

**THE MEAD EDUCATIONAL TRUST**  
(A Company Limited by Guarantee)



**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Azam Mamujee Kishor Tailor Chris Wilkinson Sally Cox Anthony Glover
<b>Trustees</b>	Anthony Glover, Chair of Trustees <sup>2,3</sup> Carolyn Robson, Chief Executive Gemma Bhagalia <sup>3</sup> Rachael Clarke (resigned 20 June 2021) <sup>1,2</sup> Kate Foster (appointed 29 January 2021) <sup>1</sup> Elaine Taylor (resigned 12 May 2021) <sup>2,3</sup> Kirsty Holt <sup>2</sup> Kasar Singh <sup>1</sup> Deepak Karia (resigned 2 February 2021) <sup>1</sup> Hetal Parmar, Vice-Chair of Trustees Hiten Mehta <sup>1</sup> Jeremy Robinson (appointed 22 March 2021)
	<sup>1</sup> Finance & Audit Committee <sup>2</sup> Remuneration Committee <sup>3</sup> Education Committee
<b>Company registered number</b>	09079258
<b>Company name</b>	The Mead Educational Trust
<b>Principal and registered office</b>	The Mead Centre 343 Gipsy Lane Leicester LE4 9DD
<b>Company secretary</b>	Cathy Brown
<b>Chief executive officer</b>	Carolyn Robson
<b>Senior management team</b>	Carolyn Robson, Chief Executive Officer (CEO) Sarah Ridley, Deputy CEO and Director of Education - Primary Cathy Brown, Director of Governance Gulbanu Kader, Director of Education - Secondary (from 25 August 2021) David Wyatt, Chief Financial Officer Dave Roper, Director of the Leicester and Leicestershire Teaching School Hub Mark Oldman, Director of Education – SEND and Inclusion Milan Premdjy, Director of Trust Operations Lisa Cochrane, Director of People and Organisational Development Rita Hindocha, Director of Education - Secondary (to 25 August 2021)

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Independent auditors**      Magma Audit LLP  
Chartered Accountants  
Unit 2, Charnwood Edge Business Park  
Syston Road  
Cossington  
Leicestershire  
LE7 4UZ

**Bankers**                      Lloyds Bank  
High Street  
Leicester  
LE1 4FP

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

By 31 August 2021, The Mead Educational Trust (TMET) comprised 12 schools (seven primary and five secondary), Leicester Teaching School and Leicestershire Secondary SCITT (School Centred Initial Teacher Training). 11 of the TMET schools are based in Leicester and one secondary school is in the Leicestershire County. TMET's schools have a total of nearly 8,000 pupils.

During the 2020-21 financial year, the Trust grew by two schools: Kibworth Mead Academy joined the Trust in April 2021 and Brook Mead Academy opened in August 2021. (A thirteenth school, Fosse Mead Primary Academy, joined the Trust on 1 September 2021).

TMET was established to provide a local sponsorship solution and became fully operational in November 2015 with its first two schools, Rushey Mead Academy and North Mead Primary Academy (previously Northfield House Primary Academy). By the end of the 2019-20 financial year, TMET has grown to an 'Established Trust' of 10 schools and, by the start of September 2021, to 13 schools. The Trust is deliberately a cross phase, believing that everyone has much to learn from each other and that primary colleagues in particular have a rich, holistic understanding of their learners.

TMET has always been underpinned by a strong moral purpose and commitment to improving life chances for all young people. There has been a long history of collaboration and system leadership through the National Support Schools at Rushey Mead Academy and Willowbrook Mead Primary Academy (previously Willowbrook Primary Academy) and through its Teaching School and Leicestershire Secondary SCITT. North Mead Primary Academy has become a National Support School since joining the Trust. The TMET Board of Trustees is determined to continue to develop a high performing Multi Academy Trust (MAT) that delivers the very best educational experience for pupils at both primary and secondary level.

As a school trust, TMET builds on reciprocity and partnership to develop excellent opportunities and ambitious, aspirational outcomes for all, whilst nurturing self-worth and resilience. Alongside this reciprocal partnership arrangement sits clear accountability measures facilitated by strong governance and quality assurance.

In its pursuit of delivering the best educational experience for its pupils, the Trust continues to develop a cost effective, sustainable organisation and a business model that delivers efficiency, effectiveness and economies of scale in order to free up more resources for pupils and school improvement.

The Trust has strategic plans for the next three years which support the core focus of delivery of outstanding education and school improvement. Alongside this TMET is carefully growing its number of schools and central team to create further capacity within the Trust.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management**

● **Constitution**

The Mead Educational Trust is a company limited by guarantee (No. 09079258) and an exempt charity in accordance with the Academies Act 2010. The charitable company was incorporated on 10 June 2014.

The Mead Educational Trust changed its name from Rushey Mead Educational Trust on 19 July 2018.

The governance of the Trust is defined in the Memorandum and Articles of Association together with the funding agreements with the Department for Education (DfE). The Trustees of the Trust are the directors of the charitable company for the purposes of company law and the Trustees for the purposes of charity law.

The charitable company is known as The Mead Educational Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the reference and administrative details on page 1.

● **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.

● **Trustees' indemnities**

TMET has opted out of the Department for Education's (DfE's) risk protection arrangement (RPA) scheme in favour of a comprehensive package of insurance with Zurich for all its converter and sponsored academies. The two new Free Schools (Brook Mead and Castle Mead Academies) are part of the DfE's risk protection arrangement (RPA) scheme as this is a requirement of the DfE. Trustees and officer indemnity is covered in the policies but it is not possible to quantify this element from the overall cost of the scheme as the insurance is costed on a per pupil basis.

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

Trustees are appointed on the basis of skills, competencies and experiences following a skills audit and self-review by the Board. Some Trustees have been recruited with support from Academy Ambassadors and Inspiring Governance and some from the networks of existing Trustees. As set out in the Trust's Articles of Association, six trustees are appointed by the Members and some are appointed by the Trustees.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

• **Policies adopted for the induction and training of Trustees**

Each new Trustee attends a face-to-face induction session (in person or virtually) with the Trust Director of Governance. Where a Trustee joins a committee or takes on a particular role (e.g. Safeguarding Trustee), they meet with an appropriate member of the Trust central team for a briefing on that area (e.g. with the Chief Financial Officer for a Trustee who will join the Finance Committee).

Trustees have access to the Trust bespoke training sessions and also to governance training provided by the Teaching School, Local Authority Governor Services and other providers (such as CST). They also have access to Learning Link online governance training. Any costs associated with governance training and development are met by the Trust central budget.

Support, advice and guidance is available to Trustees from the Trust Director of Governance and from the Clerk to the Board of Trustees. Additional information and guidance is available through the Board's membership of the National Governance Association and registration with The Key for School Governors.

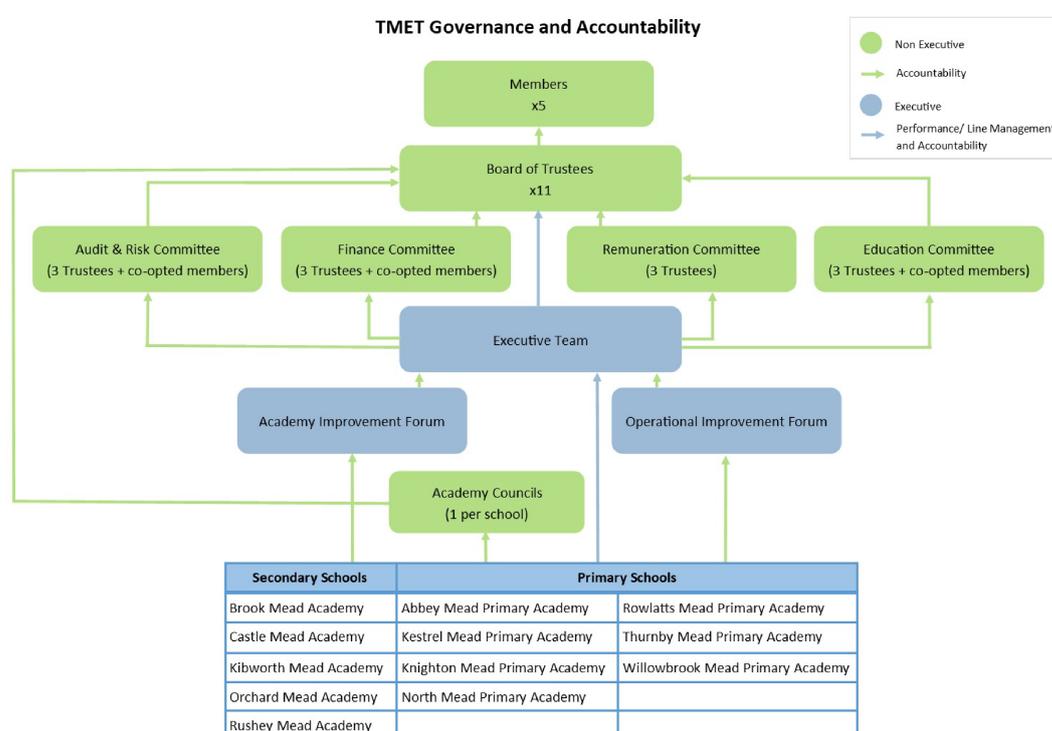
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Structure, governance and management (continued)**

• **Organisational structure**

The Trust Governance and Accountability Structure at 31 August 2021:



**Members**

The Members are the guardians of the Trust constitution, changing the Articles of Association if necessary and ensuring the charitable objects are fulfilled. The Members appoint some of the Trustees and can exercise powers to remove them. The Trust will ordinarily have five Members.

**Board of Trustees**

The Board of Trustees is responsible for conducting the affairs of the Trust to achieve its objectives, shaping the success of the Trust. The Board is responsible for the governance of the Trust and the Trustees have duties as company directors under company law and as Trustees under charity law. The Trustees establish the overall framework for governance of the Trust and determine membership, terms of reference and procedures of Board committees and Academy councils.

The Board of Trustees ordinarily meets four times per year. In 2020-21 academic year it met eight times due to the Trust's response to the COVID-19 pandemic. In 2022-21 Trustees have planned six Board meetings.

**Finance and Audit Committee**

This committee provides assurance to the Trust Board over the sustainability of, and compliance with, the Trust's financial systems and operational controls. The committee's role is to maintain an oversight of the Trust's financial governance, risk management, internal control and value for money framework.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

This committee meets at least four times per year.

**Education Committee**

This committee provides assurance to the Trust Board on the standards, performance and safeguarding of all schools within TMET. The committee monitors and evaluates pupil progress and attainment and the quality of teaching, ensuring the Trust provides a consistently high quality learning experience and delivers a broad and balanced curriculum in keeping with the Trust's aims and vision, all pupil needs and legal requirements.

This committee meets at least four times per year.

**Remuneration Committee**

This committee considers, determines and keeps under review a framework for the remuneration and terms and conditions of the Trust CEO and senior staff, both in individual schools and in the Trust Executive Team. The committee uses benchmarking evidence of the remuneration, benefits and incentives paid to senior staff in comparable employment and ensures the remuneration or other sums paid to senior staff do not exceed amounts that are reasonable in all the circumstances.

This committee meets once per year.

**Academy Councils**

Each school has its own Academy council. Each Academy council is a committee of the Trust Board and is given responsibility for detailed oversight of its school.

An Academy council is comprised of members appointed by the Trust, elected parents and staff and the principal. A school in special measures or causing concern may have a smaller Academy council, e.g. Orchard Mead Academy has done so since it joined TMET in September 2017.

The responsibility and levels of authority of The Academy Trust councils are set down in the Trust Scheme of Delegation and in the Academy Council Constitution and Terms of Reference. Schools that are in special measures or causing concern may have fewer delegated powers, e.g. the Academy council of Orchard Mead Academy has not had financial responsibilities since the school joined TMET in September 2017 to enable the Academy council to focus on educational provision, behaviour and safeguarding.

The key responsibilities of an Academy council include to:

- provide robust challenge and positive support to the principal and senior leadership team of the school;
- determine the educational character, mission and ethos of the school;
- monitor progress against the school improvement plan;
- monitor pupils' progress and attainment;
- monitor the effectiveness of the school's SEND provision;
- monitor the use and impact of additional funding: Pupil Premium, COVID Catch-Up Premium, Sports Premium (primary);
- monitor the implementation of the school's behaviour policy;
- ensure the safeguarding, wellbeing and health and safety of pupils and staff;
- support the senior leadership team in planning the staffing structure and in management of staff;
- ensure good financial health and probity;
- develop appropriate risk management strategies;
- ensure effective health and safety practice; and
- establish and maintain relationship with the local community, including parents.

Trust Executive Team and Central Team

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

The Executive Team is the executive management arm of the Trust, focusing on operations and the educational performance of the Trust schools. The team operates under the leadership and direction of the Chief Executive Officer, who is also the Accounting Officer and, by virtue of their position, a Trustee. The Executive Team also includes the Deputy Chief Executive Officer (and Director of Education – Primary), Chief Financial Officer, Director of Education - Secondary, Director of Education – SEND and Inclusion, Executive Principal, Director of People and Organisational Development, Director of Trust Operations, Director of Governance, Director of the Leicester and Leicestershire Teaching School Hub and Director of SCITT.

During 2020-21 the Executive Team has been supported by other members of the Trust central team including the Executive Assistant, HR Adviser and Finance Team. In addition, consultants have been engaged over the year to provide additional, flexible capacity in HR and free school project management.

A centralised IT Team has been operating since September 2019 and a Trust Data Team was established during 2020-21.

The Executive Team and wider Trust central team work directly with the Academy Improvement Forum (principals), Operational Improvement Forum (business and Academy managers), staff in each school and the Academy councils to ensure that the required outcomes are achieved in accordance with the direction and vision of the Trust Board.

**Academy Improvement Forum**

The Trust school principals meet fortnightly in the Academy Improvement Forum (AIF). The meetings alternate between all principals together and the primary and secondary phases meeting separately. The Directors of Education for Primary and Secondary chair the separate meetings and the CEO chairs the joint ones. These meetings provide a very effective forum for professional dialogue and challenge, are integral to all school improvement activities and enable the principals to suggest developments to the Executive Team.

**Operational Improvement Forum**

All the Trust school business/Academy managers meet fortnightly with the Trust Chief Financial Officer, Director of Operations and other central staff as appropriate, in the Operational Improvement Forum. These meetings provide a very effective forum for professional dialogue and challenge, are integral to all school business activities and enable the business managers to suggest developments to the Executive Team.

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

The Trust's Pay Policy sets out the framework for making decisions on Trust employees' pay. It has been developed to comply with current legislation, the requirements of the School Teachers' Pay and Conditions Document (STPCD) and the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service ("Green Book") and in accordance with the principles of public life – objectivity, openness and accountability.

Pay decisions for Trust and Academy senior leadership posts are made by the Trust Remuneration Committee. The pay levels of the key management personnel are benchmarked against comparable positions at similar sized multi-Academy trusts.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

• **Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	<b>6</b>
Full-time equivalent employee number	<b>6</b>

**Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	<b>1</b>
1%-50%	<b>5</b>
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time** **£**

Total cost of facility time	<b>928</b>
Total pay bill	<b>34,016,571</b>
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	<b>79</b> %
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

• **Engagement with employees (including disabled persons)**

**Communications**

The Mead Educational Trust has over 1,000 employees, the majority working in the 12 schools in the Trust. The principals and business managers of the schools attend separate fortnightly forum meetings with members of the Trust Executive Team where relevant information is shared and so they can cascade information as appropriate to their staff. Regular senior leadership team meetings and school staff meetings and briefings take place at school level.

The Trust provides a range of written communications with employees in the form of newsletters, bulletins and letters to staff from the CEO and Chair of Trust Board.

The Trust has a number of network groups which bring together those in the schools with particular roles and members of the Trust Central Team. These include: principals; business/Academy managers; special education needs co ordinators; attendance staff; and, designated safeguarding leads. In 2020-21, a key development was the establishment of secondary Subject Improvement Forums for the subjects taught across the five TMET secondary schools. These groups and forums enable staff to share ideas and challenges and to collaborate on solutions and new projects. It also enables relevant information to be communicated by the central team both to and from these groups.

**Consultation and seeking views**

A staff survey is carried out each year and results are considered at Trust and school level. Statutory consultations with appropriate staff are carried out on key changes such as staff restructures, staffing changes, length of the school day and planned pupil admission number.

The discussions at the Trust network groups inform Trust decisions.

Positive staff and trade union relationships are fundamental to the Trust's ethos of ensuring good employee relations. The Trust holds a Joint Consultative Committee meeting once per term for union representatives and members of the Trust executive team to discuss HR matters and policies. These meetings continued online through 2020-21.

**Sharing Trust's performance**

The schools engage staff in discussing information such as the educational performance of pupils at their school. Headline performance information such as Ofsted inspection outcomes are shared through staff newsletters and this information along with other key information is published online, e.g. end of key stage performance and Trust annual accounts.

**Equal Opportunities Policy**

This sets out the Trust's commitment to equality, diversity and inclusion in recruitment, selection and provision of training and employment in line with the Equality Act 2010. Disability is included as a protected characteristic. All HR policies, procedures and processes strongly reflect this ethos. Appropriate support is given to all (including potential) employees, as appropriate, to help them secure and remain in suitable positions within the Trust. This also includes securing promotion.

Managers are given appropriate training and guidance to enable them to support disabled applicants and employees, including seeking Occupational Health advice and implementing reasonable workplace adjustments.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

• **Engagement with suppliers, customers and others in a business relationship with the trust**

**Suppliers**

The Mead Educational Trust relies on external suppliers for a number of key services. As well as being important for our success, we believe that dealing with suppliers in the right way is the right thing to do.

The Trust actively engages with suppliers through the undertaking of appropriate procurement exercises, ongoing contract management processes and partnership engagement. The Board approved Procurement Policy sets out the procurement rules for the Trust which ensure that taxpayers' money is used in ways that are demonstrably open, fair, and good value. It requires that all suppliers are given an equal opportunity to seek business and to make competitive offers, and that spending choices and decisions are transparent and defensible.

The Procurement Policy expects good contract management with suppliers, building and maintaining a strong working relationship with the supplier and all with all relevant partners and stakeholders, checking that the scheduled goods, works or services are being delivered on time and to the required standards set out in the contract.

**Parents and carers**

The Trust actively engages with parents and carers of pupils via the individual schools' communications methods which include email, text and the use of online platforms such as Schoolcomms, Weduc and Dojo. These online platforms enable quick communication between staff and parents and one-to-one communications. They also provide translation options which is invaluable for many families in TMET schools. The communication apps really came into their own during the COVID lockdown from March 2020 when the majority of children were not attending school.

The Trust schools seek parent views via annual parent questionnaires and engage face to face (or online) with parents at parents' evenings and a wide range of other school events.

**Pupils**

Pupil views are gathered through a variety of routes such as pupil questionnaires, school councils and daily communications in class and in school in general.

**Others in a business relationship with the Trust**

11 of the 12 TMET schools are within Leicester City Local Authority (LA). The Trust purchases some services from the LA and has regular meetings with representatives from this LA. TMET considers itself and the LA to be strategic partners in that it works with the LA to develop solutions to meeting need in Leicester, for example the planning of three new DSPs (designated specialist provision units) during 2020-21.

The Trust has built a good relationship with the Regional Schools Commissioner to discuss performance of the Trust and of how it can work to support other schools in the area.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

• **Related parties and other connected charities and organisations**

Although there are a number of professional links with other schools and third party organisations, the Trust is an independent company with no affiliation to outside bodies.

The Trust works closely with a wide variety of organisations in the field of education, including but not restricted to:

- Leicester City Council
- Leicester City Educational Improvement Partnership
- Leicestershire Secondary SCITT
- Challenge Partners
- The British Council
- Teaching Schools Council
- a number of Multi Academy Trusts

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**(continued)**

● **Objects and aims**

The Trust's mission statement is 'together we make a positive difference'.

Our mission statement demonstrates our fundamental belief that we can achieve more together than separately. We believe that we will be able to provide the best possible education for local young people where our schools create a climate within which young people will thrive. We will achieve this through strong collaboration, through strong executive leadership and management, through excellent learning, teaching and assessment, where our teachers are expert in their fields, and where we have effective local governance, a professional approach to our business, and sound financial management.

The Mead family of schools has developed a set of guiding principles (the 7Cs) that define who we are and help to guide us in all that we do. These are:

- **Challenge:** Providing an excellent education by having high aspirations for all. Providing a platform for pupils to challenge themselves and others, so they can become the best they can be and contribute actively to society.
- **Creativity:** Providing pioneering, vibrant and transformative learning experiences that are open to all. Offering a well-researched and evaluated curriculum, which acts as the catalyst for personal growth.
- **Culture:** Respecting and celebrating diversity, enriching the lives of our pupils. Providing inspiration to participate in, and respond to, artistic and cultural experiences.
- **Collaboration:** Working effectively and harmoniously together across phases, knowing our strengths will influence every step of our development, and celebrating our successes.
- **Community:** Building a sense of belonging in a reflective and stimulating environment. Celebrating care, kindness and difference, allowing positive relationships to flourish and ensuring communication is excellent.
- **Character:** Nurturing and developing personal attributes such as perseverance, resilience, confidence, optimism, tolerance, respect, community spirit, honesty, integrity and dignity.
- **Courage:** Committing to challenge racial and social injustice and to promote personal and societal change. Making decisions based on clear high moral values and delivered with compassion and integrity.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**(continued)**

Each school develops its own unique ethos and character reflecting its community and context rather than the Trust imposing a predetermined solution. However, where schools require sponsored solutions or strong intervention, we will put in place a tight school improvement solution with much less flexibility and greater control.

The Trust ensures its values drive its key performance indicators and the school improvement strategy. In particular, it is committed to ensuring that all its young people, particularly the least advantaged, receive excellent teaching so that they can make progress that is outstanding. The Trust, as the employer of all staff within its schools, provides high quality, professional development for staff so they can develop their own learning and skills.

The Trust is fully committed to a school led system, as already demonstrated through its Teaching School, SCITT and Challenge Partners Hub. It believes that strong networks build capacity from within and a culture that is constantly reflective and outward focused.

Trust strategy begins from careful audits of each new school, understanding through due diligence processes the strengths and areas for development in each from the beginning. Each of our schools has a challenging improvement plan which is carefully monitored both by the Academy council and the Trust Executive Team, overseen by the Trust's Board of Trustees. The Trust also captures areas of expertise that can share capacity to support other schools as well as school specific requirements. Bespoke high quality packages of support are facilitated, using the Trust's network of system leadership and core services. The school improvement model ensures that schools needing full recovery have strong support and monitoring. The Trust builds leadership and management capacity internally and trains and deploys their own NLEs, LLEs and SLEs via the Teaching School.

A major benefit of the model is formalised school to school support, impacting directly on all young people. Leadership development and career opportunities within the Trust also directly impact on outcomes by providing secondment opportunities and breadth of experience to colleagues within the Trust. This school led system ensures the Trust schools have strong networks and a strong voice in their own future. Schools which join the Trust are able to help shape and develop its work and benefit both from the support they have received and the opportunities for school improvement they in turn are able to offer.

● **Public benefit**

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The Trust supports schools, both inside and outside the Trust, through the National Support School status of two of its academies, delivery of professional development, through the Trust's Leicester Teaching School Alliance, and the sharing of effective practice and knowledge to ultimately benefit the wider community.

The Trust's public benefit is enshrined in its charitable objectives, which state "to play a role in the regeneration of communities that the academies serve by increasing the belief of parents and carers in the purpose and value of education and valuing the partnership with families and children".

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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(continued)

## **Strategic report**

### **Achievements and performance**

#### **• Key performance indicators**

By the end of 2020-21 the Trust is providing education for nearly 8,000 pupils in Leicester and Leicestershire in 12 schools, five of which are secondary (11-16 years) and seven of which are primary.

The Trust Board and Executive Team monitor a range of KPIs in all of the schools to ensure that issues are quickly identified and strategies are developed to address concerns. These include:

- pupil achievement
- outcomes of Ofsted inspections and Challenge Partner Reviews
- pupil attendance
- pupil behaviour (exclusions, bullying, racist incidents)
- staff training and development
- quality of teaching
- staff absence
- staff vacancies
- parents' evening attendance
- complaints

The quality of education provided by the Trust continues at a high standard. This is reflected in the results, the Challenge Partner Review of each school and the Ofsted inspections of the four TMET schools which have been inspected since joining the Trust.

#### **School end of year results**

Due to the impact of the COVID-19 pandemic, most exams and assessments did not take place in 2020-21 (and they did not in 2019-20). The Government announced that it would not publish school results data in autumn 2021 (and it did not in 2019-20).

The 2021 GCSE results for Rushey Mead, Orchard and Kibworth Mead Academies were based on Teacher Assessed Grades, i.e. in depth teacher assessments of what the students would have achieved if they had sat their GCSE exams. The 2020 and 2021 results have not been published by the DfE so the last national average data is for 2019. From the 2021 teacher assessed grades, Rushey and Kibworth Mead Academies exceeded 2019 national averages for attainment and progress. Orchard Mead Academy showed an improvement on 2019 in overall attainment and progress as part of the significant improvement journey this school is on.

#### **Leicestershire Secondary SCITT (School Centred Initial Teacher Training)**

The SCITT works with a range of partnership schools in Leicester and Leicestershire and continues to achieve a high level of success. In 2020-21, it was successful in increasing the number of trainees to 80 trainees across 12 subjects, its biggest cohort yet. The cohort expanded from 59 in the previous year. Some of the growth was due to the partnership with Thomas Estley Teaching Alliance (TELA) who recruited 21 trainees. The SCITT has entered into a formal agreement with TELA which allows them to deliver elements of the SCITT's teacher training programme. The SCITT has overall responsibility in awarding Qualified Teacher Status (QTS).

The 2020-21 cohort included six Salaried School Trainees and one Researchers in Schools. Five trainees withdrew from the course and 71 achieved QTS. Those who withdrew had various reasons: teaching was not a career they wanted to pursue; ill health; or they were struggling with the demands of teaching. Due to the lockdown, two trainees were not able to demonstrate sufficient evidence across the Teachers' Standards and

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Strategic report (continued)**

**Achievements and performance (continued)**

they are extending their programme until the end of December 2021. The DfE recognised that a small proportion of trainees required additional time to obtain QTS and they have provided additional funding to trainees and providers. Two trainees requested a deferral due to difficult personal circumstances and will re-join the course in 2021-22.

Key achievements:

- 90% of the SCITT NQTs are now working in Leicester/Leicestershire schools. One local school employed seven trainees.
- Since 2013, the SCITT has trained 293 teachers.
- We appointed a Lead Teacher Educator one day a week, to focus on developing Instructional Coaching and using the Walkthrus resources with our mentors. The DfE Core Content is asking for a different set of skills and knowledge from our mentors. A really good start was made last year with webinars and newsletters.
- Notable achievements from trainees: an Art and Design trainee had an article published in SecEd online; and we had a few trainees whose PGCE assignments were worthy of publication.
- This was the first year of delivery of the eighteen Lead Subject Tutor sessions, an increase from nine. This has been a significant development to ensure our trainees have strong subject knowledge.
- Golden threads of SEND, Diversity, Inclusion and Equality have been key developments in the SCITT curriculum.
- The team have contributed to national events and training, such as: Diverse Educators; The National Association of School-Based Teacher Trainers annual conference; History Icons; and a national conference for science teacher educators on developments in ITT.
- The External Moderator's/Examiner's reports in June/July 2021 noted the following strengths: the curriculum design is broader than the DfE Core Content; wellbeing remains highly regarded by trainees; and subject tutors were very experienced and knowledgeable practitioners.
- During COVID 19 and the lockdown from January 2021, the SCITT worked with schools on flexible placements. Some schools preferred to keep trainees for the whole year, the lesson observation was adapted to provide feedback for online teaching. During the first term, quality assurance visits happened online. Partner schools were exceptionally accommodating and supportive. Despite the challenges facing schools, placements were secured for all trainees so they could achieve QTS.

Teaching School

In addition to managing to run virtually all the Teaching School CPD programmes online last year due to COVID, arguably our biggest achievement was submitting a successful bid to become one of only 87 Teaching School Hubs across the country. These Teaching School Hubs will replace the previous infrastructure of nearly 800 Teaching Schools from the beginning of 2021-22. We are operating under the name of The Leicester and Leicestershire Teaching School Hub.

Allocated the region covering the 210 schools in Leicester, Harborough, Blaby and Oadby & Wigston, we have worked hard to build the appropriate infrastructure and partners from across the region to be able to deliver at scale against the KPIs set by the DfE in our delivery plan. Part of this was deciding upon a national provider to work with for the delivery of the new Early Career Framework Induction programme (ECF) and the new and reformed National Professional Qualifications (NPQs). Our decision was to work with Teach First for both and we are delighted with the way the relationship is developing.

Other local partners who have agreed to support in the delivery of our offer include: Thomas Estley Learning Alliance; Ash Field Academy; Beauchamp College Maths and Computing Hubs; Rhode Primary School English Hub; Forest Way School Science Learning Partnership; Keyham Lodge Behaviour Hub; Kyra and Church Langton Research Schools; and the EdTech Demonstrator School at Kibworth Primary School.

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**THE MEAD EDUCATIONAL TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Strategic report (continued)**

**Achievements and performance (continued)**

We have also developed a successful communication and marketing campaign to encourage the region's schools to engage in these new national programmes and in our wider offer including Initial Teacher Training (ITT) through our own SCITT, our Appropriate Body Service and a wider CPD offer.

As a measure of the success of our campaign, recruitment to our ECF induction programme has exceeded the target set in our KPIs and early expressions of interest for the NPQs are progressing well.

● **Going concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Strategic report (continued)**

**Achievements and performance (continued)**

● **Promoting the success of the company**

'Together we make a positive difference' signifies our Trust's determination to leverage the strength and depth that we have across the Trust to ensure that all our schools provide an excellent education for all learners. The trustees are committed to improving the outcomes for all our pupils whatever their starting points and needs. This is driven by moral integrity and a mission to make a positive difference to the lives and life chances of our pupils, their families and communities.

The Trust provides the underpinning systems, structures and the internal and external networks to support the work in our schools, enabling them to prioritise their time on the teaching and learning strategies and outcomes at their schools. The central Trust team provides expertise to address issues and risks in a timely manner and to support school leaders to develop practice in their school.

Staff development is a key priority in the Trust. We deliver effective, progressive, professional development opportunities for all staff who work within our schools. Talent spotting and succession planning throughout the Trust is an essential contributor to staff recruitment, retention and development.

The Trustees are committed working for the benefit of the wider community. For example, working with the wider community of schools, our Teaching School provides professional development for schools outside the Trust and our SCITT works with a range of partnership schools across Leicester and Leicestershire. In 2019-20 TMET worked with Leicester City Council to develop plans to open a series of DSPs (Designated Specialist Provision units) in Trust schools in 2020-21 in order to expand special educational needs provision in Leicester, a very much needed development. The Trust continues to work with Leicester City Council to support pupil place planning and, in 2019-20, agreed to pull forward the opening date of its next free school, Brook Mead Academy, to 2021 to meet pupil place needs. During the COVID lockdown from March to June 2020, our schools stayed open for key worker and vulnerable children, including through the Easter and half term holidays. The schools were committed to helping families in need, distributing food parcels and referring families to food banks and appropriate charities.

We ensure our school environments are fit for purpose and consider the environmental impact when making decisions with regards to our infrastructure. Some of the recent building developments in our schools have improved energy efficiency such as installation of double glazing and LED lighting.

As a Trust, we place an important emphasis on the professional conduct of our staff, trustees and visitors and all abide by a clear framework and policy. This includes being aware of equality, impartiality and the need to act fairly.

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**THE MEAD EDUCATIONAL TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Strategic report (continued)**

**Financial review**

● **Financial review**

The Academy Trust had a net increase in funds for the year ended 31 August 2021 of £9,139,260 including fixed assets movements but excluding pension reserve movements. As at 31 August 2021 the Trust held £2,164,785 of unrestricted reserves plus £5,344,863 of unspent (non fixed asset) restricted funds. The Trust therefore held combined unrestricted and non fixed asset restricted funds, being its available reserves of £7,509,648.

The Trust had a pension deficit on their Local Government Pension Scheme of £23,416,000 at 31 August 2021 and a fixed asset reserve of £71,453,173 (being the book value of past purchases £70,064,583 plus £1,388,590 of unspent capital grants.)

Despite the global pandemic, there are no significant factors going forward that are expected to impact on the normal continuing operation of the Trust, as core funding from both the Government and Local Authorities is currently expected to continue. The principal financial management policies adopted in the period are included in the Trust's internal financial policies and are typical for an Academy Trust of this size and type. There were no unusual significant events worthy of comment during the year other than the aforementioned pandemic.

The principal sources of funding for the Trust are the General Annual Grant (GAG) and other DfE Group grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the Academy Trust, subject to any remaining reserves.

The Trust's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk.

● **Reserves policy**

The Trust Board review the actual reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The target setting level of reserves will be considered annually by the Finance and Audit Committee and this target will be recorded in the minutes of the committee. The level of reserves held is set at the Trust level, however, it is the expectation that each individual Academy will achieve a similar position. The Academy Trust needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding.

The Trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted non designated funds, plus unspent General Annual Grant (GAG), should be a minimum of one month's salary costs for the Trust, being approximately £3,088,000 as a minimum.

Actual non designated unrestricted funds plus unspent GAG as at 31 August 2021 were £6,773,707, less the strategic development fund included within unspent GAG of £1,063,797 leaves a balance of £5,709,910. This is higher than the minimum target level set by the Trustees by £2,621,910. This figure compares the actual reserves to the position the Trust has set as an absolute minimum of one month salary cost in the reserves policy. There is no maximum reserve level currently quoted in this policy. Research shows that the identification of the minimum level for reserves varies significantly across Multi Academy Trusts and that there is little uniformity in this area. The strategic development fund is managed by the CEO and is available to support schools with major costs that are outside of any plans. As an example, the 2021-22 budgets for Brook Mead and North Mead have both been severely hit by pupil number issues. There is a loss of income for these two schools in excess of £200K. In the case of Brook Mead, this is likely to continue into the 2022-23 financial year. The remaining planned use of reserves comprise of a School Opportunity Pot and a Central Operations

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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Reserve. These funds are available to schools and central operations to spend on projects that cannot be funded from the in-year income to fund unexpected costs outside of budget. There is no prescribed timeline for spending these reserves, with the schools being aware that it is a 'one-off' opportunity. Business cases have been approved in the first three months of this academic year to release £405k from the School Opportunity Pot. The Central Operations reserve is likely to be used to support additional staffing requirements driven by the additional workload from the Trust growth.

The Academy Trust also held other available restricted revenue funds at the year end of £601,6586 which are detailed further within note 21. Therefore, total available revenue reserves at 31 August 2021, including designated funds of £138,568 set aside for Teaching School use and future 3G pitch expenditure, were £7,509,647. Cash at bank and investments bank accounts at 31 August 2021 were £3,203,206 higher than total available reserves due principally to capital income received in advance of payment plus various other accruals timing differences.

Included within unrestricted funds above were designated funds of £138,568 at 31 August 2021. This consists of £18,568 in relation to Teaching School for which the Trustees have identified £14,900 as the minimum level of reserves to be held by the Teaching School as this represents one month's salary costs. The remainder of designated funds relates to £120,000 in relation to future costs anticipated for a 3G pitch at Kibworth Mead Academy.

At 31 August 2021 the Trust's fixed asset reserve of £71,453,173 represented £70,064,583 of funds which could only be realised if the assets were sold, plus £1,388,590 of unspent capital grants.

The only reserve in deficit at the year end was the pension reserve (deficit of £23,416,000) which will be addressed via contribution rates decided on from time to time by the pension scheme actuaries. This deficit has arisen, as with many other schemes of this type, mainly due to increased life expectancies and reduced investment returns.

● **Investment policy**

The Trust's Investment Policy ensures that funds which the Academy Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise income but without risk. Our aim is to spend the public monies with which we are entrusted for the direct education benefit of pupils as soon as is prudent. The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

The purpose of the Trust Investment Policy is:

- To ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements
- To ensure there is no risk of loss in capital value of any cash funds invested
- To protect the capital value of any invested funds against inflation
- To optimise returns on invested funds

Guidelines are strict and include:

- Regular cash balance reports are to be prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding creditors that are due for payment.
- Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested following approval from the Finance and Audit Committee. Approval must be signed off and recorded in the committee minutes.
- In making decisions regarding where and how any surplus funds should be invested, due regard will be given to risk. The Finance and Audit Committee will set a maximum level of investment with any single provider. This decision will be recorded in the minutes of this committee.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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- The main bank account for each school attracts interest at the current rate of 0.1% regardless of any separate investment. This interest is paid directly into the bank account of the individual schools and is a true reflection of the interest earned on their own balances.
- Currently, it is expected that surplus funds will be invested with the existing banker Lloyds Bank in an instant access deposit account. There is potential for a better rate of return from investing a single value that may be a contribution from any combination of schools. The interest accrued would then be distributed proportionally to each school.
- The Finance and Audit Committee will receive a report at each meeting as to the performance of the investment.
- The Chief Financial Officer will research alternative sources of investment return at least twice a year and will report to the Finance and Audit Committee the options available. Any decision to diversify the investments must be recorded in the minutes of this committee.
- The Finance and Audit Committee will consider the ethical and moral standing of any alternative investment provider and they will ensure that this potential investment partner meet the standards that will be expected by the Trust Board.

The aim is to reach an appropriate level of reserve to allow the management and the Finance and Audit Committee to explore alternative investment possibilities with criteria being:

- Investment with a different counterparty (in order to reduce counterparty risk);
- Consideration of whether there should be a maximum level of investment with a single approved counterparty; and
- A longer term investment with a higher return (but not high risk investments which are not in the best interests of the Academy Trust).

• **Principal risks and uncertainties**

The Trust has a risk register which lists potential risks and actions to mitigate the risk. The risk register is reviewed by the Trust senior leaders and the Trustees. Each school has its own risk register which is kept under review by that school's senior leadership team and Academy council.

The Trust identified key risks are:

- A failure to raise and maintain school standards. This is mitigated by rigorous monitoring of performance, early identification of under performance followed by quick response, continued focus on high quality teaching and deployment of Trust support and development opportunities.
- A failure to recruit pupil numbers and resulting drop in funding. This is mitigated by developing strong marketing, particularly for the secondary academies. Pupil numbers (current and projected) are monitored closely.
- Failure to manage finances effectively resulting in financial insecurity and instability. This is mitigated by the appointment of a suitably qualified and experienced Chief Financial Officer (CFO) who is supported by a finance team, appropriate financial management processes and systems implemented Trust wide, frequent meetings of Academy business managers with CFO, training and support for school business managers and rigorous addressing of recommendations from internal and external financial audits.
- The future financial viability of the LGPS pension scheme and increases in employer payroll on costs.
- Failure to achieve planned growth and capacity of Trust. This is being addressed by developing relationships and partnerships with other schools, by continuing to improve performance to develop the Trust track record and by ensuring that staff and pupils in Trust schools have a good experience and become ambassadors for the Trust.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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- The Trust lacks the capacity and infrastructure to support its schools. This is mitigated by the appointment of a Trust central team which is supported by staff from schools who also have a Trust role, e.g. executive principals. The Teaching School plays a large part in supporting school improvement. Additional external support is commissioned as required and the workload and impact of central staff is kept under review as the Trust expands.
- Failure of the due diligence process resulting in the Trust taking in a school with significantly higher needs than expected and the resulting detrimental effect on the Trust and its existing Academies. This is being mitigated by the development of a rigorous and in-depth due diligence process.
- Loss of key staff. This is mitigated by the appointment of a number of senior staff in the Trust, by the creation of the Trust Executive Team which meets frequently and by succession planning. It is also supported by a high priority on staff well being and CPD to support retention.

### **Fundraising**

Fundraising is very limited throughout the Trust. It is primarily related to pre planned non uniform days for students/pupils. These events were mostly connected to annual national charity appeals such as Children in Need and Red Nose Day.

The impact of COVID over the last two years has significantly reduced opportunities to expand our charitable ambitions. A total of £11,926 was raised across the Trust and paid across in full within the year end or post year end.

The Trust maintains separate nominal codes for charity income and expenditure and these accounts are reconciled to ensure all funds are paid out in full.

### **Streamlined energy and carbon reporting**

The Trust's greenhouse gas emissions and energy consumption for the year are detailed below.

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (the 2018 Regulations) implement the government's policy on Streamlined Energy and Carbon Reporting (SECR). The 2018 Regulations require large unquoted companies that have consumed more than 40,000 kWh of energy in the reporting period to include energy and carbon information within their trustees' report. For Academy trusts, disclosures were required for the first time in the 2019/20 accounts. TMET fits the definition of a large company.

[www.gov.uk/government/publications/Academy-trust-financial-management-good-practice-guides/streamlined-energy-and-carbon-reporting](http://www.gov.uk/government/publications/Academy-trust-financial-management-good-practice-guides/streamlined-energy-and-carbon-reporting)

The following report summarises the energy and carbon use for The Mead Educational Trust for the period 1 September 2020 to 31 August 2021, with a comparison with the data for the previous year. During 2020-21 the Trust comprised of eleven academies, employed 611 staff members (full-time equivalent) and had 6,207 pupils registered.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

(continued)

<b>UK Greenhouse gas emissions and energy use data</b>		
	<b>Current reporting year 2020/21</b>	<b>Comparison reporting year 2019/20</b>
Energy consumption used to calculate emissions (kWh)	9,349,111	8,189,426
<b>Energy consumption break down:</b>		
• Gas (kWh)	6,549,428	5,395,987
• Electricity (kWh)	2,798,492	2,711,579
• Transport fuel (kWh)	1,191	81,064
• Business use / rental vehicles (kWh)	0	796
<b>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</b>		
<i>Gas consumption</i>	<i>1,204.24</i>	<i>992.16</i>
<i>Owned transport – mini-buses</i>	<i>0.30</i>	<i>21.16</i>
<b>Total Scope 1</b>	<b>1,204.54</b>	<b>1,013.32</b>
<b>Scope 2 emissions in metric tonnes CO<sub>2</sub>e</b>		
<i>Purchased electricity</i>	<i>652.44</i>	<i>632.18</i>
<b>Total Scope 2</b>	<b>652.44</b>	<b>632.18</b>
<b>Scope 3 emissions in metric tonnes CO<sub>2</sub>e</b>		
<i>Business travel in employee-owned vehicles</i>	<i>0</i>	<i>0.19</i>
<b>Total Scope 3</b>	<b>0</b>	<b>0.19</b>
<b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>	<b>1,856.98</b>	<b>1,645.69</b>
<b>Intensity ratio tonnes CO<sub>2</sub>e per pupil</b>	<b>0.25</b>	<b>0.27</b>

**Energy Efficiency Action**

The following describes the energy efficiency action carried out by The Mead Educational Trust in the period covered by the report:

- Abbey Mead Primary Academy upgraded internal and external lighting to LEDs. The school has registered with the Eco-Schools programme and currently holds a Green Flag.
- Castle Mead Academy have not undertaken energy efficiency measures however, the school has registered with the Eco-Schools programme.
- Kestrel Mead Primary Academy have not undertaken energy efficiency measures however, the school has registered with the Eco-Schools programme and currently holds a Green Flag Award.
- Knighton Mead Primary Academy have not undertaken energy efficiency measures however, the school has registered with the Eco-Schools programme and currently holds a Silver Award.
- Kibworth Mead Academy have not undertaken energy efficiency measures.
- North Mead Primary Academy have not undertaken energy efficiency measures however, the school has registered with the Eco-Schools programme and currently holds a Bronze Award.
- Orchard Mead Academy has replaced some internal lights with LEDs. The school has also registered with the Eco-Schools programme and currently holds a Green Flag.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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- Rowlatts Mead Primary Academy have replaced internal and external lights with LEDs. The school has also registered with the Eco-Schools programme and currently holds a Green Flag.
- Rushey Mead Academy replaced some internal lighting with LEDs. The school has also registered with the Eco-Schools programme and currently holds a Green Flag.
- Thurnby Mead Primary Academy replaced internal and external lighting with LED bulbs. The school is also signed up to the Eco-Schools programme and currently holds a Silver Award.
- Willowbrook Mead Primary Academy have replaced internal and external lighting with LEDs. The school has also registered with the Eco-Schools programme and currently holds a Green Flag.
- Following on from developments due to COVID, staff across the Trust continue to use video conferencing technology for meetings and training both inside and outside the Trust. This is expected to continue in the longer term.

**Renewable Energy**

Of all schools in The Mead Educational Trust, Kestrel Mead Primary Academy is the only site to generate renewable energy through a 167.6m<sup>2</sup> solar photovoltaic (PV) array which produces an estimated energy output of 23,578 kWh per year.

**Methodology**

This report was compiled by Leicester City Council as part of Built Environment School Service (BESS) Energy for Academies. This data is compiled by the BESS Energy team following the 2020 HM Government Environmental Reporting Guidelines. Associated greenhouse gas emissions are calculated using the GHG Reporting Protocol – Corporate Standard and have used the 2019 UK Government's Conversion Factors for Company Reporting provided by the Department for Business, Energy and Industrial Strategy (BEIS), available at: [www.gov.uk/government/collections/government-conversion-factors-for-company-reporting](http://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting)

**Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Plans for future periods**

The Trust has clear strategic ambitions built on its vision and values, at the core of which is the determination that 'together we make a positive difference'.

During 2020-21, the Trust Strategy for 2021-24 was developed and agreed by the Board. This is underpinned by six strategic priorities:

- Quality of Education – to provide learners with the best possible educational opportunities in order to meet their full potential
- Governance – to have highly effective governance
- Operational Effectiveness – to ensure that finance and operations promote effective school improvement
- Civic Responsibility – to make a significant difference to the educational landscape
- People and Culture – to deliver our vision through a high-performing, skilled and engaged workforce
- Brand – to position TMET as one of the leading educational providers in the East Midlands

The Trust Strategy and the plans that sit behind it set out how we will plan, guide and improve our Trust, ensuring there is a clear focus on raising standards and on improving leadership, governance, teaching and learning. We will also continue to develop a cost effective, sustainable organisation and a business model that delivers efficiency, effectiveness and economies of scale in order to free up more resources for pupils and school improvement. Our first phase of development concentrated on building capacity in order to realise our ambition to assist schools with greater needs, including full recovery where required. The Trust Strategy is taking us through our next phase of growth.

**Growth**

By 31 August 2021, the Trust was a well established, respected, cross phase school trust comprising 12 schools, the Teaching School Hub, SCITT, nearly 8,000 pupils and a combined income of nearly £50 million. A thirteenth school joined the Trust on 1 September 2021.

The ambition of the Trust is to grow further in membership in order to create both value for money central services and a highly responsive school improvement model. A key aim of the Trust is to have a balance of schools at different starting points in their journey of improvement, therefore creating effective capacity for sponsorship. The Trust intends to grow its membership in a carefully controlled way to extend its reach and impact in its local communities.

In June 2021, the Trust was granted permission by the DfE to open new DSPs (designated specialist provision units) in three of its schools. TMET intends to further develop its DSP provision.

The central Trust team is developing alongside the growth in the number of schools to provide capacity to support sustainable improvement. In 2020-21, the Trust developed an expanded School Improvement Team which is able to rapidly identify needs and deploy appropriate support. The Trust also recruited to the new posts of Director of People and Organisational Development, Management Accountant, Data Manager and Estates Manager. The Trust Growth Strategy includes for further development of the central Trust services to achieve more effective provision and value for money, including in HR, management accountancy, estates and marketing.

**Funds held as custodian on behalf of others**

The Academy Trust does not hold funds on behalf of any other organisations.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**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 steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditors**

The auditors, Magma Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2021 and signed on its behalf by:

**Anthony Glover**  
Chair of Trustees

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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

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

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

Attendance during the year at meetings of the Board of Trustees is presented in the following table.

Trustee	Meetings attended	Out of a possible
Anthony Glover, Chair of Trustees	8	8
Carolyn Robson, Chief Executive	8	8
Gemma Bhagalia	6	8
Rachael Clarke	6	6
Kate Foster	3	4
Elaine Taylor	6	6
Kirsty Holt	7	8
Kasar Singh	8	8
Deepak Karia	2	4
Hetal Parmar, Vice-Chair of Trustees	8	8
Hiten Mehta	8	8
Jeremy Robinson	3	3

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

During the year there have been three Trustee resignation: Deepak Karia (2 February 2021), Elaine Taylor (12 May 2021) and Rachael Clarke (20 June 2021). There have been two Trustee appointments: Kate Foster (29 January 2021) and Jerry Robinson (22 March 2021).

The Board of Trustees had planned six meetings during 2020-21 but arranged additional meetings in September 2020 and July 2021 to approve the budgets for 2020-21 and 2021-22 respectively. Therefore, the Board met eight times during the year.

Effective oversight of funds is maintained through the year via:

- 6 scheduled Board meetings (8 in 2020-21)
- 4 Finance and Audit Committee meetings (5 in 2020-21)
- Monthly budget management reports which are sent to the Trust CEO, Chair of Trustees and Chair of Finance and Audit Committee and are shared with all Trustees on GovernorHub

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

- Twice yearly meetings of the CFO with the Chair of the Finance and Audit Committee to provide the opportunity for that Chair to interrogate financial management across the Trust.

The Finance and Audit Committee is a committee of the Board of Trustees. Its purpose is to provide assurance over the sustainability of, and compliance with, the Trust's financial systems and operational controls. The committee's role is to maintain an oversight of the Trust's financial governance, risk management, internal control and value for money framework. This committee incorporates the role of an Audit Committee. Whilst Academy councils draft their annual budget and set their own staffing levels, the Board of Trustees has overall responsibility of approving or not approving these recommendations prior to submission to the ESFA by the deadline (usually 31 July each year).

During 2020-21, the Board identified that it was the right time to set up a separate Audit and Risk Committee. During the year the terms of reference and work plan were developed and a new Trustee (Jerry Robinson) was recruited to be the chair of this committee. The separation into the Finance and Audit & Risk Committees commences from September 2021.

Attendance at Finance and Audit Committee meetings in 2020-21 was as follows:

Trustee	Meetings attended	Out of a possible
Rachael Clarke	3	4
Deepak Karia	2	4
Hiten Mehta	5	5
Kasar Singh	5	5

The Education Committee provides assurance to the Trust Board on the standards, performance and safeguarding of all schools and education providers within TMET. The committee monitors and evaluates pupil progress and attainment and the quality of teaching, ensuring the Trust provides a consistently high quality learning experience and delivers a broad and balanced curriculum in keeping with the Trust's aims and vision, all pupil needs and legal requirements.

Attendance at Education Committee meetings in 2020-21 was as follows:

Trustee	Meetings attended	Out of a possible
Gemma Bhagalia	4	4
Anthony Glover	4	4
Elaine Taylor	3	3

**Governance reviews**

The Board of Trustees has driven significant development in the Trust this year, and these are grouped under the six key features of effective governance as set out in the DfE Governance Handbook.

Strategic leadership:

- Discussions and decisions on school reopening after COVID-19 closures.
- Discussions on Trust growth – new schools and the development of the central team.
- Development of the Trust Strategy 2021-24.
- Risk management.

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Accountability:

- Review and challenge of school educational performance and improvement information, including scrutiny of data.
- Review and challenge of financial performance, including approval of budget, monitoring of Trust budget and oversight of outcomes of financial audits.
- Scrutiny of pay recommendations of Trust senior leaders' salary levels and independent benchmarking report (through Board Remuneration Committee).
- Consideration of the impact the Trust has had on its schools.
- Attendance of Trustees at the Members' meeting in February 2021 where they were questioned about the effectiveness of governance in the Trust.

People:

- Development of the Trust central team, including recruitment of the Trust Director of People and Organisational Development.
- Significant development of the Trust's capacity to support school improvement through the establishment of an expanded School Improvement Team.
- Attendance of the Board Chair and Vice Chair at the termly Chairs' and Vice Chairs' Forum to meet with the Director of Governance and all the Academy council chairs and vice chairs.
- All new Trustees and Academy councillors attend Trust induction.
- Good engagement with governance training provided by TMET and Teaching School.
- Recruitment of new clerks for a number of TMET schools.

Structures:

- The Board committees effectively fulfilled their roles.
- A new Audit and Risk Committee was developed with a Trustee recruited to chair this committee.

Compliance:

- Review of the Academies Financial Handbook 2020 and updating of practices and relevant policies to bring them in line.
- A comprehensive QA system is carried out with reviews and audits of Trust and schools, including financial audits, Challenge Partner Reviews, Safeguarding reviews and website reviews.

Evaluation:

- In 2021 the Board carried out a self-review of governance and engaged in a peer review of Trust governance with a school trust from the south of England. The outcomes from these evaluations has informed actions in the remainder of the 2020-21 year and have been used to develop the Governance Development Plan for 2021-22.
- A review of local governance in the Trust was started in 2021 and has continued into the autumn term 2021. This review has involved the Trust Board, Executive Team, principals and Academy councils.

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money**

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

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

Centralisation of 'bespoke' business and management support with individual schools. The objective of any change has been to enable the school principals to fully focus on the core business of teaching and learning, raising standards, and achieving improved outcomes for pupils.

The following are examples of actions in 2020-21 to achieve better value for money across the Trust:

- Continued centralisation of the individual school bank accounts to improve the efficiency of operations and to enhance the controls around cash flow.
- Continued engagement of internal audit through Leicestershire County Council.
- Employment of Trust Director of People and Organisations Development overseeing HR functions and continued provision of external professional HR support.
- Ensuring the Trust business management arrangements are effective and efficient and enable the Trust to deliver its commitments, and to grow and prosper.
- Appointment of a management accountant to lead on the finance for secondary schools to bring a new level of consistency and expertise.
- Further development of the forums for principals, vice-principals, chairs and vice chairs and business/finance staff throughout the Trust to discuss and develop best practice.
- Providing appropriate training for finance staff to ensure that all academies within the Trust can utilise the benefits of a single finance system through PS Financials.
- Providing appropriate training for finance staff to ensure that all academies within the Trust can utilise the benefits of a single budget system through Orovia.
- Enabling each Trust school participating in central contracts to openly and transparently share the financial savings that these efficiencies bring.
- Negotiating Trust wide contracts such as catering and payroll. Reviewing all contracts held across the Trust, identifying opportunities to improve value for money.
- Central IT Team delivering a more effective and consistent IT support across all TMET schools, including the setup of the Teams remote learning platform.
- Merger of all Trust schools within one cloud central domain to achieve greater efficiencies and more opportunities to collaborate
- Development of plans for the merger of the management information system from SIMS to Bromcom for all TMET schools in 2021-22.
- Employment of a Central Trust Data Manager and Trust Data Analyst for a consistent Data reporting for all secondaries and primaries.

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Mead Educational Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The Board of Trustees has decided to employ Leicestershire County Council as internal auditor.

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

- testing on payroll systems
- testing of purchase systems
- testing of control accounts and bank reconciliation's

On an annual basis, the internal auditor reports to the Board of Trustees through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The 2020-21 internal audits for the ten schools and the central Trust function were completed in May and June 2021 by Leicestershire County Council. In all cases, there were no significant or concerning issues.

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of effectiveness**

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

- the work of the external auditors;
- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the executive managers within the Academy 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 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 14 December 2021 and signed on their behalf by:

**Anthony Glover**  
Chair of Trustees

**Carolyn Robson**  
Accounting Officer

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of The Mead Educational 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 terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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.

**Carolyn Robson**  
Accounting Officer  
Date: 14 December 2021

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 14 December 2021 and signed on its behalf by:

**Anthony Glover**  
Chair of Trustees

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
MEAD EDUCATIONAL TRUST**

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**Opinion**

We have audited the financial statements of The Mead Educational Trust (the 'academy') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
MEAD EDUCATIONAL TRUST (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the 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 specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

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

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

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
MEAD EDUCATIONAL TRUST (CONTINUED)**

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**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Academy Trust and the industry, we have identified that the principal risks of non-compliance with laws and regulations related to UK Tax and legislation and breaches of the Academy Trust's funding agreement with the Secretary of State for Education, the Academies Financial Handbook, and we have considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the, Companies Act 2006 and the Charities SORP. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries, and management bias in accounting estimates. Audit procedures performed included:

- Enquiries with management for consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions made by management in their accounting estimates, in particular in relation to accruals provisions;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, journal entries crediting revenue, journal entries crediting cash and journal entries with specific defined descriptions.

There are inherent limitations in the audit procedures described above. The more removed non-compliance with laws and regulations is, from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by forgery or intentional misrepresentation, for example, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

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

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
MEAD EDUCATIONAL TRUST (CONTINUED)**

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**Luke Turner ACA FCCA (Senior Statutory Auditor)**

for and on behalf of

**Magma Audit LLP**

Chartered Accountants

Statutory Auditors

Unit 2, Charnwood Edge Business Park

System Road

Cossington

Leicestershire

LE7 4UZ

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE MEAD EDUCATIONAL TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 20 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Mead Educational Trust during the year 1 September 2020 to 31 August 2021 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 The Mead Educational Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Mead Educational Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Mead Educational Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of The Mead Educational Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Mead Educational Trust's funding agreement with the Secretary of State for Education dated 10 June 2014 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- On a sample basis testing transactions and balances.
- Making enquiries of the academy regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing records for evidence of those systems and controls in operation.own

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE MEAD  
EDUCATIONAL TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Reporting Accountant**

**Magma Audit LLP**

Unit 2, Charnwood Edge Business Park  
Syston Road  
Cossington  
Leicestershire  
LE7 4UZ

Date:

**THE MEAD EDUCATIONAL TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>As restated Total funds 2020 £</i>
<b>Income from:</b>					
Donations and capital grants:					
3					
Transfer from Local Authority on conversion	-	-	-	-	9,738,886
Transfer from existing Academy joining Trust	159,243	(1,847,915)	6,380,980	4,692,308	-
Other donations and capital grants	1,639	432,696	1,791,844	2,226,179	1,329,327
5	332,770	-	-	332,770	254,127
6	30,921	-	-	30,921	24,799
Charitable activities:					
4					
Funding for the Academy Trust's educational operations	-	41,342,120	-	41,342,120	33,936,863
Teaching school	155,537	46,068	-	201,605	240,265
SCITT	-	984,223	-	984,223	919,465
<b>Total income</b>	<b>680,110</b>	<b>40,957,192</b>	<b>8,172,824</b>	<b>49,810,126</b>	<b>46,443,732</b>
<b>Expenditure on:</b>					
Raising funds	209,151	-	-	209,151	104,638
Charitable activities:					
Academy Trust's educational operations	-	40,284,045	2,945,409	43,229,454	36,699,353
Teaching school	167,651	67,702	-	235,353	208,125
SCITT	-	967,908	-	967,908	894,515
<b>Total expenditure</b>	<b>376,802</b>	<b>41,319,655</b>	<b>2,945,409</b>	<b>44,641,866</b>	<b>37,906,631</b>
<b>Net income/(expenditure)</b>	<b>303,308</b>	<b>(362,463)</b>	<b>5,227,415</b>	<b>5,168,260</b>	<b>8,537,101</b>
Transfers between funds	21	(138,209)	(1,685,961)	1,824,170	-
<b>Net movement in funds before other recognised gains/(losses) carried forward</b>	<b>165,099</b>	<b>(2,048,424)</b>	<b>7,051,585</b>	<b>5,168,260</b>	<b>8,537,101</b>

**THE MEAD EDUCATIONAL TRUST**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2020</i> <i>£</i>
<b>Net movement in funds before other recognised gains/(losses) brought forward</b>	<b>165,099</b>	<b>(2,048,424)</b>	<b>7,051,585</b>	<b>5,168,260</b>	<b>8,537,101</b>
<b>Other recognised gains/(losses):</b>					
Actuarial losses on defined benefit pension schemes	29	(4,613,000)	-	(4,613,000)	(170,000)
<b>Net movement in funds</b>	<b>165,099</b>	<b>(6,661,424)</b>	<b>7,051,585</b>	<b>555,260</b>	<b>8,367,101</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	1,999,686	(11,409,713)	64,401,588	54,991,561	46,624,460
Net movement in funds	165,099	(6,661,424)	7,051,585	555,260	8,367,101
<b>Total funds carried forward</b>	<b>2,164,785</b>	<b>(18,071,137)</b>	<b>71,453,173</b>	<b>55,546,821</b>	<b>54,991,561</b>

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

The notes on pages 46 to 85 form part of these financial statements.

**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 09079258**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	<i>As restated</i> 2020 £
<b>Fixed assets</b>			
Tangible assets	14	<b>70,064,583</b>	63,665,051
		<u>70,064,583</u>	<u>63,665,051</u>
<b>Current assets</b>			
Stocks	15	131,025	116,251
Debtors	16	2,777,474	1,560,320
Investments	17	4,509,339	4,508,562
Cash at bank and in hand		6,230,514	2,769,707
	18	<u>13,648,352</u>	<u>8,954,840</u>
Creditors: amounts falling due within one year	18	<u>(4,051,087)</u>	<u>(2,673,884)</u>
<b>Net current assets</b>		<b>9,597,265</b>	6,280,956
<b>Total assets less current liabilities</b>		<b>79,661,848</b>	69,946,007
Creditors: amounts falling due after more than one year	19	(699,027)	(122,446)
<b>Net assets excluding pension liability</b>		<b>78,962,821</b>	69,823,561
Defined benefit pension scheme liability	29	(23,416,000)	(14,832,000)
<b>Total net assets</b>		<b>55,546,821</b>	54,991,561

**THE MEAD EDUCATIONAL TRUST**  
(A Company Limited by Guarantee)

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	<i>As restated</i> 2020 £
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset fund	21	71,453,173	64,401,588
Restricted income fund	21	5,344,863	3,422,287
Restricted funds excluding pension liability	21	<u>76,798,036</u>	<u>67,823,875</u>
Pension reserve	21	<u>(23,416,000)</u>	<u>(14,832,000)</u>
<b>Total restricted funds</b>	21	<b>53,382,036</b>	<b>52,991,875</b>
Unrestricted income funds			
Designated funds	21	138,568	30,682
General funds	21	<u>2,026,217</u>	<u>1,969,004</u>
<b>Total unrestricted income funds</b>	21	<b>2,164,785</b>	<b>1,999,686</b>
<b>Total funds</b>		<b><u>55,546,821</u></b>	<b><u>54,991,561</u></b>

The financial statements on pages 41 to 85 were approved by the Trustees, and authorised for issue on 14 December 2021 and are signed on their behalf, by:

**Anthony Glover**  
Chair of Trustees

The notes on pages 46 to 85 form part of these financial statements.

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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	<b>Note</b>	<b>2021</b> £	<b>2020</b> £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	<b>3,960,890</b>	13,804,163
<b>Cash flows from investing activities</b>	25	<b>(1,141,196)</b>	(12,578,584)
<b>Cash flows from financing activities</b>	24	<b>641,890</b>	(16,100)
<b>Change in cash and cash equivalents in the year</b>		<b>3,461,584</b>	1,209,479
Cash and cash equivalents at the beginning of the year		<b>7,278,269</b>	6,068,790
<b>Cash and cash equivalents at the end of the year</b>	26, 27	<b>10,739,853</b>	7,278,269

The notes on pages 46 to 85 form part of these financial statements

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**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 a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Mead Educational Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

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

**1.3 Income**

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

• **Grants**

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

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

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

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

The Academy Trust is benefiting from the ESFA's Free School Building Programme. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the Academy Trust controls through lease the site where a development is occurring. The expenditure is capitalised in assets under construction until the project is complete.

- **Donations**

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

- **Other income**

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

Notional income and notional expenditure have been recognised in the Statement of Financial Activities incorporating income and expenditure account in relation to the apprenticeship levy in line with the provision of training received.

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

Donations for facilities and services are included in incoming resources when the benefit to the Academy Trust is reasonably quantifiable and measurable. The rental value of facilities being used by Rushey Mead Academy are included in donations at a value the Academy Trust would have to pay at an open market value.

- **Transfer on conversion**

Where assets are received by the Academy Trust on conversion to an Academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risk and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within income from donations and capital grants. The land and buildings are held on a 125 year lease with the Local Authority (LA). The cost of the land and buildings was arrived at using either the ESFA or Leicestershire County Council standard valuation on a depreciated replacement cost basis provided to the Academy Trust. This provided a value for the land and buildings as at the date of conversion.

- **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing Academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing Academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

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**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

**1.4 Expenditure**

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

- **Grants payable**

These are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

**1.5 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

**1.6 Interest receivable**

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

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.7 Taxation**

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

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

**1.8 Tangible fixed assets**

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Leasehold buildings	- 2-5% straight line
Leasehold land (125 year lease)	- over 125 years
Furniture and fixtures	- 15% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 20% 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.

**1.9 Current asset investments**

Current asset investments are cash or cash equivalents with a maturity date of less than one year valued at fair value.

**1.10 Stocks**

Classroom consumables, unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

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**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.11 Debtors**

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

**1.12 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.

Current asset investments are cash or cash equivalents with a maturity date of less than one year valued at fair value.

**1.13 Liabilities**

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

**1.14 Provisions**

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

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

**1.15 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

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

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**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.16 Operating leases**

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

**1.17 Pensions**

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

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

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

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

**1.18 Fund accounting**

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

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

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

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

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

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**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. 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.

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.

**Defined benefit 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

**Tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the property plant and equipment, and note 1.8 for the useful economic lives for each class of assets.

**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**3. Income from donations and capital grants**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>As restated Total funds 2020 £</i>
Transfer from Local Authority on conversion	-	-	-	-	(1,556,114)
Capital grants	-	-	1,785,364	<b>1,785,364</b>	883,387
Donations	1,639	-	6,480	<b>8,119</b>	11,308,244
Donated use of asset	-	432,696	-	<b>432,696</b>	432,696
Transfer from existing Academy joining the Trust	159,243	(1,847,915)	6,380,980	<b>4,692,308</b>	-
<b>Total 2021</b>	<u>160,882</u>	<u>(1,415,219)</u>	<u>8,172,824</u>	<u><b>6,918,487</b></u>	<u>11,068,213</u>
<i>Total 2020 as restated</i>	<u>232,921</u>	<u>(1,438,811)</u>	<u>12,274,103</u>	<u>11,068,213</u>	

**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**4. Funding for the Academy's charitable activities**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	33,003,142	<b>33,003,142</b>	28,009,246
Other DfE/ESFA grants				
Pupil Premium	-	2,089,584	<b>2,089,584</b>	1,975,278
Teaching school	-	40,000	<b>40,000</b>	59,203
Teachers Pension grant	-	1,146,881	<b>1,146,881</b>	1,025,546
Others	-	2,171,078	<b>2,171,078</b>	1,207,483
	-	38,450,685	<b>38,450,685</b>	32,276,756
<b>Other Government grants</b>				
Early Years Single Funding Formula (EYSFF)	-	681,070	<b>681,070</b>	699,338
Special Educational Needs (SEN)	-	943,042	<b>943,042</b>	680,268
Other grants	-	499,863	<b>499,863</b>	194,386
	-	2,123,975	<b>2,123,975</b>	1,573,992
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up Premium	-	525,338	<b>525,338</b>	96,782
Other DfE/ESFA COVID-19 funding	-	82,377	<b>82,377</b>	-
	-	607,715	<b>607,715</b>	96,782
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
School Centred Initial Teacher Training	-	984,224	<b>984,224</b>	919,244
Teaching School	155,537	6,068	<b>161,605</b>	181,062
Apprenticeship levy	-	63,137	<b>63,137</b>	22,647
Other funding	-	27,800	<b>27,800</b>	26,110
Other COVID-19 funding (non DfE/ESFA)	-	108,807	<b>108,807</b>	-
	155,537	1,190,036	<b>1,345,573</b>	1,149,063
<b>Total 2021</b>	<b>155,537</b>	<b>42,372,411</b>	<b>42,527,948</b>	<b>35,096,593</b>
<i>Total 2020</i>	<i>134,489</i>	<i>34,962,104</i>	<i>35,096,593</i>	

**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**4. Funding for the Academy's charitable activities (continued)**

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Academy Trust received £525k of funding for catch-up premium and costs incurred in respect of this funding totalled £449k, a reallocation of funds of £12k, leaving the remaining £88k to be spent in 2021/22 academic year.

**5. Income from other trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Lettings income	3,066	<b>3,066</b>	47,455
Consultancy income	86,471	<b>86,471</b>	10,884
Insurance claims	33,828	<b>33,828</b>	99,824
Other income	209,405	<b>209,405</b>	95,964
<b>Total 2021</b>	<u>332,770</u>	<u><b>332,770</b></u>	<u>254,127</u>
<i>Total 2020</i>	<u>254,127</u>	<u>254,127</u>	

**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Bank interest	30,921	<b>30,921</b>	24,799
<i>Total 2020</i>	<u>24,799</u>	<u>24,799</u>	

**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**7. Expenditure**

	<b>Staff Costs 2021 £</b>	<b>Premises 2021 £</b>	<b>Other 2021 £</b>	<b>Total 2021 £</b>	<i>Total 2020 £</i>
Expenditure on fundraising trading activities:					
Direct costs	-	-	-	-	14,071
Allocated support costs	86,471	-	122,680	<b>209,151</b>	90,567
Charitable Activities:					
Direct costs	24,522,612	2,209,057	2,629,027	<b>29,360,696</b>	24,780,944
Allocated support costs	9,407,488	3,146,189	2,518,342	<b>15,072,019</b>	13,021,049
<b>Total 2021</b>	<u><u>34,016,571</u></u>	<u><u>5,355,246</u></u>	<u><u>5,270,049</u></u>	<u><u><b>44,641,866</b></u></u>	<u><u>37,906,631</u></u>
<i>Total 2020</i>	<u><u>29,039,289</u></u>	<u><u>4,409,124</u></u>	<u><u>4,458,218</u></u>	<u><u>37,906,631</u></u>	

**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Educational operations	29,360,696	15,072,019	<b>44,432,715</b>	37,801,993
<i>Total 2020</i>	<u>24,780,944</u>	<u>13,021,049</u>	<u>37,801,993</u>	

**Analysis of direct costs**

	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Pension finance costs	280,000	259,000
Staff costs	24,092,322	20,400,831
Depreciation	2,209,057	1,696,825
Educational supplies	969,759	813,499
Examination fees	254,279	190,433
Staff development	156,065	164,696
Other direct costs	462,290	433,387
Teaching school and SCITT expenses	773,258	681,958
Technology costs	163,666	140,315
<b>Total 2021</b>	<u><b>29,360,696</b></u>	<u>24,780,944</u>

**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Staff costs	<b>9,407,488</b>	8,243,864
Depreciation	<b>736,352</b>	565,608
Recruitment	<b>105,667</b>	63,150
Maintenance of premises and equipment	<b>492,720</b>	437,237
Cleaning	<b>200,622</b>	138,510
Rent & rates	<b>917,765</b>	867,023
Insurance	<b>370,052</b>	337,251
Catering	<b>780,474</b>	704,497
Legal and professional fees	<b>341,499</b>	96,771
Other support costs	<b>511,074</b>	486,326
Security and transport	<b>63,347</b>	79,454
Technology costs	<b>584,428</b>	457,888
Energy costs	<b>477,752</b>	465,213
Governance costs	<b>82,779</b>	78,257
<b>Total 2021</b>	<b>15,072,019</b>	<i>13,021,049</i>

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2021 £</b>	<i>2020 £</i>
Operating lease rentals	<b>65,347</b>	45,781
Depreciation of tangible fixed assets	<b>2,945,409</b>	2,262,433
Fees paid to auditors for:		
- audit	<b>37,500</b>	34,500
- other services	<b>27,000</b>	27,100

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**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	24,146,604	20,647,374
Social security costs	2,357,379	2,006,925
Pension costs	7,082,298	6,046,531
	<u>33,586,281</u>	<u>28,700,830</u>
Agency staff costs	329,022	307,323
Staff restructuring costs	101,268	31,136
	<u>34,016,571</u>	<u>29,039,289</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Redundancy payments	27,000	-
Severance and compensation payments	74,268	31,136
	<u>101,268</u>	<u>31,136</u>

**b. Staff numbers**

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

	2021 No.	2020 No.
Teachers	419	311
Administration and support	558	533
Management	19	16
	<u>996</u>	<u>860</u>

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**10. Staff (continued)**

**c. Higher paid staff**

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

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>9</b>	<i>11</i>
In the band £70,001 - £80,000	<b>7</b>	<i>5</i>
In the band £80,001 - £90,000	<b>5</b>	<i>3</i>
In the band £90,001 - £100,000	<b>4</b>	<i>3</i>
In the band £100,001 - £110,000	<b>1</b>	<i>1</i>
In the band £110,001 - £120,000	<b>1</b>	<i>-</i>
In the band £120,001 - £130,000	<b>-</b>	<i>1</i>
	<b>=====</b>	<b>=====</b>

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £965,453 (2020 - £773,166). These figures include salary costs of all Trustees employed by the Academy Trust, even where they have no management role within their employment.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**11. Central services**

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

- human resources
- financial services
- legal services
- educational support services
- others as arising

The Academy charges for these services on the following basis:

5% of GAG funding.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Abbey Mead Primary Academy	132,357	144,440
Castle Mead Academy	142,501	82,368
Kestrel Mead Primary Academy	131,458	121,861
Kibworth Mead Academy	44,583	-
Knighton Mead Primary Academy	53,301	58,783
North Mead Primary Academy	91,483	95,644
Orchard Mead Academy	345,362	339,806
Rowlatts Mead Primary Academy	74,292	80,842
Rushey Mead Academy	449,497	422,645
Thurnby Mead Academy	57,691	61,881
Willowbrook Mead Primary Academy	92,280	97,515
The Mead Educational Trust Central	27,015	-
<b>Total</b>	<b>1,641,820</b>	<b>1,505,785</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**12. Trustees' remuneration and expenses**

The Chief Executive Officer (CEO) has been paid remuneration or has received other benefits from an employment with the Academy Trust. The CEO only receives remuneration in respect of services they provide undertaking the role of a CEO under their contract of employment.

The value of Trustees' remuneration and other benefits was as follows:

Carolyn Robson (Chief Executive Officer and Trustee)

Remuneration £95,000 - £100,000 (2020: £90,000 - £95,000)  
Employer's pension contributions £NIL (2020: £NIL)

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

**13. 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 £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost, it is not possible to quantify this element from the overall cost of the total scheme as the insurance is costed on a per pupil basis.

Castle Mead Academy and Kibworth Mead Academy have opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides unlimited cover. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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**14. Tangible fixed assets**

	Leasehold land and buildings £	Furniture and fixtures £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2020 (as previously stated)	54,189,623	2,712,774	2,248,234	36,050	59,186,681
Prior Year Adjustment	11,295,000	-	-	-	11,295,000
At 1 September 2020 (as restated)	65,484,623	2,712,774	2,248,234	36,050	70,481,681
Additions	1,370,179	512,215	1,048,077	33,490	2,963,961
On acquisition of subsidiaries	6,321,724	20,183	39,073	-	6,380,980
At 31 August 2021	73,176,526	3,245,172	3,335,384	69,540	79,826,622
<b>Depreciation</b>					
At 1 September 2020	4,433,501	1,172,092	1,202,025	9,013	6,816,631
Charge for the year	1,732,077	482,733	713,214	17,385	2,945,409
At 31 August 2021	6,165,578	1,654,825	1,915,239	26,398	9,762,040
<b>Net book value</b>					
At 31 August 2021	67,010,948	1,590,347	1,420,145	43,142	70,064,582
At 31 August 2020 (as restated)	61,051,122	1,540,682	1,046,209	27,038	63,665,051

See note 1.3 regarding assets transferred on conversion.

The Multi-Academy Trust were unable to obtain the property valuations at conversion for Abbey Mead Primary Academy and Kestrel Mead Primary Academy at the time of approval of the 2020 accounts. The land and buildings valuation has been brought into the accounts as a prior year adjustment within the 31 August 2021 financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. Stocks**

	2021 £	2020 £
Classroom and other materials	<u>131,025</u>	<u>116,251</u>

**16. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	204,341	77,544
VAT recoverable	675,244	495,149
Prepayments and accrued income	1,883,589	977,152
Other debtors	14,300	10,475
	<u>2,777,474</u>	<u>1,560,320</u>

**17. Current asset investments**

	2021 £	2020 £
Current asset investments - Lloyds Bank	<u>4,509,339</u>	<u>4,508,562</u>

Current asset investments consists of fixed interest rate deposit accounts with Lloyds Bank, being a 32 day notice investment of £1,509,339 at 0.1% and an investment of £3,000,000 at 0.5% maturing on 22 February 2022.

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**18. Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	£	£
Other loans	102,467	37,158
Trade creditors	1,223,296	497,470
Other taxation and social security	602,728	481,679
Other creditors	704,244	647,872
Accruals and deferred income	1,418,352	1,009,705
	<b>4,051,087</b>	<b>2,673,884</b>
	<b>4,051,087</b>	<b>2,673,884</b>
	<b>2021</b>	<b>2020</b>
	£	£
<b>Deferred income</b>		
Deferred income at 1 September 2020	525,845	393,833
Resources deferred during the year	626,312	525,845
Amounts released from previous periods	(525,845)	(393,833)
	<b>626,312</b>	<b>525,845</b>
	<b>626,312</b>	<b>525,845</b>

The closing balance of deferred income mainly relates to funding for the Universal Infant Free School Meals, growth funding, trips income and SCITT income received in advance of the 2021/22 academic year.

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

	2021 £	2020 £
Other loans	<u>699,027</u>	<u>122,446</u>

Included within the above are amounts falling due as follows:

	2021 £	2020 £
<b>Between one and two years</b>		
Other loans	<u>167,780</u>	<u>37,158</u>
<b>Between two and five years</b>		
Other loans	<u>303,879</u>	<u>68,819</u>
<b>Over five years</b>		
Other loans	<u>227,368</u>	<u>16,469</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	2020 £
Payable or repayable by instalments	<u>227,369</u>	<u>16,469</u>
	<u>227,369</u>	<u>16,469</u>

The above creditor relates to the early termination of the Building Schools for the Future (BSF) contract, Condition Improvement Fund (CIF) loans and a Salix loans.

The CIF loans consists of loans for a roofing project, a windows project, a heating project, and water system improvements as approved by the Education and Skills Funding Agency.

The loans are repayable over a 5 to 8 year period and are to be repaid via deductions from General Annual Grant.

The Salix loans include a balance which was entered into prior to Kestrel Mead Primary Academy joining the Trust and an additional 8 loans entered into this year across the Academy Trust. The loans were taken out as part of an energy efficiency programme and are repayable over a 5 to 7 year period.

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**20. Prior year adjustments**

The Multi-Academy Trust was unable to obtain the property valuations at conversion for Abbey Mead Primary Academy and Kestrel Mead Primary Academy at the time of approval of the 31 August 2020 financial statements. The land and buildings valuations have been brought into the accounts as a prior year adjustment within the 31 August 2021 financial statements. The 2020 figures have been restated for the donation from the Local Authority and the fixed asset addition of £11,295,000 respectively.

**21. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Designated funds</b>						
Teaching School	30,682	155,537	(167,651)	-	-	18,568
3G pitch fund	-	80,000	-	40,000	-	120,000
	<u>30,682</u>	<u>235,537</u>	<u>(167,651)</u>	<u>40,000</u>	<u>-</u>	<u>138,568</u>
<b>Unrestricted funds</b>						
General funds	1,969,004	444,573	(209,151)	(178,209)	-	2,026,217
<b>Total Unrestricted funds</b>	<u>1,999,686</u>	<u>680,110</u>	<u>(376,802)</u>	<u>(138,209)</u>	<u>-</u>	<u>2,164,785</u>

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**21. Statement of funds (continued)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Restricted general funds</b>						
General Annual Grant	3,040,461	33,103,870	(29,744,405)	(1,652,436)	-	4,747,490
Pupil Premium	165,509	2,089,584	(1,949,819)	(40,899)	-	264,375
Teachers' pension grant	-	1,146,881	(1,146,881)	-	-	-
Other DfE/ESFA grants	91,959	2,181,910	(2,128,476)	-	-	145,393
Catch-up premium	-	525,338	(449,255)	12,243	-	88,326
COVID-19 additional funding (DfE/ESFA)	-	82,377	(82,377)	-	-	-
Other COVID-19 funding (non DfE/ESFA)	-	108,807	(106,807)	-	-	2,000
Other government grants	2,100	346,251	(346,551)	-	-	1,800
Other funding	44,215	92,463	(109,046)	-	-	27,632
Teaching School	40,972	46,068	(67,702)	-	-	19,338
SCITT	57,578	984,223	(967,916)	(4,869)	-	69,016
Deficit inherited on conversion	(20,507)	-	-	-	-	(20,507)
Notional rent and rent reimbursement	-	586,308	(586,308)	-	-	-
SEN income	-	943,042	(943,042)	-	-	-
EYSFF income	-	681,070	(681,070)	-	-	-
Pension reserve	(14,832,000)	(1,961,000)	(2,010,000)	-	(4,613,000)	(23,416,000)
	<u>(11,409,713)</u>	<u>40,957,192</u>	<u>(41,319,655)</u>	<u>(1,685,961)</u>	<u>(4,613,000)</u>	<u>(18,071,137)</u>

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**21. Statement of funds (continued)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Restricted fixed asset funds</b>						
DfE Group capital grants	4,326,989	1,468,985	(433,582)	(17,909)	-	5,344,483
Other government grants	122,429	288,377	(62,858)	(350)	-	347,598
Capital refresh	323,740	-	(126,433)	-	-	197,307
Other capital income	13,097	34,482	(6,313)	2,735	-	44,001
Transfer from Local Authority	58,194,581	-	(1,656,222)	-	-	56,538,359
Capital expenditure from GAG	1,420,752	-	(604,295)	1,839,694	-	2,656,151
Transfer from existing Academy joining the Trust	-	6,380,980	(55,706)	-	-	6,325,274
	<u>64,401,588</u>	<u>8,172,824</u>	<u>(2,945,409)</u>	<u>1,824,170</u>	<u>-</u>	<u>71,453,173</u>
<b>Total Restricted funds</b>	<u>52,991,875</u>	<u>49,130,016</u>	<u>(44,265,064)</u>	<u>138,209</u>	<u>(4,613,000)</u>	<u>53,382,036</u>
<b>Total funds</b>	<u><u>54,991,561</u></u>	<u><u>49,810,126</u></u>	<u><u>(44,641,866)</u></u>	<u><u>-</u></u>	<u><u>(4,613,000)</u></u>	<u><u>55,546,821</u></u>

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

**Designated funds**

The Teaching School fund relates to historic surpluses which have been built up prior to conversion to an Academy Trust plus any subsequent surpluses generated.

The 3G pitch relates to funds set aside for the future potential resurfacing works that will be required at Kibworth Mead Academy Trust.

**Restricted funds**

The General Annual Grant (GAG) relates to the Academy Trust's development and operational activities. The transfer from GAG relates to funding towards fixed asset additions purchased in the year.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. The closing balance has been spent in the Autumn 2021 term.

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**21. Statement of funds (continued)**

The Teachers' pension grant supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme. All funds were fully spent during the year.

The other DfE/ESFA grants consist of PE sports grant, universal infant free schools meal income, Trust capacity grant, school improvement funding, National Support School bursary, year 7 catch up grant, teachers pay grant, National College for Teaching Leadership school salaried direct income, opening grants, growth funding, phonics grant and teaching school hub grant. The closing balance relates to PE sports grant of £21,570, year 7 catch up grant of £10,833, free school income of £30,000, teaching school hub of £4,305 and opening grants of £78,686.

Catch-up premium supports children to catch up on missed learning caused by COVID-19. The closing balance relates to funds not spent.

COVID-19 additional funding (DfE/ESFA) consists of catch-up premium summer school income and exceptional costs income to cover additional costs as a result of the coronavirus outbreak. support children and young people catch up lost time after school closure. All funds were fully spent during the year.

Other COVID-19 funding (non-DfE/ESFA) consists of mass testing income allocated under the National Testing Programme to support Trust's with the costs incurred conducting on-site testing and national tutoring program income. The balance outstanding relates to the mass testing grant.

Other government grants consists of Local Authority grants, Pupil Premium looked after children and other small grants. The closing balance relates to the Local Authority income of £1,800 for expenditure planned in the Autumn 2021 term.

Other funding consists of various grants including, Loughborough College income, groundwork grant, teach first mentor grant, milk income, Ernest Cook Trust grant apprentice incentives income, family action income, magic breakfast funding, apprenticeship levy notional top up income, maths hub income, recharges for ICT services and Kibworth Foundation Trust income. The closing balance relates to the income from recharges of £9,841 Ernest Cook Trust grant of £360, Kibworth Foundation Trust Income of £1,525 and Science Hub and Spoke balance brought forward of £15,906.

Teaching School relates to income from National College for Teaching and Leadership (NCTL) which includes the Teaching School Core Grant and various other project income. The closing balance relates to Special Leaders of Education online community fund £5,000, SSIF grant of £12,671 and Education Improvement Funding of £1,667.

School Centred Initial Teacher Training (SCITT) income relates to bursaries, tuition fees and programme fees funded by the DfE and other educational institutions. The closing balance relates to SCITT of £69,016.

The deficit inherited on conversion is the amount transferred from Local Authority in relation to Abbey Mead Primary School and is due to be paid back in 2021.

Notional rent relates to the notional income and expenditure recognised in relation to the mobile classrooms donated for use from the Local Authority.

Special Educational Needs (SEN) income and Early Years Single Funding Formula (EYSFF) income have been fully spent.

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. Statement of funds (continued)**

**Restricted fixed asset funds**

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of the assets concerned plus unspent funds of £1,357,159.

Other government grants relate to Big Lottery Grant's and Local Authority money received for fixtures and fittings, IT equipment and an outdoor gym. The closing balance relates to the net book value of the assets concerned plus unspent Local Authority sports grant of £11,615.

The capital refresh money is an amount which has been reserved for ICT capital expenditure which stems from when Rushey Mead School was under Local Authority control. The closing balance relates to the net book value of the assets plus unspent funds of £19,816. The closing balance can only be used towards capital expenditure in Rushey Mead Academy, rather than in other Trust academies within The Mead Educational Trust.

Other capital income relate to funding received from various sources to purchase fixed assets. The closing balance relates to the net book value of the assets.

The transfer from Local Authority relates to the value of £63,214,276 (leasehold land and buildings plus moveable assets) transferred from the Local Authority to the Academy Trust on conversion. The closing balance relates to the net book value of the assets concerned.

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms. The income element is shown as a transfer from restricted funds, where the GAG is received, to the restricted fixed assets fund where it has been spent.

The transfer from existing Academy joining the Academy Trust to the value of £6,380,980 (leasehold land and buildings plus moveable assets) transferred from the Kibworth Mead Academy to the Academy Trust on joining the Trust. The closing balance relates to the net book value of the assets concerned.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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**21. Statement of funds (continued)**

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Designated funds</b>						
Teaching School	24,143	134,489	(127,950)	-	-	30,682
<b>Unrestricted funds</b>						
General funds	1,695,837	412,491	(104,638)	(34,686)	-	1,969,004
<b>Total Unrestricted funds</b>	1,719,980	546,980	(232,588)	(34,686)	-	1,999,686
<b>Restricted general funds</b>						
General Annual Grant	2,496,523	28,009,246	(26,392,076)	(1,073,232)	-	3,040,461
Pupil Premium	725	1,998,722	(1,833,938)	-	-	165,509
Other DfE Group grants	62,872	2,214,135	(2,185,048)	-	-	91,959
Other government grants	31,154	1,666,224	(1,695,278)	-	-	2,100
Other funding	18,546	48,289	(13,730)	(8,890)	-	44,215
Teaching School	15,371	105,776	(80,175)	-	-	40,972
SCITT	75,079	919,244	(893,845)	(42,900)	-	57,578
Notional rent	-	432,696	(432,696)	-	-	-
Deficit inherited on conversion	-	(20,507)	-	-	-	(20,507)
Pension reserve	(11,026,000)	(1,851,000)	(1,785,000)	-	(170,000)	(14,832,000)
	(8,325,730)	33,522,825	(35,311,786)	(1,125,022)	(170,000)	(11,409,713)

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**21. Statement of funds (continued)**

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Restricted fixed asset funds</b>						
DfE Group capital grants	3,789,045	883,387	(345,443)	-	-	4,326,989
Other government grants	170,529	-	(48,100)	-	-	122,429
Capital refresh	424,421	-	(100,681)	-	-	323,740
Other capital income	8,482	8,694	(4,079)	-	-	13,097
Transfer from Local Authority	59,509,666	87,022	(1,402,107)	-	-	58,194,581
Capital expenditure from GAG	623,067	-	(362,023)	1,159,708	-	1,420,752
	<u>64,525,210</u>	<u>979,103</u>	<u>(2,262,433)</u>	<u>1,159,708</u>	<u>-</u>	<u>64,401,588</u>
<b>Total Restricted funds</b>	<u>56,199,480</u>	<u>34,501,928</u>	<u>(37,574,219)</u>	<u>34,686</u>	<u>(170,000)</u>	<u>52,991,875</u>
<b>Total funds</b>	<u><u>57,919,460</u></u>	<u><u>35,048,908</u></u>	<u><u>(37,806,807)</u></u>	<u><u>-</u></u>	<u><u>(170,000)</u></u>	<u><u>54,991,561</u></u>

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**21. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Abbey Mead Primary Academy	156,688	91,567
Brook Mead Academy	4,066	-
Castle Mead Academy	568,996	171,681
Kestrel Mead Primary Academy	428,969	202,669
Kibworth Mead Academy	508,292	-
Knighton Mead Primary Academy	177,453	161,138
North Mead Primary Academy	123,471	79,071
Orchard Mead Academy	1,004,241	1,093,043
Rowlatts Mead Primary Academy	195,443	381,685
Rushey Mead Academy	1,880,569	2,266,719
Thurnby Mead Academy	122,437	175,890
Willowbrook Mead Primary Academy	186,306	176,114
Central services	2,152,717	622,396
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	7,509,648	5,421,973
Restricted fixed asset fund	71,453,173	64,401,588
Pension reserve	(23,416,000)	(14,832,000)
	<hr/>	<hr/>
<b>Total</b>	<b>55,546,821</b>	<b>54,991,561</b>
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**21. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Abbey Mead Primary Academy	2,156,872	355,720	15,938	376,672	<b>2,905,202</b>	2,701,111
Brook Mead Academy	14,515	3,298	1,541	1,255	<b>20,609</b>	-
Castle Mead Academy	1,929,918	283,999	83,190	300,272	<b>2,597,379</b>	1,461,440
Kestrel Mead Primary Academy	2,249,578	266,523	106,563	372,186	<b>2,994,850</b>	2,612,386
Kibworth Mead Academy	1,357,565	204,088	13,147	228,896	<b>1,803,696</b>	-
Knighton Mead Primary Academy	920,944	137,930	33,587	170,743	<b>1,263,204</b>	1,243,937
North Mead Primary Academy	1,448,100	255,090	68,244	300,131	<b>2,071,565</b>	1,976,721
Orchard Mead Academy	5,428,961	751,688	136,579	946,719	<b>7,263,947</b>	6,676,352
Rowlatts Mead Primary Academy	1,314,314	228,398	44,377	228,744	<b>1,815,833</b>	1,706,630
Rushey Mead Academy	6,767,764	1,303,380	115,287	2,348,882	<b>10,535,313</b>	10,087,134
Thurnby Mead Academy	1,030,873	152,594	32,639	169,279	<b>1,385,385</b>	1,375,576
Willowbrook Mead Primary Academy	1,607,138	234,828	56,043	292,271	<b>2,190,280</b>	2,121,028
Central services	2,666,254	946,239	6,874	1,229,828	<b>4,849,195</b>	3,681,883
<b>Academy</b>	<b>28,892,796</b>	<b>5,123,775</b>	<b>714,009</b>	<b>6,965,878</b>	<b>41,696,458</b>	<b>35,644,198</b>

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**22. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	-	-	70,064,583	<b>70,064,583</b>
Current assets	2,164,785	10,094,977	1,388,590	<b>13,648,352</b>
Creditors due within one year	-	(4,051,087)	-	<b>(4,051,087)</b>
Creditors due in more than one year	-	(699,027)	-	<b>(699,027)</b>
Pension scheme liability	-	(23,416,000)	-	<b>(23,416,000)</b>
<b>Total</b>	<b>2,164,785</b>	<b>(18,071,137)</b>	<b>71,453,173</b>	<b>55,546,821</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	63,665,051	63,665,051
Current assets	1,999,686	6,218,617	736,537	8,954,840
Creditors due within one year	-	(2,673,884)	-	(2,673,884)
Creditors due in more than one year	-	(122,446)	-	(122,446)
Pension scheme liability	-	(14,832,000)	-	(14,832,000)
<b>Total</b>	<b>1,999,686</b>	<b>(11,409,713)</b>	<b>64,401,588</b>	<b>54,991,561</b>

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**23. Reconciliation of net income to net cash flow from operating activities**

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	<b>5,168,260</b>	8,537,101
<b>Adjustments for:</b>		
Depreciation	<b>2,945,409</b>	2,262,433
Capital grants from DfE and other capital income	<b>(1,791,844)</b>	(979,103)
Interest receivable	<b>(30,921)</b>	(24,799)
Defined benefit pension scheme obligation inherited	<b>1,961,000</b>	1,851,000
Defined benefit pension scheme cost less contributions payable	<b>1,730,000</b>	1,526,000
Defined benefit pension scheme finance cost	<b>280,000</b>	259,000
Increase in stocks	<b>(14,773)</b>	(19,405)
Increase in debtors	<b>(1,217,153)</b>	(65,972)
Increase in creditors	<b>1,311,892</b>	457,908
Transfer of fixed assets from existing Academy Trust	<b>(6,380,980)</b>	-
<b>Net cash provided by operating activities</b>	<b>3,960,890</b>	<b>13,804,163</b>

**24. Cash flows from financing activities**

	2021 £	2020 £
Cash inflows from new borrowing	<b>679,048</b>	21,057
Repayments of borrowing	<b>(37,158)</b>	(37,157)
<b>Net cash provided by/(used in) financing activities</b>	<b>641,890</b>	<b>(16,100)</b>

**25. Cash flows from investing activities**

	2021 £	2020 £
Interest receivable	<b>30,921</b>	24,799
Purchase of tangible fixed assets	<b>(2,963,961)</b>	(13,582,486)
Capital grants from DfE Group	<b>1,468,985</b>	883,387
Capital funding received from sponsors and others	<b>322,859</b>	95,716
<b>Net cash used in investing activities</b>	<b>(1,141,196)</b>	<b>(12,578,584)</b>

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**26. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	6,230,514	2,769,707
Cash investments	4,509,339	4,508,562
<b>Total cash and cash equivalents</b>	<b>10,739,853</b>	<b>7,278,269</b>

**27. Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	New loans £	At 31 August 2021 £
Cash at bank and in hand	2,769,707	3,460,807	-	6,230,514
Debt due within 1 year	(37,158)	37,157	(102,466)	(102,467)
Debt due after 1 year	(122,446)	-	(576,581)	(699,027)
Liquid investments	4,508,562	777	-	4,509,339
	<b>7,118,665</b>	<b>3,498,741</b>	<b>(679,047)</b>	<b>9,938,359</b>

**28. Capital commitments**

	2021 £	2020 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	483,911	-

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**29. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £666,841 were payable to the schemes at 31 August 2021 (2020 - £516,724) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £3,544,607 (2020 - £2,975,335).

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

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

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**29. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £2,296,000 (2020 - £1,929,000), of which employer's contributions totalled £1,820,000 (2020 - £1,539,000) and employees' contributions totalled £ 476,000 (2020 - £390,000). The agreed contribution rates for future years are 23 - 24 per cent for employers and 5 - 12.5 per cent 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**

	2021 %	2020 %
Rate of increase in salaries	3.4	2.7
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.9	2.2
Commutation of pensions to lump sums	50	50

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

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.7	21.5
Females	24.2	23.8
<i>Retiring in 20 years</i>		
Males	22.6	22.2
Females	25.9	25.2

**Sensitivity analysis**

	2021 £000	2020 £000
Discount rate -0.1%	1,190	788
Salary increase rate +0.1%	107	82
Pension increase rate +0.1%	1,065	691

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**29. Pension commitments (continued)**

**Share of scheme assets**

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

	2021 £	2020 £
Equities	13,480,000	8,748,000
Corporate bonds	6,740,000	4,300,000
Property	1,627,000	1,186,000
Cash and other liquid assets	1,394,000	593,000
<b>Total market value of assets</b>	<b>23,241,000</b>	<b>14,827,000</b>

The actual return on scheme assets was £3,702,000 (2020 - £(373,000)).

Expected returns on assets are calculated as follows:-

The figures shown in the standard FRS 102 report for fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP.

**Asset model**

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased),
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns.
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices.

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2020 for the year to 31 August 2021, or date of joining the fund if later).

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**29. Pension commitments (continued)**

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

	2021 £	2020 £
Current service cost	(3,550,000)	(3,059,000)
Past service cost	-	(6,000)
Interest income	288,000	273,000
Interest cost	(568,000)	(532,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(3,830,000)</b>	<b>(3,324,000)</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>29,659,000</b>	<b>22,707,000</b>
Conversion of academy trusts	4,583,000	3,649,000
Current service cost	3,550,000	3,059,000
Interest cost	568,000	532,000
Employee contributions	476,000	390,000
Actuarial losses/(gains)	8,027,000	(476,000)
Benefits paid	(206,000)	(208,000)
Past service costs	-	6,000
<b>At 31 August</b>	<b>46,657,000</b>	<b>29,659,000</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>14,827,000</b>	<b>11,681,000</b>
Conversion of academy trusts	2,622,000	1,798,000
Interest income	288,000	273,000
Actuarial gains/(losses)	3,414,000	(646,000)
Employer contributions	1,820,000	1,539,000
Employee contributions	476,000	390,000
Benefits paid	(206,000)	(208,000)
<b>At 31 August</b>	<b>23,241,000</b>	<b>14,827,000</b>

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**30. Operating lease commitments**

At 31 August 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	78,016	39,178
Later than 1 year and not later than 5 years	91,879	13,636
	<u>169,895</u>	<u>52,814</u>

**31. 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.

**32. Related party transactions**

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

**Expenditure related party transactions**

Adam Glover, son of Anthony Glover, Chair of Trustees of the Academy Trust, is employed by the Academy Trust as a Deputy Head. Adam Glover's appointment was made in open competition and Anthony Glover was not involved in the decision making process regarding appointment. Adam Glover is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a Trustee.

No other related party transactions took place in either the current or prior year, other than certain Trustees' remuneration and expenses disclosed in note 12.

**33. Post balance sheet events**

On 1 September 2021, Fosse Mead Primary Academy converted to Academy Trust status and all operations, assets and liabilities were transferred to The Mead Educational Trust.

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**34. Comparatives**

During the current year the financial statements include 12 schools, the Leicester Teaching School and the Leicestershire Secondary School-Centred Initial Teacher Training (SCITT). The 12 schools include 5 months of Kibworth Mead Academy which joined the Academy Trust on 1 April 2021 and Brook Mead Academy which joined the Academy Trust in late August 2021. The prior year figures included 10 schools, the Leicester Teaching School and the SCITT. These 12 schools, together with central services are disclosed within the statement of funds note.

**35. Transfer of existing Academy into the Academy Trust**

**Kibworth Mead Academy**

	Value reported by transferring trust £	Fair value adjustments £	Transfer in recognised £
<b>Tangible fixed assets</b>			
Long-term leasehold property	6,321,724	-	<b>6,321,724</b>
Furniture and equipment	20,183	-	<b>20,183</b>
Computer equipment	39,073	-	<b>39,073</b>
<b>Current assets</b>			
Debtors due within one year	58,769	-	<b>58,769</b>
Cash at bank and in hand	529,235	-	<b>529,235</b>
<b>Liabilities</b>			
Creditors due within one year	(315,676)	-	<b>(315,676)</b>
<b>Pensions</b>			
Pensions - pension scheme liabilities	(2,216,000)	255,000	<b>(1,961,000)</b>
<b>Net assets</b>	<u>4,437,308</u>	<u>255,000</u>	<u><b>4,692,308</b></u>

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**36. Teaching school & SCITT trading account**

	2021	2021	2020	2020
	£	£	£	£
<b>Income</b>				
Government grants	1,824,020		1,800,975	
<b>Other income</b>				
Other incoming resources	863,396		687,927	
<b>Total income</b>		<b>2,687,416</b>		<b>2,488,902</b>
<b>Expenditure</b>				
Direct staff costs	424,940		275,396	
Bursaries	1,501,588		1,329,172	
Delivery costs	719,777		645,353	
<b>Total direct expenditure</b>	<b>2,646,305</b>		<b>2,249,921</b>	
Other staff costs	23,734		150,865	
Other support costs	35,689		29,706	
<b>Total other expenditure</b>	<b>59,423</b>		<b>180,571</b>	
<b>Total expenditure</b>		<b>2,705,728</b>		<b>2,430,492</b>
<b>Transfers between funds excluding depreciation</b>		<b>(4,869)</b>		<b>(42,900)</b>
<b>(Deficit)/surplus from all sources</b>		<b>(23,181)</b>		<b>15,510</b>
<b>Teaching school &amp; SCITT balances at 1 September 2020</b>		<b>130,103</b>		<b>114,593</b>
<b>Teaching school &amp; SCITT balances at 31 August 2021</b>		<b>106,922</b>		<b>130,103</b>