consisting of 16 general purpose and 5 ICT – rich classrooms with funding from the ESFA's Condition Improvement Fund was completed and handed over for use.

Sporting achievements

The Academy has teams and clubs in a variety of sports including athletics, football, basketball, rounders and cricket and has entered teams in the Walsall inter – schools' leagues and cup competitions. Mr Radburn once again organised a very successful Walsall Schools' Athletics Championship.

FINANCIAL REVIEW

a. Financial and risk management objectives and policies

The Academy's exposure to risk is largely bank balances, cash and trade creditors, with limited trade and debtors.

The Academy has inherited the local government defined benefit pension scheme deficit for associate staff which it is reducing as advised by the West Midlands' Local Government Association the pension actuarial experts.

b. Principal risks and uncertainties

The principle risks for the Academy during the next few years are:

1. The continuing deterioration of the main teaching block and associated costs allied to the potential for the Academy to be closed wholly or for some students on a temporary basis in the event of large – scale flooding or other building related issues. This risk is partially mitigated due to the successful Condition Improvement Fund (CIF) bid which will fund demolition and replacement of half of the oldest building but a significant area of the building will be retained.

2. Changes to the funding formula. The Principal is a member of the Walsall Association of Headteachers, which is the group that makes financial decisions in conjunction with the Local Authority via Schools Forum of which he is currently a member. This informs the Academy's Leadership Team and the Trustees and members of the Governing Body of impending changes to the Funding Formula.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2017

c. Reserves policy

The Trustees' policy is to review the reserve levels of the Academy annually. The policy of the Academy is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal including replacement hardware for ICT including servers and any other unforeseen contingencies plus a contribution towards future capital projects. The overall condition of the fabric of the buildings continues to be a serious cause for concern which also constrains the development of the curriculum in general and technology in particular to enhance and enrich those areas. In addition the facilities for Post 16 (where high numbers of students have been traditionally recruited across a wide range of subject areas) are in need of refurbishment and modernisation. In March 2017 it was confirmed that the most recent CIF bid had been successful and funding was secured to fund the demolition and replacement of half of the oldest building. A further CIF bid has been submitted in December 2017 for the final phase of redevelopment.

The Academy has a policy of carrying forward some internal under / overspends which contributes to an increase in the Academy's reserve or surplus.

d. Review of the year

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

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during the academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where appropriate. As an Academy, most of our funding now comes direct from central government, via the ESFA rather than from Walsall Borough Council as was the case for the predecessor school. Our Governing Body has responsibility for approving the Academy budget and for scrutinising Academy spending to ensure we manage our resources within that budget plan. The Academy is funded by the Education Funding Agency ("ESFA") using the Walsall Local Authority Funding formula. In addition the Academy receives the LAGSEG funding from the ESFA.

This is the fifth full financial year as an Academy and the results show an overall net deficit of £2,089,337. Incoming resources total £7,833,447 with the majority (£7,526,747) relating to funding from the ESFA, local authority and other government sources. Expenditure for the year totalled £8,337,784 with the majority (£6,561,925) relating to staff costs.

At the year end, the Academy has a positive balance sheet position with net assets totalling £15,038,083 of which £18,246,579 relates to fixed assets owned by the Academy.

The local government pension scheme deficit has increased to £4,676,000 from the previous year, which includes a £1,585,000 actuarial loss for the year.

The closing restricted funds as at 31 August 2017 accumulate to £14,228,008. This includes £4,676,000 relating to the pension scheme deficit. The deficit is being repaid as advised by Barnett Waddingham, pension actuary experts.

The Academy is in a very good financial position for the forthcoming year.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2017

e. Pay policy for key management personnel

The Academy's arrangements for setting pay for all employees are determined by the School Teachers' Pay and Conditions Document. Performance management reviews are undertaken by all staff during September with objective 1 confirmed in November once validated data is published via RaisonLine and a mid-term review in February. These arrangements also include the Principal and other members of the Academy's Leadership Team. All appraisal documents are moderated by a Vice Principal and objectives are realistic but challenging. Trustees and members of the governing body are not paid.

PLANS FOR FUTURE PERIODS

a. Future developments

Joseph Leckie Academy strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills, knowledge, understanding and character to follow their chosen pathway, whether it be into further of higher education or employment.

The curriculum, the quality of teaching and learning and informed interventions are consistently reviewed to help every student to achieve their potential.

The Academy believes that developing the whole child is critical to improving levels of attainment and in developing broader skills and character that will develop students' commitment to life – long learning and enrich and enhance their overall quality of life. To this extent the Academy strives to provide exceptional behaviour and attendance management support and to offer a broad range of extra - curricular and community activities, clubs and other social, educational and leisure opportunities.

£3,891,652 was secured in a competitive CIF bid for a new build which will used to demolish the East end of the Academy and to build a replacement block. This new facility will house music, modern foreign languages, business, health, social and child care as well as a library, sixth form study facility, new administrative offices and SEND provision.

Ensuring the Academy provides a first class learning and working environment remains a priority. To secure this we will endeavour to maintain a programme of judicious investment. In the coming year we intend to invest in our Academy in the following ways:

- Review the Key Stage 4 and Key Stage 5 curriculum to ensure that the former gives students more choices and that more students study the Ebac suite of subjects.
- Seek capital funding in December 2017 via the Education Funding Agency's Condition Improvement Fund for the construction of additional classrooms, kitchen and associated dining facilities, Sixth Form facilities as well as providing resources to enable the Academy to demolish the West End of the current main teaching block and landscape the area.
- Look at the potential of increasing the number of science practical areas by remodelling two general purpose classrooms.
- Continue to remodel, refurbish and decorate the practical curriculum areas within the Academy as well as continuing to invest in our ICT infrastructure, hardware and software in order to enhance and enrich learning and teaching.

FUNDS HELD AS CUSTODIAN

There are no funds that are held by the Academy Trust but are not owned by them, other than the Bursary Fund which stood at £19,064 (2016: £17,166).

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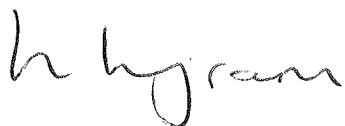
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

DISCLOSURE OF INFORMATION TO AUDITORS

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 a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report was approved by order of the board of trustees, as the company directors, on and signed on its behalf by:



Mrs L Ingram
Chair of Trustees

JOSEPH LECKIE ACADEMY TRUST

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Joseph Leckie 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 Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Joseph Leckie 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 4 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 Hussain	2	4
Mrs K Kaur, Vice Chair	4	4
Mr K Whittlestone, Principal and Accounting Officer	4	4
Cllr A Ditta	3	4
Ms P Wade	4	4
Mr P Freeman	3	4
Mrs H Hampshire	0	4
Mr B Edge	4	4
Ms P Tutrice	3	3
Fr M McIntyre	3	4
Mr G S Sangha	1	4
Mrs S Kauser	4	4
Mrs L Ingram, Chair	2	4
Mr E Seedat	3	4
Mrs N Kaur	3	4
Mrs S Choudhury	2	4
Mr M Kadir	1	1

There have been 1 new member appointed during the year and one termination.

The Finance and General Purposes Committee is a sub committee of the main board of trustees. Its purpose is to oversee all financial matters including preparation of draft budget, approving virements and transfers, making contractual arrangements, approving write offs, maintaining a charges and remissions policy, monitoring of expenditure, considering audit reports, approval of the budget and Best Value Statement.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Cllr A Ditta	3	5
Mr P Freeman	4	5
Mr E Seedat	2	4
Mr K Whittlestone	5	5
Mrs K Kaur	5	5
Mr M Hussain	0	5
Mrs S Choudhury	1	5

JOSEPH LECKIE ACADEMY TRUST (A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Mrs L Ingram	4	4
Ms P Wade	1	1

REVIEW OF VALUE FOR MONEY

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

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

- a) A strategic approach to ensuring Value for Money has been adopted by the Academy and has been achieved by including value for money as a feature within existing management processes rather than through the development of separate systems. Minimising the costs of resources used by the Academy but having regard to quality – achieved by ensuring all goods and services were provided at the best possible price.
- b) The costs of the school meals service have been minimised since the new contract became operational with Aspens Services, whilst enhancing the nutritional quality of lunches provided to students.
- c) The curriculum gives students a broad, balanced range of subjects / qualifications which enables them to pursue a range of opportunities at subsequent Key Stages and offers good progression routes throughout the Academy and onward to further / higher education and employment with training.
- d) Financial oversight and governance has been strengthened via robust challenge of spending and other decisions both at the Finance Committee meetings as well as at other committee and full governing body meetings.
- e) Income generation has been improved and we will continue to look at this to maximise income generation as well as improved efficiencies in delivering additional activities outside the normal Academy hours of operation.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Joseph Leckie Academy Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 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.

JOSEPH LECKIE ACADEMY TRUST (A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

In particular, it includes:

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

The board of trustees has considered the need for a specific internal audit function and appoints Mazars LLP as internal auditors.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems.

On a termly basis, the internal auditor reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.


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

Approved by order of the members of the board of trustees on
behalf, by:

and signed on their



Mrs L Ingram
Chair of Trustees



Mr K Whittlestone
Accounting Officer

14 December 2017

JOSEPH LECKIE ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Joseph Leckie Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2016.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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



Mr K Whittlestone
Accounting Officer

JOSEPH LECKIE ACADEMY TRUST (A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who act as governors of Joseph Leckie Academy Trust and 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 Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.


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

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

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

Approved by order of the members of the board of trustees on

and signed on its behalf by:

 14 December 2017

Mrs L Ingram
Chair of Trustees

JOSEPH LECKIE ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOSEPH LECKIE ACADEMY TRUST

OPINION

We have audited the financial statements of Joseph Leckie Academy ("the 'trust'") for the Year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the 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, the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and Charities SORP 2015.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2016 to 2017

BASIS OF 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditors' reports thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

JOSEPH LECKIE ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOSEPH LECKIE ACADEMY TRUST

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' Annual Report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual 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 light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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:

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 17, the Trustees 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 company'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 company or to cease operations, or have no realistic alternative but to do so.

JOSEPH LECKIE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE
MEMBERS OF JOSEPH LECKIE ACADEMY TRUST**

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. This report is made solely to the company'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 company'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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

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.



Ian Holder (Senior statutory auditor)

for and on behalf of

Mazars LLP

Chartered Accountants
Statutory Auditor

45 Church Street
Birmingham
West Midlands
B32RT

Date: 18 December 2017

JOSEPH LECKIE ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOSEPH LECKIE ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 7 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Joseph Leckie Academy Trust during the period 1 September 2016 to 31 August 2017 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 Joseph Leckie Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Joseph Leckie Academy Trust and the ESFA those matters we are required to state to it 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 Joseph Leckie Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Joseph Leckie Academy Trust's funding agreement with the Secretary of State for Education dated 25th January 2012 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. 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 period 01 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 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.

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

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

JOSEPH LECKIE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO JOSEPH LECKIE ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**
(continued)

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mazars LLP

Mazars LLP

Chartered Accountants

45 Church Street
Birmingham
West Midlands
B32RT

Date: *18 December 2017*

JOSEPH LECKIE ACADEMY TRUST

Registered number: 07892678

(A company limited by guarantee)

BALANCE SHEET

AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Intangible assets	12		5,543		8,197
Tangible assets	13		18,241,036		18,396,659
			<u>18,246,579</u>		<u>18,404,856</u>
CURRENT ASSETS					
Stocks	14	10,564		15,700	
Debtors	15	138,002		141,671	
Investments	16	250,000		-	
Cash at bank and in hand	21	1,678,096		1,936,396	
			<u>2,076,662</u>	<u>2,093,767</u>	
CREDITORS: amounts falling due within one year	17	(609,158)		(497,203)	
			<u>1,467,504</u>		<u>1,596,564</u>
NET CURRENT ASSETS					
			<u>19,714,083</u>		<u>20,001,420</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
Defined benefit pension scheme liability	22	(4,676,000)		(2,874,000)	
			<u>15,038,083</u>		<u>17,127,420</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES					
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	18	657,429		813,099	
Restricted fixed asset funds	18	18,246,579		18,404,856	
			<u>18,904,008</u>	<u>19,217,955</u>	
Restricted income funds excluding pension liability					
Pension reserve		(4,676,000)		(2,874,000)	
			<u>14,228,008</u>	<u>16,343,955</u>	
Total restricted income funds					
Unrestricted income funds	18		810,075		783,465
			<u>15,038,083</u>		<u>17,127,420</u>
TOTAL FUNDS					

The financial statements on pages 23 to 45 were approved by the Trustees, and authorised for issue, on and signed on their behalf, by:



Mrs L Ingram
Chair of Trustees

14 December 2017

JOSEPH LECKIE ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	-	-	25,421	25,421	528,987
Charitable activities	3	-	7,526,747	-	7,526,747	7,320,370
Other trading activities	4	43,941	223,074	-	267,015	175,204
Investment income	5	14,264	-	-	14,264	23,595
TOTAL INCOME		58,205	7,749,821	25,421	7,833,447	8,048,156
EXPENDITURE ON:						
Raising funds		31,595	-	-	31,595	27,597
Charitable activities		-	7,914,486	391,703	8,306,189	8,019,675
TOTAL EXPENDITURE	6	31,595	7,914,486	391,703	8,337,784	8,047,272
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	18	26,610	(164,665)	(366,282)	(504,337)	884
		-	(208,005)	208,005	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		26,610	(372,670)	(158,277)	(504,337)	884
Actuarial losses on defined benefit pension schemes	22	-	(1,585,000)	-	(1,585,000)	(857,000)
NET MOVEMENT IN FUNDS		26,610	(1,957,670)	(158,277)	(2,089,337)	(856,116)
RECONCILIATION OF FUNDS:						
Total funds brought forward		783,465	(2,060,901)	18,404,856	17,127,420	17,983,536
TOTAL FUNDS CARRIED FORWARD		810,075	(4,018,571)	18,246,579	15,038,083	17,127,420

The notes on pages 26 to 45 form part of these financial statements.

All activities relate to continuing operations.

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

JOSEPH LECKIE ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	20	199,553	311,306
		<hr/>	<hr/>
Cash flows from investing activities:			
Purchase of intangible fixed assets		(2,888)	(12,296)
Purchase of tangible fixed assets		(204,965)	(2,994,544)
Investments in short term deposits		(250,000)	-
		<hr/>	<hr/>
Net cash used in investing activities		(457,853)	(3,006,840)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(258,300)	(2,695,534)
Cash and cash equivalents brought forward		1,936,396	4,631,930
		<hr/>	<hr/>
Cash and cash equivalents carried forward	21	1,678,096	1,936,396
		<hr/> <hr/>	<hr/> <hr/>

JOSEPH LECKIE ACADEMY TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is registered in England and Wales, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Joseph Leckie Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

JOSEPH LECKIE ACADEMY TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

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

1.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

JOSEPH LECKIE ACADEMY TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

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

1.6 Intangible fixed assets and amortisation

Intangible assets costing £1,000 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 fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Software licenses	-	33.3% straight line
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1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	2% straight line
Assets under construction	-	No depreciation charged
Fixtures and fittings	-	12.5% straight line
Computer equipment	-	33.3% straight line

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

JOSEPH LECKIE ACADEMY TRUST

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.10 Debtors

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

1.11 Cash at Bank and in hand

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

1.12 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

JOSEPH LECKIE ACADEMY TRUST (A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.14 Taxation

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

1.15 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities incorporating income and expenditure account 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.

1.16 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 trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 27.

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FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.17 Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2017. 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.

Depreciation

The assessment of the useful economic lives and the method of depreciating fixed assets requires judgement. Depreciation is charged to profit or loss based on the useful economic life selected, which requires an estimation of the period and profile over which the Academy Trust expects to consume the future economic benefits embodied in the assets.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	-	-	-	-	33,487
Capital grants	-	-	25,421	25,421	495,500
	-----	-----	-----	-----	-----
	-	-	25,421	25,421	528,987
	=====	=====	=====	=====	=====
Total 2016	33,487	-	495,500	528,987	
	=====	=====	=====	=====	

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NOTES TO THE FINANCIAL STATEMENTS
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3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	6,960,606	6,960,606	6,786,374
Other DfE/ESFA grants	-	498,355	498,355	482,338
	-	7,458,961	7,458,961	7,268,712
Other government grants				
Local authority grants	-	67,786	67,786	51,658
	-	67,786	67,786	51,658
	-	7,526,747	7,526,747	7,320,370
Total 2016	-	7,320,370	7,320,370	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hire of facilities	43,941	-	43,941	17,536
School trips	-	54,982	54,982	51,050
Other income	-	168,092	168,092	106,618
	43,941	223,074	267,015	175,204
Total 2016	17,536	157,668	175,204	

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NOTES TO THE FINANCIAL STATEMENTS
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5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Interest	1,384	-	1,384	1,768
Short term deposits	12,880	-	12,880	21,827
	<u>14,264</u>	<u>-</u>	<u>14,264</u>	<u>23,595</u>
	<u>23,595</u>	<u>-</u>	<u>23,595</u>	
Total 2016				

6. CHARITABLE ACTIVITIES

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising voluntary income	11,673	19,922	-	31,595	27,597
Educational Operations:					
Direct costs	5,586,030	336,629	438,633	6,361,292	6,350,175
Support costs	964,222	535,434	445,241	1,944,897	1,669,500
	<u>6,561,925</u>	<u>891,985</u>	<u>883,874</u>	<u>8,337,784</u>	<u>8,047,272</u>
	<u>6,219,145</u>	<u>753,717</u>	<u>1,074,410</u>	<u>8,047,272</u>	
Total 2016					

7. SUPPORT COSTS

	Educational Operations £	Total 2017 £	Total 2016 £
Pension costs	62,000	62,000	73,000
Technology costs	58,169	58,169	28,487
Premises costs	480,361	480,361	441,474
Other support costs	346,447	346,447	401,847
Governance costs	40,625	40,625	37,537
Wages and salaries	534,089	534,089	482,019
National insurance	34,431	34,431	29,224
Pension cost	333,701	333,701	145,400
Depreciation	55,074	55,074	30,512
	<u>1,944,897</u>	<u>1,944,897</u>	<u>1,669,500</u>
	<u>1,669,500</u>	<u>1,669,500</u>	
Total 2017			

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FOR THE YEAR ENDED 31 AUGUST 2017

7. SUPPORT COSTS (continued)

Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the trust's activities. These costs include the guidance and training of Trustees along with the professional costs associated with governing the school.

Of the above, £Nil (2016: £Nil) related to unrestricted funds and £1,944,897 (2016: £1,669,500) related to restricted funds.

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	2016
	£	£
Depreciation and amortisation of fixed assets:		
- owned by the academy trust	386,161	288,212
Amortisation of intangible fixed assets	5,542	4,099
Auditor's remuneration	9,200	9,000
Auditor's remuneration - non-audit	5,325	5,770
Operating lease rentals	18,854	18,151
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

9. STAFF COSTS

Staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	4,908,332	4,847,529
Social security costs	477,125	415,263
Operating costs of defined benefit pension schemes	970,924	737,115
	<u>6,356,381</u>	<u>5,999,907</u>
Apprenticeship levy	4,053	-
Supply staff costs	133,717	146,238
Staff restructuring costs	5,774	-
FRS 102 pension costs	62,000	73,000
	<u><u>6,561,925</u></u>	<u><u>6,219,145</u></u>

Staff restructuring costs comprise:

Severance payments	<u>5,774</u>	<u>-</u>
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Included in staff restructuring costs are non statutory/non contractual severance payments totaling £5,774 (2016: £NIL). This was payable to one employee (2016: NIL).

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

	2017	2016
	No.	No.
Teachers	86	87
Administration and support	92	90
Management	5	5
	<u>183</u>	<u>182</u>

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

	2017	2016
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	2	2
In the band £180,001 - £190,000	1	0
In the band £190,001 - £200,000	0	1

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2017, pension contributions for these staff amounted to £67,505 (2016: £70,031).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

9. STAFF COSTS (continued)

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) received by key management personnel for their services to the academy trust was £694,816 (2016: £700,050).

10. 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 other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2017 £	2016 £
K Whittlestone	Remuneration	185,000-190,000	190,000-195,000
	Pension contributions paid	30,000-35,000	30,000-35,000
B Edge	Remuneration	45,000-50,000	40,000-45,000
	Pension contributions paid	5,000-10,000	0-5,000
P Tutrice	Remuneration	45,000-50,000	45,000-50,000
	Pension contributions paid	5,000-10,000	5,000-10,000
S Kauser	Remuneration	35,000-40,000	30,000-35,000
	Pension contributions paid	5,000-10,000	5,000-10,000

During the year ended 31 August 2017, travel and subsistence expenses totalling £360 (2016 - £491) were reimbursed to 1 Trustee (2016 - 1).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 (2016: £5,000,000) on any one claim and the cost for the year ended 31 August 2017 was £1,335 (2016: £779).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

12. INTANGIBLE FIXED ASSETS

	Software licenses £
Cost	
At 1 September 2016	12,296
Additions	2,888
	<hr/>
At 31 August 2017	15,184
	<hr/>
Amortisation	
At 1 September 2016	4,099
Charge for the year	5,542
	<hr/>
At 31 August 2017	9,641
	<hr/>
Carrying amount	
At 31 August 2017	5,543
	<hr/> <hr/>
At 31 August 2016	8,197
	<hr/> <hr/>

13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Assets under construction £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2016	15,773,234	3,546,454	223,180	332,356	19,875,224
Additions	-	218,224	-	12,314	230,538
Transfer	3,546,454	(3,546,454)	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2017	19,319,688	218,224	223,180	344,670	20,105,762
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 September 2016	1,154,427	-	70,048	254,090	1,478,565
Charge for the year	323,322	-	27,898	34,941	386,161
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2017	1,477,749	-	97,946	289,031	1,864,726
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 August 2017	17,841,939	218,224	125,234	55,639	18,241,036
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2016	14,618,807	3,546,454	153,132	78,266	18,396,659
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

14. STOCKS

	2017	2016
	£	£
Finished goods and goods for resale	10,564	15,700

15. DEBTORS

	2017	2016
	£	£
Trade debtors	47,289	831
Other debtors	23,392	129,937
Prepayments and accrued income	67,321	10,903
	<u>138,002</u>	<u>141,671</u>

16. CURRENT ASSET INVESTMENTS

	2017	2016
	£	£
Short term deposits	250,000	-

17. CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	134,563	138,812
Other taxation and social security	118,454	116,352
Other creditors	123,021	99,100
Accruals and deferred income	233,120	142,939
	<u>609,158</u>	<u>497,203</u>
	2017	2016
	£	£
Deferred income		
Deferred income at 1 September 2016	125,445	148,119
Resources deferred during the year	149,661	125,445
Amounts released from previous years	(125,445)	(148,119)
Deferred income at 31 August 2017	<u>149,661</u>	<u>125,445</u>

The above deferred income consists of ESFA grants received in advance for the 2017/18 academic year.

Deferred income released in the prior year related to the release of 2016/17 ESFA grants which had previously been received in advance.

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds - all funds	783,465	58,205	(31,595)	-	-	810,075
Restricted funds						
General Annual Grant (GAG)	786,810	6,960,606	(6,915,872)	(208,005)	-	623,539
Other ESFA and DfE grants	-	498,355	(498,355)	-	-	-
Other Government grants	-	67,786	(67,786)	-	-	-
Other restricted reserves	26,289	223,074	(215,473)	-	-	33,890
Pension reserve	(2,874,000)	-	(217,000)	-	(1,585,000)	(4,676,000)
	<u>(2,060,901)</u>	<u>7,749,821</u>	<u>(7,914,486)</u>	<u>(208,005)</u>	<u>(1,585,000)</u>	<u>(4,018,571)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	18,404,856	25,421	(386,154)	192,803	-	18,236,926
Capital expenditure from GAG	-	-	(5,549)	15,202	-	9,653
	<u>18,404,856</u>	<u>25,421</u>	<u>(391,703)</u>	<u>208,005</u>	<u>-</u>	<u>18,246,579</u>
Total restricted funds	<u>16,343,955</u>	<u>7,775,242</u>	<u>(8,306,189)</u>	<u>-</u>	<u>(1,585,000)</u>	<u>14,228,008</u>
Total of funds	<u>17,127,420</u>	<u>7,833,447</u>	<u>(8,337,784)</u>	<u>-</u>	<u>(1,585,000)</u>	<u>15,038,083</u>

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

Unrestricted Funds

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Directors;

Restricted Funds

- Restricted funds (excluding pension and other restricted reserves) mainly represent funds received from the Department for Education and the Education and Skills Funding Agency and is specifically spent on the running of the academy. Other ESFA and DfE grants are in relation to Pupil Premium ESFA Year 7 Catch Up funding.

- Other Government grants represents funding received from the Local Authority relating to pupil premium and high needs.

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (continued)

- Other restricted reserves represents funds which are restricted by the donor including school trip income and income from other organisations;

- Pension reserve represents the movements on the Local Government Pension Scheme liability.

Restricted Fixed Asset Funds

- 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 from restricted funds represent the GAG funding used to support the costs of the second phase extension project.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Intangible fixed assets	-	-	5,543	5,543
Tangible fixed assets	-	-	18,241,036	18,241,036
Current assets	810,075	1,266,587	-	2,076,662
Creditors due within one year	-	(609,158)	-	(609,158)
Provisions for liabilities and charges	-	(4,676,000)	-	(4,676,000)
	<u>810,075</u>	<u>(4,018,571)</u>	<u>18,246,579</u>	<u>15,038,083</u>

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

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(504,337)	884
Adjustment for:		
Depreciation charges on tangible fixed assets	386,161	288,212
Amortisation charges on intangible assets	5,542	4,099
Decrease/(increase) in stocks	5,136	(5,623)
Decrease in debtors	3,669	17,465
Increase/(decrease) in creditors	86,382	(91,731)
Defined benefit pension scheme cost less contributions payable	155,000	24,000
Defined benefit pension scheme finance cost	61,000	73,000
Defined benefit pension scheme administration costs	1,000	1,000
Net cash provided by operating activities	<u>199,553</u>	<u>311,306</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	1,678,096	1,936,396
Total	<u>1,678,096</u>	<u>1,936,396</u>

22. PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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22. PENSION COMMITMENTS (continued)

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £729,924 (2016 - £524,115).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £312,000 (2016 - £275,000), of which employer's contributions totalled £241,000 (2016 - £213,000) and employees' contributions totalled £71,000 (2016 - £62,000). The agreed contribution rates for current and future years are 19.5% for employers and between 5.5% and 12.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.60 %	2.20 %
Rate of increase in salaries	4.20 %	3.75 %
Rate of increase for pensions in payment / inflation	2.70 %	2.00 %

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

	2017	2016
Retiring today		
Males	21.8	23.1
Females	24.3	25.8
Retiring in 20 years		
Males	24.0	25.3
Females	26.6	28.1

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

22. PENSION COMMITMENTS (continued)

Sensitivity analysis	At 31 August 2017 £	At 31 August 2016 £
Discount rate +0.1%	6,721,000	4,460,000
Discount rate -0.1%	7,014,000	4,662,000
Mortality assumption - 1 year increase	7,108,000	4,686,000
Mortality assumption - 1 year decrease	6,632,000	4,438,000
CPI rate +0.1%	6,894,000	-
CPI rate -0.1%	6,838,000	-

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	1,386,000	1,001,000
Government bonds	160,000	117,000
Other bonds	84,000	144,000
Property	160,000	134,000
Cash and other liquid assets	109,000	108,000
Other	291,000	182,000
Total market value of assets	2,190,000	1,686,000

The actual return on scheme assets was £304,000 (2016 - £255,000).

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

	2017 £	2016 £
Current service cost	(396,000)	(237,000)
Interest income	39,000	53,000
Interest cost	(100,000)	(126,000)
Administration expense	(1,000)	-
Total	(458,000)	(310,000)
Actual return on scheme assets	304,000	255,000

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

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

	2017	2016
	£	£
Opening defined benefit obligation	4,560,000	3,139,000
Current service cost	396,000	237,000
Interest cost	100,000	126,000
Employee contributions	71,000	62,000
Remeasurement of defined benefit obligation	1,851,000	1,059,000
Benefits paid	(112,000)	(63,000)
	<u>6,866,000</u>	<u>4,560,000</u>
Closing defined benefit obligation	<u>6,866,000</u>	<u>4,560,000</u>

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

	2017	2016
	£	£
Opening fair value of scheme assets	1,686,000	1,220,000
Interest income	39,000	53,000
Remeasurement of net assets	266,000	202,000
Employer contributions	241,000	213,000
Employee contributions	71,000	62,000
Benefits paid	(112,000)	(63,000)
Administration expenses	(1,000)	(1,000)
	<u>2,190,000</u>	<u>1,686,000</u>
Closing fair value of scheme assets	<u>2,190,000</u>	<u>1,686,000</u>

Pension reserve

	2017	2016
	£	£
Closing defined benefit obligation	(6,866,000)	(4,560,000)
Closing fair value of scheme assets	2,190,000	1,686,000
	<u>(4,676,000)</u>	<u>(2,874,000)</u>
Total	<u>(4,676,000)</u>	<u>(2,874,000)</u>

JOSEPH LECKIE ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

23. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017	2016
	£	£
Amounts payable:		
Within 1 year	7,603	16,249
Between 1 and 5 years	1,036	8,230
Total	<u>8,639</u>	<u>24,479</u>

24. 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.

25. RELATED PARTY TRANSACTIONS

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

One Trustee is a member of Walsall MBC but is not in a position to benefit or influence policies.

The son of a trustee is employed by the Academy. This employee received remuneration of £31,360 (2016: £30,511) (including employers pension contributions) during the financial year.

The daughter of a trustee is also employed by the Academy. This employee received remuneration of £11,635 (2016: £9,665) (including employers pension contributions) during the financial year.

26. EVENTS AFTER THE END OF THE REPORTING PERIOD

There have been no significant events since the balance sheet date.

27. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2017 the trust received £53,610 (2016: £56,739) and disbursed £51,712 (2016: £60,408) from the fund. An amount of £19,064 (2016: £17,166) is included in other creditors relating to undistributed funds that are repayable to the ESFA.

