

Financial Statements
Diocese of Leicester Academies
Trust (formerly Leicester
Academies Charitable Trust)(A
Company Limited by Guarantee)

For the Year Ended 31 August 2015

Registered number: 08138372

**Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
(A Company Limited by Guarantee)**

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Reference and Administrative Details of the Academy, its Members/ Trustees and Advisers

For the Year Ended 31 August 2015

Trustees

Mrs C Lewis *, (appointed 18 September 2014) Accounting officer, Chief Executive
(appointed 1 February 2015)
Mrs S N Bracey, Chair of Trustees
Mr D W Kerr *, Chair of Finance and Audit Committee
Mr I E Sharpe *, Senior Officer Business and Buildings
Mrs D Wright
Mrs D Smith (resigned 13 May 2015)
Mrs S Uprichard (appointed 1 July 2015)
Reverend R Curtis (appointed 1 July 2015)
Mr A C Stanford
Mrs L Hawkes *
Mr I Jones, Chief Executive (resigned 31 January 2015)
Mr S Gleave, Senior Officer School Effectiveness (resigned 31 August 2015)
Venerable D Newman, Non-Executive Trustee
Dr R Harries, Non-Executive Trustee
Mr J Kirkham, Non-Executive Trustee

* Members of the Business and Management Group

Company registered number

08138372

Principal and registered office

St Martins House
7 Peacock Lane
Leicester
LE1 5PZ

Company secretary

Mr I E Sharpe

Company Clerk

Mr G Hornsby and Mrs K Miller

Senior management team

Mrs S Deackes, Headteacher - St Mary CoE Primary School
Miss J Westaby, Headteacher - Barlestone CoE Primary School
Mrs Hickinbottom, Headteacher - Weavers Close CoE Primary School
Mrs L Gilchrist, Headteacher - Higham on the Hill CoE Primary School
Miss F Buchan, Headteacher - St Peter and St Paul CoE Academy
Mrs A H Harvey, Headteacher - Croxton Kerrial CoE Primary School and
Wymondham CoE Primary School
Mrs C Lewis, Chief Executive and Accounting Officer
Mr D Williams, Headteacher - Christ Church and St Peter's CoE Primary School
Mrs J Hopkins, Headteacher - Redmile CoE Primary School and Waltham-on-the-Wolds
CoE Primary School
Mr P Wiggin, Headteacher - Tugby CoE Primary School
Mr M Morris, Senior Officer Governance and Admissions
Mr I E Sharpe, Senior Officer Business and Buildings
Mr S Gleave, Senior Officer School Effectiveness (resigned 31 August 2015)

Reference and Administrative Details of the Academy, its Members/ Trustees and Advisers

For the Year Ended 31 August 2015

Administrative details (continued)

Independent auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Regent House 80 Regent Road Leicester LE1 7NH
Bankers	Lloyds Bank 7 High Street Leicester LE1 9FS
Solicitors	Lee Bolton Monier-Williams 1 The Sanctuary Westminster London SW1P 3JT

Trustees' Report

For the Year Ended 31 August 2015

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 and Auditor's Report of Diocese of Leicester Academies Trust (the academy trust) for the year ended 31 August 2015. The Trustees confirm that the Annual Report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. 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 trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Diocese of Leicester Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Diocese of Leicester Academies Trust (DLAT). Details of the trustees who served during the year are included in the Reference and Administrative details on Page 1.

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

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

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

As academies are charitable companies limited by guarantee, the Board of Directors of the DLAT must comply with duties under both charity and company law, despite the fact they will be delegating some responsibility to the Local Governing Bodies of academies.

Duties as a Company Director:

- to act within powers
- to promote the success of the academy company
- to exercise independent judgement
- to exercise reasonable care, skill and diligence
- to avoid conflicts of interest
- not to accept benefits from third parties

**Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
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Trustees' Report (continued)

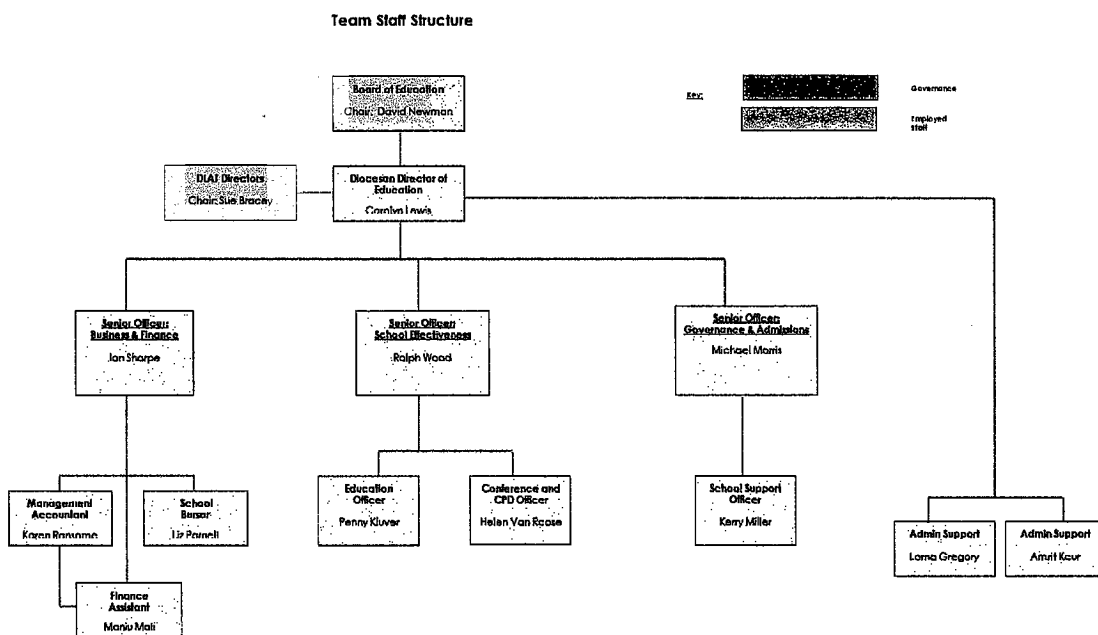
For the Year Ended 31 August 2015

Duties as a Charity Trustee:

- compliance - to ensure that the academy is using its resources to further the academy trust's objects as set down in its articles and is compliant with the law and regulatory requirements
- efficiencies - mainly concerned with financial responsibility and protection of assets
- care - ensuring that you use reasonable care and skill as a director, making use of your skills and experience where relevant but also making use of external advice.

e. Organisational structure

The organisational structure of the company reflects the current operational needs whilst being scalable to support future developments, primarily the expansion of the number of academies in the DLAT.



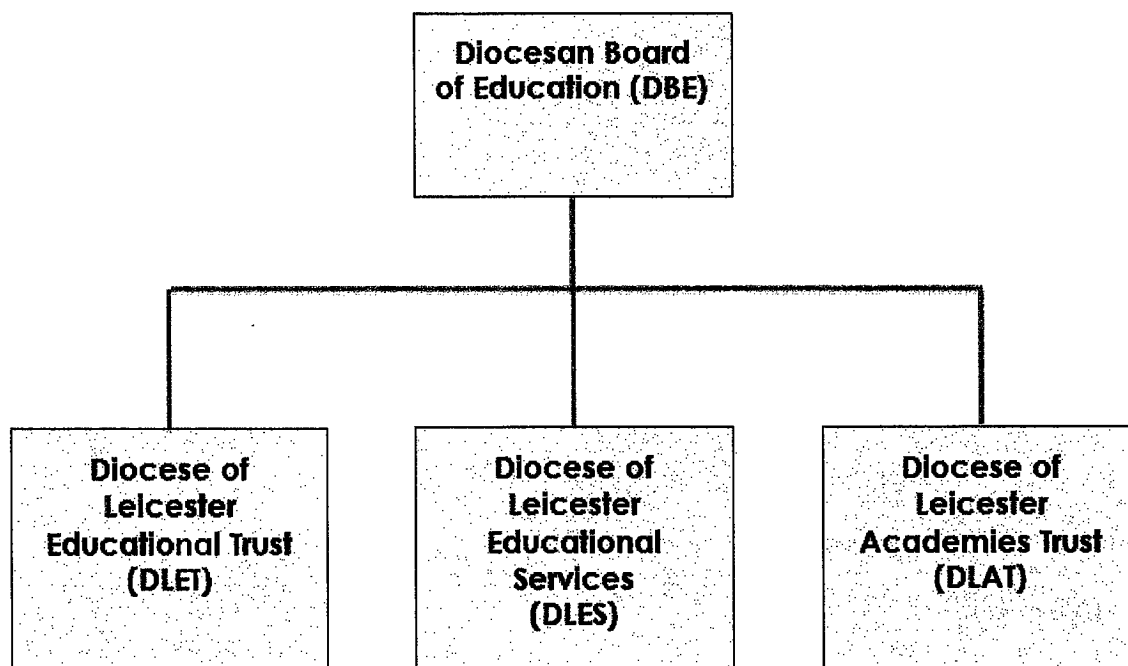
The organisational structure represents the DBE/DLAT staff team. Although some members of the team are employed directly by the DLAT, they also have specific roles within the DBE team. This best utilises the team's skills and experience for the benefit of the schools within the Leicester Diocese.

Trustees' Report (continued)

For the Year Ended 31 August 2015

f. Connected organisations, including related party relationships

DBE Company Structure



g. Risk management

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

h. Principal activities

Establishing, maintaining, carrying on, managing and developing academies which shall offer a broad and balanced curriculum and which shall include:

1. Church of England Schools, designated as such.
2. Other schools with or without a designated religious character, to recognise and support their individual character and respect the different background and links of each in its local community.

Trustees' Report (continued)

For the Year Ended 31 August 2015

Objectives and Activities

a. Objects and aims

In setting our objectives and in our activities, the Trustees have given careful consideration to the Charity Commission's general guidance of public benefit. The objects of the trust are as highlighted under principal activities.

b. Objectives, strategies and activities

The trust aims to establish over the next several years a network of academies within the Diocese of Leicester – both county and city, which provide a high quality of education for our children. The trust's first three academies opened on 1 March 2013. In the following year we were joined by three further CE primary schools and in the 2014/15 year we were joined by a further five schools; Waltham-on-the-Wolds CE Primary, Tugby CE Primary, Higham-on-the-Hill CE Primary, Redmile CE Primary and Mountsorrel Christ Church and St. Peter's CE Primary. The trust will continue to work with Local Authorities, the Department for Education and individual schools to raise the standards of education within the Diocese of Leicester.

c. Public benefit

The trustees believe that the policies for the academies admissions, its achievements and performance provide clear evidence that the trust is meeting its obligations as a charity to deliver public benefit.

Achievements and performance

a. Going concern

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

b. Key performance indicators

The performance indicators are that we will operate balanced budgets both centrally and at a local level. From an educational perspective the standards are Ofsted, SIAMS and End of Key Stage assessments. The results for the 2014/15 year are as follows:

Trustees' Report (continued)

For the Year Ended 31 August 2015

	National Average %	Earl Shilton Weavers Close	Melton St. Mary's	Syston St. Peter & St. Paul	Croxton	Baslestone	Wymondham St. Peter's	Waltham-on-the-Wolds	Tugby	Higham-on-the-Hill	Redmile	Mountsorrel Christ Church & St. Peter
Conversion Date		Mar 2013	Mar 2013	Mar 2013	Nov 2013	Jun 2014	Jun 2014	Oct 2014	Oct 2014	Oct 2014	Dec 2014	Dec 2014
Ofsted Grade and Date	N/A	2 Mar 2014	2 Mar 2014	2 Dec 2014	2 Jun 2015	2 Jun 2015	2 Oct 2012	2 Jan 2010	2 Mar 2012	2 Mar 2013	1 Oct 2013	2 Mar 2015
SIAMS Grade and Date	N/A	2 May 2014	2 Apr 2012	2 Mar 2013	1 Jun 2015	2 Jun 2015	1 Nov 2012	2 Jan 2015	2 Mar 2012	1 Mar 2013	1 Jan 2013	2 May 2012
EYFS GLD	66	69	67	74	100	67	67	80	67	73	66	66
Y1 Phonics	77	73	89	85	85	86	80	73	78	100	79	80
Y2 Reading L2+	91	91	91	91	100	89	100	100	100	90	100	91
Y2 Writing L2+	88	88	88	88	100	83	100	100	100	90	100	84
Y2 Maths L2+	93	94	94	96	100	94	100	100	100	90	100	90
Y6 Reading L4+	89	86	87	86	86	86	100	100	100	100	88	95
Y6 Writing L4+	87	87	87	82	100	93	100	100	100	100	88	85
Y6 SPG L4+	80	80	90	87	100	79	86	86	100	82	88	84
Y6 Maths L4+	87	87	83	90	86	86	100	86	100	100	88	88
Y6 R,W & M	80	80	80	75	91	86	100	86	100	100	88	80
Progress KS1-2 Reading 2 Levels	91	89	89	89	71	100	100	86	91	100	88	95
Progress KS1-2 Reading 3 Levels	35	35	33	32	43	33	67	43	40	46	25	40
Progress KS1-2 Writing 2 Levels	94	93	93	93	100	92	100	86	100	100	88	95
Progress KS1-2 Writing 3 Levels	33	33	33	33	57	31	33	43	30	64	38	33
Progress KS1-2 Maths 2 Levels	90	90	90	90	100	100	100	86	100	100	88	92
Progress KS1-2 Maths 3 Levels	35	35	40	32	35	35	67	14	50	36	38	35
Floor Standards Met		No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

National Average Key: Green = At or above Yellow = Less than 5% below Red = Greater than 5% below

c. Review of activities

During the period the DLAT has continued to grow. The number of schools has grown from six to eleven. The majority of our sponsored schools have continued to improve. Ofsted inspections in 2014/15 showed Melton St. Mary's moving from Inadequate to Requiring Improvement, with Leadership & Management graded as Good and Early Years as Outstanding. Earl Shilton Weavers Close was judged to Require Improvement and noted the impact of the Trust. Syston St. Peter and St. Paul moved from Satisfactory to Good and Croxton Kerrial retained its rating of Good, also with Early Years judged as Outstanding. Mountsorrel Christ Church and St. Peter joined us in December 2014 as a sponsored academy and is raising levels of progress and attainment. Waltham-on-the-Wolds, Tugby, Higham-on-the-Hill and Redmile joined us as converter schools.

There has been a significant change in staffing during the year that has seen the team grow in numbers to support our schools more effectively. The Diocesan Director of Education has taken on the position of the Trust's Chief Executive following the role being filled by an interim appointment. Governance and Admissions is now the responsibility of a Senior Officer. A full-time Management Accountant and School Bursar have been appointed to grow the finance capacity. A part-time School Effectiveness Officer now supports the school improvement work. Additional administrative staff are supporting the work of the wider team.

The DLAT continues to consolidate both school improvement and financial procedures that have been developed with our schools. These are on-going and will be completed during the 2015/16 year. Both of these important aspects of the DLAT are reported to Trustees on a regular basis.

Trustees and Members of DLAT have restructured the membership of board in order to create a body with a greater range of skills and experience. This now means Trustees hold to greater account the school improvement and finance aspects across both the central team and DLAT's schools. A range of forums have been set up to allow governors, head teachers and business staff to discuss new initiatives and pass on their views to the board of Trustees.

Trustees' Report (continued)

For the Year Ended 31 August 2015

Financial review

a. Reserves policy

The trust's policy on reserves seeks to balance the competing priorities of expanding the maximum amount of resources on pupils, principally through the provision of highly qualified staff, and the need to retain resources to manage future uncertainty.

b. Financial performance

Most of the trust's income is obtained from the Department for Education in the form of recurrent grants, the use of which is restricted to specific purposes. The grants received and associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Restricted funds incoming and outgoing resources for the year ending 31st August 2015 show a deficit of £1,072,046 for the year, this includes a pension movement of £1,126,000. When the pension movement is removed a surplus of £53,954 in the year remains for the trust.

Plans for future periods

a. Future developments

The reputation of the DLAT is growing and attracting interest from many Church of England schools and some community schools also. Under the current Government's agenda we expect the DLAT to expand further and growth plans are being developed to ensure that there is the capacity within the central team to support schools as well as develop school to school support.

Disclosure of information to auditor

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

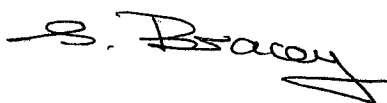
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable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

Auditor

The auditor, Grant Thornton UK LLP, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

This report was approved by order of the board of trustees on 9 December 2015 and signed on the board's behalf by:

Mrs S N Bracey
Chair of Trustees



Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust) and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The board of trustees has formally met 9 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
Mrs C Lewis	7	7
Mrs S N Bracey	8	9
Mr D W Kerr	5	7
Mr I E Sharpe	7	7
Mrs D Wright	7	7
Mrs D Smith	5	6
Mrs S Uprichard	0	1
Reverend R Curtis	0	1
Mr A C Stanford	6	7
Mrs L Hawkes	5	7
Mr I Jones	4	4
Mr S Gleave, Senior Officer School Effectiveness	4	7
Venerable D Newman, Non-Executive Trustee	3	3
Dr R Harries, Non-Executive Trustee	3	3
Mr J Kirkham, Non-Executive Trustee	2	3

Governance Statement (continued)

Governance reviews:

The Board of Trustees have performed a review during the year of the skills and experience of its trustees and have taken steps to recruit additional trustees during the year to further strengthen the Board of Trustees.

The Business Management Group is a committee of the main board of trustees. Its purpose is to ensure that Diocese of Leicester Academies Trust has Finance and Business systems that are effective in order to support teaching and learning within our schools. These systems will follow best practice, minimise risk and be the most efficient to ensure Diocese of Leicester Academies Trust is getting the best value from its available resources. During this year particular issues that have been dealt with have included refinement of the budget process, development of reporting systems, staff training, induction of new schools, transfer of bank accounts, set up of financial systems, application for capital funding from the EFA, audit systems and the support for schools in budget and monitoring where income is diminishing and costs are increasing. During the year, two meetings had to be cancelled due to illness and apologies received. The review of the Board of Trustees has allowed this issue to be resolved.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs C Lewis	0	1
Mr D W Kerr	1	1
Mr I E Sharpe	1	1
Mrs L Hawkes	1	1

Review of Value for Money

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

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

Improving Educational Results:

We have ensured that resources are directed where they are most needed and most effective in meeting the educational needs of our schools, for example by:

- Targeting resources in line with the School Improvement Plans within each of our schools in order to meet the Trust's aims and objectives.
- Monitoring of pupils individual needs to ensure that Pupil Premium is applied in the most relevant and supportive way.
- Monitoring the performance of our staff to ensure that where weaknesses are identified a support mechanism can be put in place to improve outcomes and develop them further.
- Engagement of Education and Business Consultants to support the development of policies and systems to provide consistency across our schools and allow our staff within schools to focus on delivering the best outcomes for pupils.

Governance Statement (continued)

- An increase in the Trust's central staff team to provide a wider range of knowledge, expertise and support.
- Development of pupil data tracking systems to provide high quality information to help review the impact of both individual pupil progress and attainment.
- The introduction of an Executive Headteacher model across four of our schools to increase financial efficiency and further enhance the sharing of best practice.
- The use of external consultants to inform the Board of Trustees where our schools are with regard to pupil progress and attainment, the quality of teaching and being prepared for Ofsted.

The effectiveness of these strategies can be seen in the continued improvement of pupil outcomes within our schools.

Financial Governance and Oversight:

Our governance arrangements include regular monitoring by the Board of Directors, including the Business Management Group. They receive regular reports and ask relevant questions as recorded in the minutes. The skills and expertise of our committee members allow decisions to be challenged to ensure value for money is being achieved. The work of these committees is further informed by regular Responsible Officer reports in the form of internal audit reports and visits from Grant Thornton UK LLP as part of their external audit procedures.

Better Purchasing:

Examples of steps taken to ensure value for money when purchasing include:

- Working with schools within the Trust to identify products and services that can be procured across a number of schools in order to drive down cost and/or negotiate favourable rates e.g. photocopiers, ICT equipment and services, financial management systems and insurance services.
- The Trust's central and school based business and finance team continue to undertake training to ensure they are adequately informed regarding the procurement of goods and services.

Better Income Generation:

Examples of steps taken to maximise income generation include:

- The setting up of wrap around care services in the form of before and after school clubs and preschools.
- The development of premises to further enhance their quality of and maximize letting opportunities within school communities.
- Staff within our schools providing support and consultancy services to other schools.
- Exploration of fixed term deposits to earn income on balances.
- Reviewing Controls and Managing Risks
- The use of budget monitoring to inform future budget decisions. This has ensured that expenditure is within budget and resources are used within the individual schools development plans. Our budget process has been developed to show five year forecasts and cash flow throughout the year. ICT systems have been set up to monitor the financial position of our schools. This provision of clear information allows for an even higher quality of strategic decision making.
- Actions taken to manage risk include the purchase of appropriate levels of insurance cover, procurement of a range of consultants who provide advice on issues such as HR, Legal, and Health & Safety. The Trust also regularly reviews its Risk Register.

Governance Statement (continued)

Future Objectives:

- Continue to increase the number of convertor and sponsored schools within the Trust at a sustainable and manageable rate of growth.
- Increase the number of pupils within our schools to maintain a sustainable position and maintain high pupil outcomes.
- Develop relationships between our schools and the central team to ensure that expertise is shared in order to further raise levels of attainment and progress by our pupils.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust) for the year 1 September 2014 to 31 August 2015 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Leicestershire County Council as internal auditor.

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

Governance Statement (continued)

On an annual basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Leicestershire County Council have delivered their schedule of work as planned. No material control issues have arisen as a result their work.

Review of Effectiveness

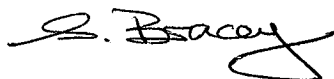
As accounting officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Leicestershire County Council 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 9 December 2015 and signed on its behalf, by:

Mrs S N Bracey
Chair of Trustees



Mrs C Lewis
Accounting Officer



**Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
(A Company Limited by Guarantee)**

Statement on Regularity, Propriety and Compliance

As accounting officer of Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust) I have considered my responsibility to notify the Trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Trust board of trustees are able to identify any material, irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook (2014).

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2014). Due to capacity issues centrally with the trust, we acknowledge that during the year there has been some non-compliance with the terms and conditions of funding under the academy's funding agreement and that of the Financial Handbook. However, the academy board of trustees have been able to identify any material non-compliance through the regularity assurance review and these areas have been addressed, systems put in place and are in progress. This has been discussed with both our internal and external auditors.

I confirm that other than as noted in the Reporting Accountants Assurance Report, all instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.

Mrs C Lewis
Accounting officer



Date: 9 December 2015

Trustees' Responsibilities Statement

For the Year Ended 31 August 2015

The Trustees (who 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 Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

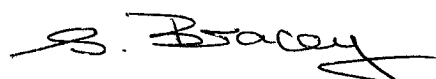
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

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

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

Approved by order of the members of the board of trustees on 9 December 2015 and signed on its behalf by:

Mrs S N Bracey
Chair of Trustees





Independent Auditor's Report to the Members of Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)

We have audited the financial statements of Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust) for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the charitable 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 charitable 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 charitable company and its members, as a body for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditor

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006



Independent Auditor's Report to the Members of Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)

In our opinion the information given in the Trustees' Report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

A handwritten signature in black ink, appearing to read 'Christopher Frostwick'.

Christopher Frostwick (Senior Statutory Auditor)
for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

East Midlands

9 December 2015

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Independent Reporting Accountant's Assurance Report on Regularity to Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust) and the Education Funding Agency

In accordance with the terms of our engagement letter dated 15 October 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Diocese of Leicester Academies Trust during the period 1 September 2014 to 31 August 2015 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 Diocese of Leicester Academies Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Diocese of Leicester Academies Trust and the EFA those matters we are required to state to them 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 Diocese of Leicester Academies Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Diocese of Leicester Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Diocese of Leicester Academies Trust's funding agreement with the Secretary of State for Education dated 28 February 2013, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Independent Reporting Accountant's Assurance Report on Regularity to Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust) and the Education Funding Agency (continued)

The work undertaken to draw our conclusion includes:

- an assessment of the risk of material irregularity and impropriety across the Academy Trust's activities;
- evaluation of the processes and controls established and maintained in respect of regularity, propriety and compliance of the use of public funds through observation and testing of the arrangements in place and enquiry of the Accounting Officer;
- consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance; and
- detailed testing on a sample basis of income and expenditure for the areas identified as high risk.

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

The Academy Trust has not complied with the EFA terms and conditions of funding and the Academies Financial Handbook 2014 in the following areas during the year ended 31 August 2015:

Management accounts: The Academies Financial Handbook 2014 requires each Academy Trust to prepare monthly management accounts. Due to the induction of new staff and procedures the Trust did not prepare monthly management accounts during the period from 1 September 2014 to 30 November 2014. However, monthly management accounts were in place with effect from 1 December 2014.

Contingency and business continuity plan: The Academies Financial Handbook 2014 requires each Academy Trust to make a contingency and business continuity plan setting out what the Academy Trust would do to ensure the continued operation of the Trust. The Trust has a basic outline plan in place for its continued operation and the schools it serves. However, the Trust knows that this is still not fully compliant with the Academies Financial Handbook 2014. This is now a priority for the Trust and a plan has been put in place to resolve this issue; the Trust's central team and consultants will produce documentation and training in early 2016 to ensure the Trust is compliant.



Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
East Midlands

9 December 2015

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
(A Company Limited by Guarantee)

Statement of Financial Activities

(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
For the Year Ended 31 August 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Incoming resources						
Incoming resources from generated funds:						
Voluntary income	2	105,449	98,104	-	203,553	87,686
Activities for generating funds	3	34,933	126,584	-	161,517	35,911
Investment income	4	2,112	-	-	2,112	2,989
Incoming resources from charitable activities	5	-	7,664,177	1,583,488	9,247,665	4,476,442
Total incoming resources		142,494	7,888,865	1,583,488	9,614,847	4,603,028
Continuing operations		79,363	4,934,189	1,583,488	6,597,040	4,097,999
Acquired operations		63,131	2,954,676	-	3,017,807	505,029
Resources expended						
Costs of generating funds:						
Costs of activities for generating funds	6	29,780	6,256	-	36,036	6,370
Charitable activities		27,470	7,662,920	87,734	7,778,124	3,629,794
Governance costs	8	-	165,555	-	165,555	170,668
Other resources expended	9	(239,037)	1,044,000	(15,344)	789,619	304,300
Total resources expended	6	(181,787)	8,878,731	72,390	8,769,334	4,111,132
Net incoming / (outgoing) resources before transfers		324,281	(989,866)	1,511,098	845,513	491,896

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
(A Company Limited by Guarantee)

Statement of Financial Activities (continued)

For the Year Ended 31 August 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Gross transfers between Funds	18	(5,850)	(180)	6,030	-	-
Net income for the year before other recognised gains and losses		318,431	(990,046)	1,517,128	845,513	491,896
Continuing operations		55,479	(16,222)	1,501,327	1,540,584	417,487
Acquired operations		262,952	(973,824)	15,801	(695,071)	74,409
Actuarial losses on defined benefit pension scheme	21	-	(82,000)	-	(82,000)	(339,000)
Net movement in funds		318,431	(1,072,046)	1,517,128	763,513	152,896
Total funds at 1 September 2014		322,254	(863,145)	560,134	19,243	(133,653)
Total funds at 31 August 2015		640,685	(1,935,191)	2,077,262	782,756	19,243

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

The notes on pages 24 to 46 form part of these financial statements.

A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
(A Company Limited by Guarantee)
Registered number: 08138372

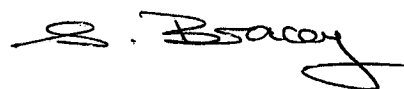
Balance Sheet

As at 31 August 2015

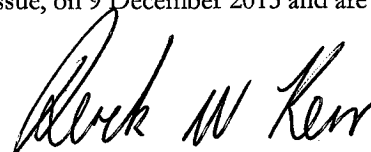
	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	15		1,678,113		560,134
Current assets					
Debtors	16	618,430		171,819	
Cash at bank and in hand		2,217,379		1,051,869	
		2,835,809		<u>1,223,688</u>	
Creditors: amounts falling due within one year	17	(968,166)		<u>(310,579)</u>	
Net current assets			1,867,643		913,109
Total assets less current liabilities			3,545,756		1,473,243
Defined benefit pension scheme liability	21		(2,763,000)		<u>(1,454,000)</u>
Net assets including pension scheme liability			782,756		<u>19,243</u>
Funds of the academy					
Restricted funds:					
Restricted funds	18	827,809		590,855	
Restricted fixed asset funds	18	2,077,262		560,134	
		2,905,071		<u>1,150,989</u>	
Restricted funds excluding pension liability					
Pension reserve	17	(2,763,000)		<u>(1,454,000)</u>	
Total restricted funds			142,071		(303,011)
Unrestricted funds	18		640,685		<u>322,254</u>
Total funds			782,756		<u>19,243</u>

The financial statements were approved by the Trustees, and authorised for issue, on 9 December 2015 and are signed on their behalf, by:

Mrs S N Bracey
Trustee



Mr D W Kerr
Trustee



The notes on pages 24 to 46 form part of these financial statements.

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
(A Company Limited by Guarantee)

Cash Flow Statement

For the Year Ended 31 August 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	23	770,279	828,158
Returns on investments and servicing of finance	24	2,112	2,989
Capital expenditure and financial investment	24	393,119	(23,578)
Increase in cash in the year		1,165,510	807,569

Reconciliation of Net Cash Flow to Movement in Net Funds

For the Year Ended 31 August 2015

	2015 £	2014 £
Increase in cash in the year	1,165,510	807,569
Movement in net funds in the year	1,165,510	807,569
Net funds at 1 September 2014	1,051,869	244,300
Net funds at 31 August 2015	2,217,379	1,051,869

The notes on pages 24 to 46 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 August 2015

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006. The treatment of land and buildings occupied by the Trust is discussed in more detail in note 1.6 below.

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 funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from Education Funding Agency.

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

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

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

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

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

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

Notes to the Financial Statements

For the Year Ended 31 August 2015

1. Accounting Policies (continued)

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 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Notes to the Financial Statements

For the Year Ended 31 August 2015

1. Accounting Policies (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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

In the case of fixed assets transferred from predecessor schools or entities, these are accounted for as follows:

Land and buildings

The Trust's various operations are undertaken from sites which are owned by Leicester Diocesan Board of Education. The board of trustees have chosen not to include building valuations on the balance sheet. The Trust does not own any of the school sites. The school sites are owned by the site trustees and are made available to the schools by a Church Supplemental Agreement. This agreement makes the school site available to the Trust and does not provide the Trust with a right to use it. The site trustees can withdraw the school site at any time on two years notice. The trust cannot sell the 'asset' or mortgage it as security for any borrowing. The economic benefit to the Trust is that it does have the use of the site for nil consideration, but only for the use as a church school. Therefore, the Trust has concluded after seeking legal opinion, not to include the value of the sites and buildings they use. The risks and rewards of ownership have not been passed to the Trust and therefore no value has been attributed to the land and buildings at 31 August 2015.

Fixtures and fittings

These are treated as acquired at fair value, calculated by reference to:

- net book value at the date of transfer; or
- estimated depreciated replacement cost; or
- an estimate of fair value calculated by reference to an assumed value of fixed assets, flexed to recognise the type of academy (primary, secondary etc) as compared to the pupil roll.

Academies joining the Trust

When an academy joins the Trust and is converting from a church school, this involves the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and which is accounted for under the acquisition accounting method.

The assets and liabilities transferred are valued at their fair value. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the voluntary income in the Statement of Financial Activities and analysed under restricted fixed asset funds.

Notes to the Financial Statements

For the Year Ended 31 August 2015

1. Accounting Policies (continued)

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.

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

Leasehold improvements	-	40 years straight line
Fixtures and fittings	-	10 years straight line
Computer equipment	-	3 years straight line

1.7 Operating leases

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

1.8 Taxation

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

1.9 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 21, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

Notes to the Financial Statements

For the Year Ended 31 August 2015

1. Accounting Policies (continued)

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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Some of the employees of the Trust are members of the Church of England Pension Builder Scheme (PBS) within the Church Workers Pension Fund, which is administered by the Church of England Pensions Board. Details of this fund can be found in the financial statements of Leicester Diocesan Board of Finance.

1.10 Academies joining the Trust

Leicester Academies Charitable Trust was a new charitable company set up on 11 July 2012 to act as an Academy Trust.

When an academy joins the trust and is converting from a state maintained school this involves the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust). The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

2. Voluntary income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	105,449	98,104	203,553	87,686

Notes to the Financial Statements

For the Year Ended 31 August 2015

3. Activities for generating funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	27,046	-	27,046	9,434
Other	7,887	126,584	134,471	26,477
	<u>34,933</u>	<u>126,584</u>	<u>161,517</u>	<u>35,911</u>

4. Investment income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Short term deposits	2,112	-	2,112	2,989
	<u>2,112</u>	<u>-</u>	<u>2,112</u>	<u>2,989</u>

5. Funding for Academy Trust's educational operations

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	6,597,730	6,597,730	3,384,353
Start Up Grants	-	-	-	175,000
Capital Grants	-	1,583,488	1,583,488	460,447
Other EFA grants	-	873,651	873,651	403,111
	<u>-</u>	<u>9,054,869</u>	<u>9,054,869</u>	<u>4,422,911</u>
Other government grants				
Local authority grants	-	192,796	192,796	53,531
	<u>-</u>	<u>192,796</u>	<u>192,796</u>	<u>53,531</u>
	<u>-</u>	<u>9,247,665</u>	<u>9,247,665</u>	<u>4,476,442</u>

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the Year Ended 31 August 2015

6. Resources expended

	Staff costs	Non Pay Expenditure		Total	Total
	2015	Depreciation 2015	Other costs 2015	2015	2014
	£	£	£	£	£
Costs of generating voluntary income	-	-	36,036	36,036	6,370
Academy's educational operations:					
Direct costs	4,949,927	64,372	572,503	5,586,802	2,539,672
Allocated support costs	1,102,761	23,362	1,065,199	2,191,322	1,090,122
	<u>6,052,688</u>	<u>87,734</u>	<u>1,637,702</u>	<u>7,778,124</u>	<u>3,629,794</u>
Governance costs including allocated support costs	-	-	165,555	165,555	170,668
Other resources expended	-	-	789,619	789,619	304,300
	<u>6,052,688</u>	<u>87,734</u>	<u>2,628,912</u>	<u>8,769,334</u>	<u>4,111,132</u>

Notes to the Financial Statements

For the Year Ended 31 August 2015

7. Charitable activities - Academy's Educational Operations

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	2014 £
Direct costs				
Teaching and educational support staff costs	-	4,814,297	4,814,297	2,298,127
Depreciation	-	64,372	64,372	29,275
Technology costs	-	49,938	49,938	7,678
Educational supplies	-	280,752	280,752	67,327
Staff development	-	35,817	35,817	21,274
Other direct costs	-	341,626	341,626	115,991
	-	5,586,802	5,586,802	2,539,672
Allocated support costs				
Support staff costs	-	1,102,761	1,102,761	487,057
Depreciation	-	23,362	23,362	13,419
Technology costs	-	138,786	138,786	66,495
Recruitment and support	-	2,610	2,610	1,000
Maintenance of premises and equipment	-	135,347	135,347	47,239
Cleaning	-	31,920	31,920	14,433
Rent & rates	-	62,955	62,955	15,778
Energy costs	-	117,363	117,363	58,864
Insurance	-	23,815	23,815	73,534
Catering	-	324,608	324,608	81,195
Bank interest and charges	-	1,142	1,142	2,036
Other support costs	27,470	199,183	226,653	229,072
	27,470	2,163,852	2,191,322	1,090,122
	27,470	7,750,654	7,778,124	3,629,794

8. Governance costs

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditor's remuneration	-	23,175	23,175	17,000
Auditor's non audit costs	-	1,905	1,905	1,300
Legal and professional fees	-	140,475	140,475	152,368
	-	165,555	165,555	170,668

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the Year Ended 31 August 2015

9. Other resources expended

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfer of liabilities on acquisition	<u>(239,037)</u>	<u>1,028,656</u>	<u>789,619</u>	<u>304,300</u>

10. Net incoming / (outgoing) resources

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charity	87,734	42,694
Auditor's remuneration	<u>23,175</u>	<u>17,000</u>

11. Staff

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	4,806,205	2,286,327
Social security costs	285,965	142,059
Other pension costs (Note 21)	824,888	356,798
	<u>5,917,058</u>	<u>2,785,184</u>
Supply teacher costs	<u>135,630</u>	<u>29,957</u>
	<u>6,052,688</u>	<u>2,815,141</u>

Notes to the Financial Statements

For the Year Ended 31 August 2015

11. Staff (continued)

b. Staff numbers

The average number of persons (including the senior management team) employed by the academy trust during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Teachers	74	45
Administration and support	118	69
Management	11	10
	<u>203</u>	<u>124</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £ 60,001 - £ 70,000	2	3
In the band £ 70,001 - £ 80,000	3	0
	<u>5</u>	<u>3</u>

All of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2015, pension contributions for these staff amounted to £41,358 (2014 - £23,502).

The remuneration of the Chief Executive is borne by Leicester Diocesan Board of Education, it is not possible to separately identify that part of the charge relating to Diocese of Leicester Academies Trust.

Notes to the Financial Statements

For the Year Ended 31 August 2015

12. Central services

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

- human resources
- financial services
- operational services, such as health and safety and property services
- educational support

The academy trust charges for these services on the following basis:

The Trust has financed these services by a 5% charge on academies' core funding streams.

The actual amounts charged during the year were as follows:

	2015
	£
Syston St Peter & St Paul CE Academy	58,217
Melton St Marys CE Academy	38,434
Weavers Close CE Academy	46,633
Croxton Kerrial CE Academy	16,988
Barlestone CE Academy	25,449
Wymondham St Peters CE Academy	13,047
Higham on the Hill CE Academy	16,009
Mountsorrel Christ Church & St Peter's CE Academy	58,229
Redmile CE Academy	13,075
Tugby CE Academy	18,848
Waltham on the Wolds CE Academy	18,484
Total	<u>323,413</u>

Notes to the Financial Statements

For the Year Ended 31 August 2015

13. Related Party Transactions - 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:

	2015	2014
	£	£
Mr I E Sharpe (staff trustee)	50,000-55,000	35,000-40,000
Mr S M Gleave (staff trustee)	35,000-40,000	30,000-35,000

During the period ended 31 August 2015, travel and subsistence expenses totalling £452 (2014 - £3,670) were reimbursed to trustees.

Other related party transactions involving the Trustees are set out in note 28.

14. Trustees' and officers' insurance

In accordance with normal commercial practice the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,473 (2014 - £886). The cost of this insurance is included in the total insurance cost.

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the Year Ended 31 August 2015

15. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2014	414,204	92,152	109,525	615,881
Additions	941,672	126,233	122,464	1,190,369
Inherited from predecessor schools	-	-	15,344	15,344
	<u>1,355,876</u>	<u>218,385</u>	<u>247,333</u>	<u>1,821,594</u>
Depreciation				
At 1 September 2014	3,975	12,441	39,331	55,747
Charge for the year	10,355	13,007	64,372	87,734
	<u>14,330</u>	<u>25,448</u>	<u>103,703</u>	<u>143,481</u>
Net book value				
At 31 August 2015	<u>1,341,546</u>	<u>192,937</u>	<u>143,630</u>	<u>1,678,113</u>
At 31 August 2014	<u>410,229</u>	<u>79,711</u>	<u>70,194</u>	<u>560,134</u>

During the period, the Trust inherited £15,344 of fixed assets from predecessor schools (2014 - £19,092).

16. Debtors

	2015 £	2014 £
Trade debtors	43,507	-
Other debtors	263,994	94,497
Prepayments and accrued income	310,929	77,322
	<u>618,430</u>	<u>171,819</u>

17. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	136,477	-
Other taxation and social security	164,680	96,692
Other creditors	476,091	80,184
Accruals and deferred income	190,918	133,703
	<u>968,166</u>	<u>310,579</u>

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Notes to the Financial Statements

For the Year Ended 31 August 2015

18. Funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Unrestricted funds	322,254	142,494	181,787	(5,850)	-	640,685
Restricted general funds						
General Annual Grant (GAG)	350,614	6,597,730	(6,173,232)	(180)	-	774,932
Start Up Grant	80,463	-	(80,463)	-	-	-
Other EFA grants	159,778	873,651	(1,033,429)	-	-	-
Other government grants	-	192,796	(192,796)	-	-	-
Other donations	-	224,688	(171,811)	-	-	52,877
Pension reserve	(1,454,000)	-	(1,227,000)	-	(82,000)	(2,763,000)
	(863,145)	7,888,865	(8,878,731)	(180)	(82,000)	(1,935,191)
Restricted fixed asset funds						
DfE/EFA capital grants	501,443	1,583,488	(65,202)	23,682	-	2,043,411
Assets inherited from predecessor schools	58,691	-	(7,188)	(17,652)	-	33,851
	560,134	1,583,488	(72,390)	6,030	-	2,077,262
Total restricted funds	(303,011)	9,472,353	(8,951,121)	5,850	(82,000)	142,071
Total of funds	19,243	9,614,847	(8,769,334)	-	(82,000)	782,756

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

The restricted general fund includes grants receivable from the EFA and local government towards the operating activities of the Trust administered by the charitable company.

The fixed asset fund includes amounts receivable from the EFA, and assets inherited on conversion to academies in respect of tangible fixed assets held for the Trusts use.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
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Notes to the Financial Statements

For the Year Ended 31 August 2015

18. Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Syston St Peter & St Paul CE Academy	361,359
Melton St Marys CE Academy	43,867
Weavers Close CE Academy	441,904
Croxton Kerrial CoE Primary School	52,611
Barlestone CE Primary School	50,919
Wymondham St Peter's CE Primary School	44,052
Higham on the Hill CE Academy	88,543
Mountsorrel Christ Church & St Peter's CE Academy	17,484
Redmile CE Academy	37,560
Tugby CE Academy	77,007
Waltham on the Wolds CE Academy	112,532
Central services	140,656
Total before fixed asset fund and pension reserve	<u>1,468,494</u>
Restricted fixed asset fund	2,077,262
Pension reserve	(2,763,000)
Total	<u><u>782,756</u></u>

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For the Year Ended 31 August 2015

18. Funds (continued)

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Syston St Peter & St Paul CE Academy	901,827	141,273	47,124	248,688	1,338,912
Melton St Marys CE Academy	550,936	90,924	45,744	158,762	846,366
Weavers Close CE Academy	568,600	101,164	59,754	278,307	1,007,825
Croxton Kerrial CoE Primary School	241,598	46,198	10,883	85,768	384,447
Barlestone CE Primary School	371,230	83,537	20,625	76,708	552,100
Wymondham St Peter's CE Primary School	184,062	22,255	4,726	64,836	275,879
Higham on the Hill CE Academy	219,202	46,693	14,150	(17,752)	262,293
Mountsorrel Christ Church & St Peter's CE Academy	992,491	145,455	58,109	179,126	1,375,181
Redmile CE Academy	178,438	30,590	4,340	59,669	273,037
Tugby CE Academy	305,994	35,202	18,556	2,672	362,424
Waltham on the Wolds CE Academy	299,919	45,673	19,823	23,737	389,152
Central services	-	313,797	26,856	1,273,331	1,613,984
	<u>4,814,297</u>	<u>1,102,761</u>	<u>330,690</u>	<u>2,433,852</u>	<u>8,681,600</u>

19. Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	1,678,113	1,678,113	560,134
Current assets	640,685	1,795,975	399,149	2,835,809	1,223,688
Creditors due within one year	-	(968,166)	-	(968,166)	(310,579)
Pension scheme liability	-	(2,763,000)	-	(2,763,000)	(1,454,000)
	<u>640,685</u>	<u>(1,935,191)</u>	<u>2,077,262</u>	<u>782,756</u>	<u>19,243</u>

Notes to the Financial Statements

For the Year Ended 31 August 2015

20. Capital commitments

At 31 August 2015 the academy trust had capital commitments as follows:

	2015	2014
	£	£
Contracted for but not provided in these financial statements	<u>601,561</u>	<u>126,057</u>

21. Pension commitments

The academy trust'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 Leicestershire County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2010.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years 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

Notes to the Financial Statements

For the Year Ended 31 August 2015

21. Pension commitments (continued)

- 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%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £566,198 (2014: £272,398).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

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 2015 was £376,000, of which employer's contributions totalled £293,000 and employees' contributions totalled £83,000.

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.

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	6.30	1,734,000	6.30	969,000
Bonds	3.30	552,000	3.30	235,000
Property	4.50	289,000	4.50	138,000
Cash	3.30	53,000	3.30	42,000
Total market value of assets		<u>2,628,000</u>		<u>1,384,000</u>
Present value of scheme liabilities				
- Funded		<u>(5,391,000)</u>		<u>(2,838,000)</u>
Deficit in the scheme		<u><u>(2,763,000)</u></u>		<u><u>(1,454,000)</u></u>

The actual return on scheme assets was £83,000 (2014 - £112,000).

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
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Notes to the Financial Statements

For the Year Ended 31 August 2015

21. Pension commitments (continued)

The amounts recognised in the Balance Sheet are as follows:

	2015	2014
	£	£
Present value of funded obligations	(5,391,000)	(2,838,000)
Fair value of scheme assets	2,628,000	1,384,000
	<hr/>	<hr/>
Net liability	(2,763,000)	(1,454,000)
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	2014
	£	£
Current service cost	(428,000)	(146,000)
Interest on scheme liabilities	(170,000)	(82,000)
Expected return on scheme assets	122,000	53,000
	<hr/>	<hr/>
Total	(476,000)	(175,000)
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	2014
	£	£
Opening defined benefit obligation	2,838,000	1,402,000
Current service cost	428,000	146,000
Interest cost	170,000	82,000
Employee contributions	83,000	33,000
Actuarial Losses	43,000	452,000
Liabilities assumed on conversion to academy trust	1,865,000	727,000
Benefits paid	(36,000)	(4,000)
	<hr/>	<hr/>
Closing defined benefit obligation	5,391,000	2,838,000
	<hr/> <hr/>	<hr/> <hr/>

Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust)
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Notes to the Financial Statements

For the Year Ended 31 August 2015

21. Pension commitments (continued)

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

	2015	2014
	£	£
Opening fair value of scheme assets	1,384,000	729,000
Expected return on assets	122,000	53,000
Actuarial (losses) / gains	(39,000)	113,000
Employer contributions	293,000	116,000
Employee contributions	83,000	33,000
Assets acquired on conversion to academy trust	821,000	344,000
Benefits paid	(36,000)	(4,000)
	<u>2,628,000</u>	<u>1,384,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of financial activities was £427,000 loss (2014 - £345,000 loss).

The academy trust expects to contribute £343,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.70 %
Expected return on scheme assets at 31 August	3.70 %	5.50 %
Rate of increase in salaries	4.50 %	4.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

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

	2015	2014
Retiring today		
Males	22.2	22.2
Females	24.3	24.3
Retiring in 20 years		
Males	24.2	24.2
Females	26.6	26.6

Notes to the Financial Statements

For the Year Ended 31 August 2015

21. Pension commitments (continued)

Amounts for the current and previous two periods are as follows:

Defined benefit pension schemes

	2015	2014	2013
	£	£	£
Defined benefit obligation	(5,391,000)	(2,838,000)	(1,402,000)
Scheme assets	2,628,000	1,384,000	729,000
Deficit	<u>(2,763,000)</u>	<u>(1,454,000)</u>	<u>(673,000)</u>
Experience adjustments on scheme liabilities	-	(40,000)	-
Experience adjustments on scheme assets	<u>(39,000)</u>	<u>113,000</u>	<u>(6,000)</u>

22. Operating lease commitments

At 31 August 2015 the academy trust had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Expiry date:				
Within 1 year	-	-	999	393
Between 2 and 5 years	-	-	<u>13,736</u>	<u>4,714</u>

23. Net cash flow from operations

	2015	2014
	£	£
Net incoming resources before revaluations	845,513	491,896
Returns on investments and servicing of finance	(2,112)	(2,989)
Assets inherited	(15,344)	(19,092)
Depreciation of tangible fixed assets	87,734	42,694
Capital grants from DfE	(1,583,488)	(460,447)
(Increase)/decrease in debtors	(446,611)	191,702
Increase in creditors	657,587	142,394
FRS 17 adjustments	1,227,000	442,000
Net cash inflow from operations	<u>770,279</u>	<u>828,158</u>

Notes to the Financial Statements

For the Year Ended 31 August 2015

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	2,112	2,989
	<u>2015</u> £	<u>2014</u> £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,190,369)	(484,025)
Capital grants from DfE	1,583,488	460,447
Net cash outflow from capital expenditure	<u>393,119</u>	<u>(23,578)</u>

25. Analysis of changes in net funds

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,051,869	1,165,510	-	2,217,379
Net funds	<u>1,051,869</u>	<u>1,165,510</u>	<u>-</u>	<u>2,217,379</u>

26. 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.

27. Conversion to an academy trust

The Trust acquired five further academies during the year ended 31 August 2015 and assets and liabilities were transferred to Diocese of Leicester Academies Trust (formerly Leicester Academies Charitable Trust) for £nil consideration.

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

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

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Notes to the Financial Statements

For the Year Ended 31 August 2015

27. Conversion to an academy trust (continued)

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Other tangible fixed assets	-	-	15,344	15,344
Budget surplus/(deficit) on other school funds	239,037	-	-	239,037
LGPS pension surplus/(deficit)	-	(1,044,000)	-	(1,044,000)
Net assets/(liabilities)	<u>239,037</u>	<u>(1,044,000)</u>	<u>15,344</u>	<u>(789,619)</u>

28. Related party transactions

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

Diocese of Leicester Academies Trust paid salaries of £234,125 (2014 - received £110,374) to employees who have a contract of employment with Leicester Diocesan Board of Education. These amounts have been fully recharged at cost and do not relate to Trustees remuneration.

Leicester Diocesan Board of Education were charged £1,674 (2014 - £26,863) for services provided by employees of Diocese of Leicester Academies Trust.

At 31 August 2015, Diocese of Leicester Academies Trust was owed £52,632 (2014 - £62,853 owing) by Diocesan Board of Education for salaries and expenses relating to Diocese of Leicester Academies Trust employees'.

Diocese of Leicester Educational Trust charged Diocese of Leicester Academies Trust £12,500 (2014 - £15,000) in conversion fees for each of the academies within the Trust at the period end. At 31 August 2015 Diocese of Leicester Academies Trust owed Diocese of Leicester Educational Trust £12,500 (2014 - £15,000).

Diocese of Leicester Academies Trust charged Diocese of Leicester Educational Services Limited £768 (2014 - £506 received) for commission on HR costs at cost. At 31 August 2015, Diocese of Leicester Academies Trust were owed £262 (2014 - £506 owing) by Diocese of Leicester Educational Services Limited.

29. Controlling party

The Trustees consider Leicester Diocesan Board of Education, company number 08432843, incorporated on 6 March 2013, to be the controlling entity of the charitable company.