

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)



ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

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THE MEAD EDUCATIONAL TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Sally Cox
Anthony Glover
Azam Mamujee
Kishor Tailor
Chris Wilkinson

Trustees

Anthony Glover, Chair of Trustees
Sarah Ridley, Chief Executive Officer
Gemma Bhagalia
Kirsty Holt
Tina Jivraj
Kajal Joshi
Hetal Parmar, Vice-Chair of Trustees (resigned 23 August 2023)
Hiten Mehta
Jeremy Robinson
Kasar Singh
Lynda Valentine
David Riddick (appointed 2 November 2022)

**Company registered
number**

09079258

Company name

The Mead Educational Trust

**Principal and registered
office**

The Mead Centre
343 Gipsy Lane
Leicester
LE4 9DD

Company secretary

Cathy Brown

Chief executive officer

Sarah Ridley

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

**Senior management
team**

Hetal Parmar, Chief Operating Officer
(from 1 September 2023)
Sarah Ridley, Chief Executive Officer (CEO)
Cathy Brown, Director of Governance
Lisa Cochrane, Chief People Officer
Sara Gadzik, Head of Marketing and Communications
Gulbanu Kader, Director of Education - Secondary
Sara McAdam, Director of the Mead Institute of Professional Learning
Mark Oldman, Director of Education - SEND and Inclusion
Milan Premdjy, Deputy Chief Operating Officer
David Wyatt, Chief Financial Officer

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

THE MEAD EDUCATIONAL TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

By 31 August 2023, The Mead Educational Trust (TMET) comprises 13 schools (eight primary and five secondary), Leicester Teaching School Hub and Leicestershire Secondary SCITT (School Centred Initial Teacher Training). 12 of the TMET schools are based in Leicester and one secondary school is in Leicestershire County. TMET's schools have a total of over 9,000 pupils.

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). 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 National Support Schools, the Teaching School and SCITT. 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 2023

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 Free Schools (Brook Mead and Castle Mead Academies) and Kibworth Mead Academy are part of the RPA scheme. Trustee 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

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

According to the Trust Articles of Association, the number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The Trust shall have the following Trustees:

- up to 6 Trustees appointed by the Members
- the Chief Executive Officer
- co opted Trustees appointed by the member appointed Trustees

Parents are represented on the academy councils.

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, some from a promotion campaign and some from the networks of existing Trustees. Trustees are appointed based on the submission of a CV and on an interview.

The term of office for any Trustee (unless co opted for a defined period) shall be four years, with the exception of the Chief Executive Officer who can stay as a Trustee for the period they hold that position.

Subject to remaining eligible to be a particular type of Trustee, Trustees may be re appointed.

• **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 or SEND Trustee), they meet with the appropriate member of the Trust central team for a briefing on that area (e.g. with the Trust Safeguarding Lead for the Safeguarding Trustee, with the Chief Financial Officer for a Trustee who joins the Finance Committee).

Trustees have access to the Trust bespoke training sessions and also to governance training provided through The Mead Institute of Professional learning other providers (such as CST and The Key). 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. Additional information and guidance is available through the Board's membership of the National Governance Association and registration with The Key for School Governors. Legal advice is available from the Trust legal advisers.

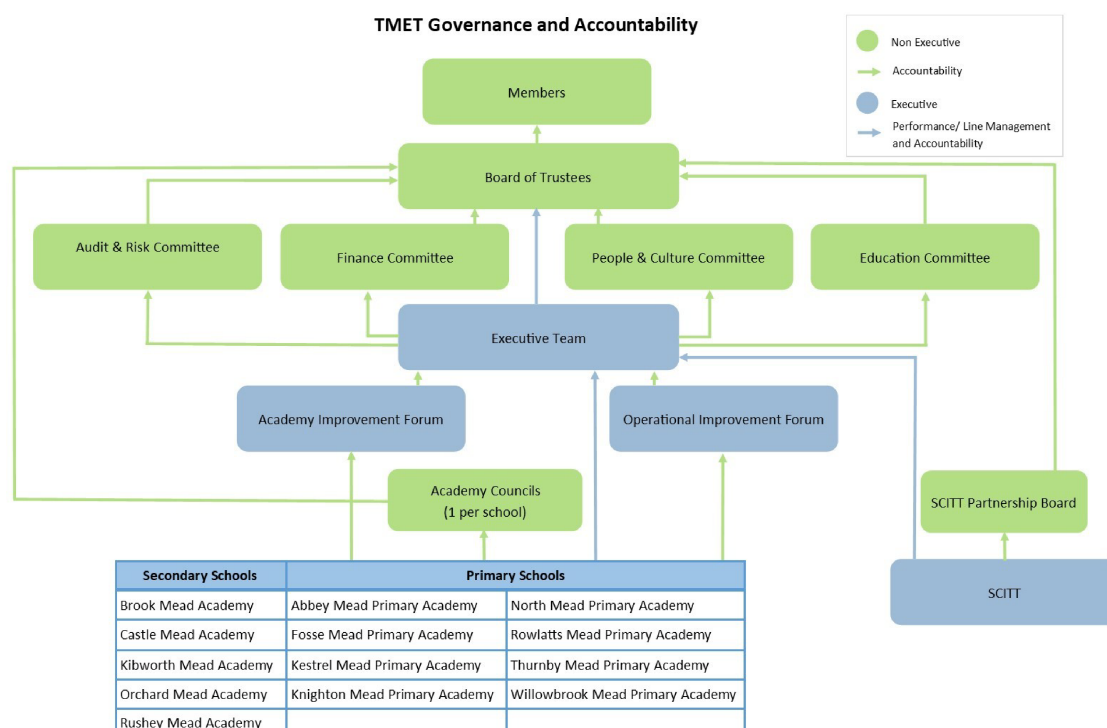
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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

• Organisational structure

The Trust Governance and Accountability Structure at 31 August 2023.



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 six times per year.

Finance 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 funding, budgeting, expenditure and financial procedures.

This committee meets four times per year.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

Audit and Risk Committee

This committee provides assurance to the Trust Board on the Trust's financial, governance, risk management and internal control systems.

This committee meets 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 four times per year.

People and Culture Committee

This committee is responsible for the overall governance of key people initiatives that support the delivery of the TMET Strategy, through the monitoring of the People and Culture Strategic Priority and the associated implementation plan. This committee also acts as the Remuneration Committee, determining and keeping under review the framework for the remuneration and terms and conditions of the Trust CEO and senior staff.

This committee meets four times 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.

The responsibility and levels of authority of the academy 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.

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;
- monitor pupil outcomes, attendance and behaviour;
- monitor progress against the school improvement plan;
- monitor the effectiveness of the school's SEND provision;
- ensure the safeguarding, wellbeing and health and safety of pupils and staff;
- monitor the use and impact of Pupil Premium and Sports Premium (primary);
- review the school's risk register;
- establish and maintain relationship with the local community, including parents; and
- sit on panels to review exclusions/suspensions and complaints.

Trust Executive Team, Central Team and School Improvement Team

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 Chief Operating Officer, Deputy Chief Operating Officer, Chief People Officer, Chief Financial Officer, Directors of Education, Director of The Mead Institute of Professional Learning, Director of Governance and

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Structure, governance and management (continued)

Head of Marketing and Communications.

The Executive Team is supported by other members of the Trust central team including the Executive Assistant, Data Team, Finance Team, IT Team, Trust Academy Manager and Trust Estates Manager. In addition, consultants have been engaged over the year to provide additional, flexible capacity in HR and free school project management.

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.

The Trust School Improvement Team meets frequently and comprises: CEO, Directors of Education, Director of The Mead Institute of Professional Learning, Schools Directors, Director of the Teaching School Hub, Director of the SCITT, Curriculum Strategy Leads, Data Team, phase representatives and roles responsive to strategic requirements (e.g. SEND intervention).

Academy Improvement Forum

The Trust school principals meet regularly in the Academy Improvement Forum (AIF). The meetings alternate between all principals together and the primary and secondary phases meeting separately. Each meeting is chaired by a school principal and relevant members of the Trust central team attend. 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.

Operational Improvement Forum

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

● **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 local agreements, and in accordance with the principles of public life – objectivity, openness and accountability.

In November 2022 pay decisions for the Trust executive and school senior leadership posts were made by the Trust People and Culture Committee. The pay levels of the key management personnel are benchmarked using relevant external data and with reference to the STPCD, where relevant.

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TRUSTEES' REPORT (CONTINUED)
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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	7
Full-time equivalent employee number	7

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	5
1%-50%	2
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	-
Total pay bill	45,480,026
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	- %
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 13 schools in the Trust. The principals and business/academy managers of the schools attend separate fortnightly forum meetings with members of the Trust central 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 regular staff and public newsletters, letters to staff from the CEO and Chair of Trust Board and a regular Operations Update for business/academy managers in the schools.

The Trust has a range of network groups which bring together those in the schools in 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. Secondary Subject Improvement Forums meet half termly to focus on the subjects taught across the five TMET secondary schools. All 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 regular Joint Consultative Committee meetings for union representatives and members of the Trust Executive Team to discuss HR matters and policies.

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 2023

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

The Trust issues a public newsletter six times a year which is published on the Trust website and shared by the schools with parents.

Pupils

Pupil views are gathered through a variety of routes such as pupil questionnaires, school councils (or pupil leadership teams), focus groups and daily communications in class and in school in general.

Others in a business relationship with the Trust

12 of the 13 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 opening of three new DSPs (designated specialist provision units) over the last few years and the expansion of an existing DSP in the Trust.

There is a well established relationship with Leicester City Council's Safeguarding in Education team, who provide statutory training for DSLs in the Trust, as well as annual whole school staff training. DSLs from TMET's schools and the central Trust team attend the Local Authority safeguarding forums and use the updates to keep their knowledge and practice up to date and relevant. TMET's Safeguarding Lead adapts the Leicester City Safeguarding and Child Protection Policy template annually, which is then personalised by each school according to their local needs and practices.

One school (Kibworth Mead Academy) is in Leicestershire County. A member of the Leicestershire Local Authority Safeguarding Team attended some of the 2022-23 'Team Around the School' days at Kibworth Mead Academy, supporting the Trust and school safeguarding leads to evaluate the progress on the safeguarding related aspects of the Post Ofsted Action Plan.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

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

Individuals in the Trust central team provide advice, guidance and support for other trusts, particularly around school improvement and governance. A number of Trust staff are now trained as Challenge Partners trust reviewers and join review teams of other trusts.

● **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
- Challenge Partners
- a number of other multi academy trusts

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

(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.

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 Hub, 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 School Improvement 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

(continued)

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".

Strategic report

Achievements and performance

● **Key performance indicators**

By the end of 2022-23 the Trust is providing education for over 9,000 pupils in Leicester and Leicestershire in 13 schools, five of which are secondary (11-16 years) and eight of which are primary.

The Trust Board and Executive Team monitor a range of metrics 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 school Challenge Partner Reviews and the Ofsted inspections of six of the seven TMET schools which have been inspected since joining the Trust. This includes two schools which were judged by Ofsted to be Inadequate before joining the Trust and which are now judged to be Good (North Mead and Orchard Mead). Kibworth Mead Academy was inspected in May 2022 and was judged to be Inadequate but is on an improvement journey, as recognised in the November 2022 monitoring inspection at the school.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

School	Joined TMET	Ofsted grading on joining	Ofsted Grading now
Rushey Mead Academy	01/11/2015	Outstanding (2007)	Outstanding (March 2022)
North Mead Primary Academy	01/11/2015	Inadequate (2013)	Good (July 2018)
Willowbrook Mead Primary Academy	01/06/2016	Outstanding (2011)	Outstanding (Continued from 2011)
Knighton Mead Primary Academy	01/06/2016	Good (2016)	Good (May 2019)
Thurnby Mead Primary Academy	01/07/2016	Good (2012)	Good (May 2019)
Rowlatts Mead Primary Academy	01/04/2017	Good (2012)	Good (Oct 2023)
Orchard Mead Academy	01/09/2017	Inadequate (2016)	Good (Feb 2022)
Castle Mead Academy	23/08/2019	N/A (Free School)	Outstanding (Oct 2023)
Abbey Mead Primary Academy	01/09/2019	Outstanding (2011)	Outstanding (continued from 2011)
Kestrel Mead Primary Academy	01/09/2019	Good (2017)	Good (continued from 2017)
Kibworth Mead Academy	01/04/2021	Requires Improvement (June 2018)	Inadequate (May 2022)
Brook Mead Academy	25/08/2021	N/A (Free School)	Has not been inspected since opening
Fosse Mead Primary Academy	01/09/2021	Inadequate (May 2020)	Has not been inspected since joining the Trust

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Primary school results

The 2023 Key Stage 2 performance results are all in line or above national average which shows the significant progress being made in our schools post-COVID.

	<u>2021</u> <u>KS2 Trust</u> <u>Aggregate</u> %	<u>2022</u> <u>KS2 Trust</u> <u>Aggregate</u> %	<u>2023</u> <u>KS2 Trust</u> <u>Aggregate</u> %	<u>2023</u> <u>KS2 National</u> <u>Average</u> %
Reading EXP	76	71	74	73
Writing EXP	74	79	76	71
Maths EXP	75	68	80	73
EGPS EXP	-	69	78	72
Expected Combined	68	61	66	59
Reading GD	26	28	29	29
Writing GD	22	19	18	13
Maths GD	27	25	30	24
EGPS GD	-	25	34	30
GD Combined	17	11	12	8

Notes: All 2023 figures are provisional and invalidated at the time of submission.

Secondary school results

The Key Stage 4 results are shown separately for the three schools because they are at such different stages in their school improvement journey. There are no results for Castle and Brook Mead Academies because they are new schools and growing, so did not have Year 11 students in 2022-23.

The 2020 and 2021 results are not included because they were during the COVID pandemic and are not comparable.

The results are very strong for Rushey Mead, for Kibworth Mead have dipped a bit due to some issues in that cohort and are starting to improve for Orchard Mead.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Rushey Mead Academy	<u>2019</u> <u>School</u>	<u>2022</u> <u>School</u>	<u>2023</u> <u>School</u>	<u>2023</u> <u>National</u> <u>Average</u>
Progress 8	0.95	0.9	1.12	0.01
Attainment 8	54.02	53.82	55.22	46.47
% Basics 4+	73%	74%	73%	66%
% Basics 5+	60%	53%	60%	45%
EBacc APS	5.19	5.26	5.41	4.05
EBacc Entry	71%	77%	85%	38%

Kibworth Mead Academy	<u>2019</u> <u>School</u>	<u>2022</u> <u>School</u>	<u>2023</u> <u>School</u>	<u>2023</u> <u>National</u> <u>Average</u>
Progress 8	-0.19	0.16	-0.10	0.01
Attainment 8	49.8	52.09	46.38	46.47
% Basics 4+	84%	78%	75%	66%
% Basics 5+	57%	59%	45%	45%
EBacc APS	4.23	4.68	4.23	4.05
EBacc Entry	32%	60%	78%	38%

Orchard Mead Academy	<u>2019</u> <u>School</u>	<u>2022</u> <u>School</u>	<u>2023</u> <u>School</u>	<u>2023</u> <u>National</u> <u>Average</u>
Progress 8	-0.45	-1.03	-0.59	0.01
Attainment 8	33.03	33.15	33.54	46.47
% Basics 4+	39%	39%	42%	66%
% Basics 5+	22%	22%	25%	45%
EBacc APS	2.92	3.03	3.07	4.05
EBacc Entry	27%	51%	45%	38%

The Mead Institute of Professional Learning

This was established in August 2022 as the training, coaching and development arm of the Trust, working with education staff, post 16 students and volunteers, offering professional development that enables them to be the best that they can be. The Institute brings together the Leicester and Leicestershire Teaching School Hub and the Leicestershire SCITT which are also part of the Trust. In 2022-23 The Mead Institute has started to develop programmes for staff development in TMET, with priorities around SEND and support staff.

The SCITT works with a range of partnership schools in Leicester and Leicestershire and continues to achieve a high level of success. Recruitment of trainees for the start of 2022-23 was very strong with 73 which included 13 from Thomas Estley Teaching Alliance (with which the SCITT has a formal agreement which allows them to deliver elements of the SCITT's teacher training programme). The SCITT was successful in gaining reaccreditation in September 2022 and was judged to be Outstanding in its March 2023 Ofsted inspection.

The Leicester and Leicestershire Teaching School Hub delivers major national programmes with its partner Teach First and these national programmes make up the majority of the Teaching School Hub's KPIs. Progress against the KPIs are generally close to or exceeding targets and ECT (Early Career Teachers) satisfaction levels are comparably higher than other ECT providers.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

• **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.

• **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. To build on this, the Trust set up The Mead Institute of Professional Learning from August 2022.

The Trustees are committed to working for the benefit of the wider community. For example, our Teaching School Hub provides professional development for schools outside the Trust and our SCITT works with a range of partnership schools across Leicester and Leicestershire. In 2022-23 TMET worked with Leicester City Council to expand a series of DSPs (Designated Specialist Provision units) in Trust schools 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. The Trust has agreed that some of its secondary schools will take additional students from 2023 to support the LA in meeting school place needs.

As the cost of living increases, our schools are committed to supporting pupils and families in a range of ways, for example by distributing food parcels, providing free breakfast clubs 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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Financial review

● **Financial review**

The Academy Trust had a net increase in funds for the year ended 31 August 2023 of £768,570 including fixed assets movements but excluding pension reserve movements. As at 31 August 2023 the Trust held £2,604,638 of unrestricted reserves plus £5,263,217 of unspent (non-fixed asset) restricted funds. The Trust therefore held combined unrestricted and non-fixed asset restricted funds, being its available reserves of £7,867,855.

The Trust had a fixed asset reserve of £96,206,118 (being the book value of past purchases £95,228,747 plus £977,371 of unspent capital grants).

There are no significant factors going forward that are expected to impact on the normal continuing operation of the Trust. 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.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

● **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 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 £4,293,400 as a minimum.

Actual non designated unrestricted funds plus unspent GAG as at 31 August 2023 were £7,296,175, less the strategic development fund included within unspent GAG of £1,260,951 leaves a balance of £6,035,224. This is higher than the minimum target level set by the Trustees by £1,741,824. 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 2023-24 accounts for Kibworth Mead are being supported to a maximum of £446,000 in recognition of the sudden drop in pupil number that were beyond their control or influence. This loss of income is being supported by additional funding being made available from the Trust Reserve. The Board also approved earmarking a maximum of £530,000 to support the development of the Mead Institute through to August 2025. The remaining planned use of reserves comprise of a School Opportunity Pot and a Central Operations 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 are approved in the first three months of the academic year to release funds 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 £201,433 which are detailed further within note 21. Therefore, total available revenue reserves at 31 August 2023, including designated funds of £370,247 set aside for Teaching School use and future 3G pitch expenditure, were £7,867,855. Cash at bank and investments bank accounts at 31 August 2023 were £4,814,319 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 £370,247 at 31 August 2023. This consists of £170,247 in relation to Teaching School for which the Trustees have identified £26,900 as the minimum level of reserves to be held by the Teaching School as this represents one month's salary costs. The remaining £200,000 of the designated funds relates to future costs anticipated for a 3G pitch at Kibworth Mead Academy.

At 31 August 2023 the Trust's fixed asset reserve of £96,206,118 represented £95,228,747 of funds which could only be realised if the assets were sold, plus £977,371 of unspent capital grants.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

● **Investment policy**

The Trust's Investment Policy ensures that funds which the 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 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 Committee will set a maximum level of investment with any single provider. This decision will be recorded in the minutes of this committee.
- The main bank account for each school attracts interest at the current rate of 0.1% regardless of any separate investment.
- Currently, it is expected that surplus funds will be invested with the existing banker Lloyds Bank in an instant access or fixed term deposit account.
- The Finance 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 Committee the options available. Any decision to diversify the investments must be recorded in the minutes of this committee.
- The Finance 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 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).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

● **Principal risks and uncertainties**

The Trust has a Strategic Risk Register which lists potential risks and actions to mitigate the risk. The Strategic 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:

- Successful / serious cyber attack. This is mitigated by the work of the Trust IT Team and continuous review and improvement of IT infrastructure and cyber security. The Trust gained Cyber Essentials in 2021 and is now working towards Cyber Essentials Plus.
- Serious safeguarding failure. This is mitigated by having a Trust Safeguarding Lead, a Safeguarding Trustee and a Safeguarding Councillor for each school. There are a robust annual Trust Safeguarding and Single Central Record Audits, extensive staff training and a Trust DSL Forum.
- Serious health and safety and well-being failure. This is mitigated by having a series of compliance checks in each setting and annual health and safety audits.
- Inability to maintain and build quality of provision. For the learning environment, this is mitigated through three yearly Building Conditions Surveys and the establishment of capital and IT plans. For the quality of education, this is mitigated by implementation of the Trust School Improvement Framework including rigorous monitoring of performance, early identification of underperformance followed by quick response, continued focus on high quality teaching and deployment of Trust support and development opportunities.
- Inability to maintain and build sufficient staffing capacity and capability. This is mitigated by developing strong HR and recruitment processes, staff well-being and belonging strategies and The Mead Institute of Professional Learning.
- Ineffective financial management. This is mitigated by having robust financial procedures, monitoring and audit.
- Failure to achieve growth plans of the Trust. This is mitigated by having a Trust Growth Strategy which is revisited regularly.
- Inability to achieve Trust improvement plans and transformation. This is mitigated by completing an annual trust self-assessment, having a Trust Strategy and Strategic Plans which are regularly reviewed and by significantly expanding the Trust Executive Team at the start of 2023-24.
- Not maintaining and developing fruitful partnerships and collaborations. This is mitigated by the implementation and monitoring of the Trust CIVIC Responsibility Plan and the engagement of Trust senior leaders in a wide range of external networks.
- Serious confidentiality breach. This is mitigated by the appointment of data protection leads for the Trust and schools, the support of an external DPO service, staff training and annual data protection audits.

Fundraising

Fundraising is very limited throughout the Trust. It is primarily related to pre planned non uniform days for 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 three financial years has significantly reduced opportunities to expand our charitable ambitions. A total of £22,177 (2022: £24,748) 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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. 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

The following report summarises the energy and carbon use for The Mead Educational Trust for the academic year 2022-23. The Multi Academy Trust is comprised of thirteen academies, employs 815.71 staff members (full time equivalent) and has 8,230 pupils registered. The report also includes information about energy efficiency measures taken.

The Academy's greenhouse gas emissions and energy consumption are as follows:

	2023	2022
Energy consumption used to calculate emissions (kWh)	11,108,860	10,916,613
Energy consumption breakdown (kWh):		
Gas	7,184,440	7,478,832
Electricity	3,924,415	3,403,267
Transport fuel	13,057	1,705
Other sources	4,218	32,809
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	1,359.57	1,365.19
Owned transport	3.14	0.52
Total scope 1	1,362.71	1,365.71
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	805.59	658.12
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	1.24	8.03
Total gross emissions (in tonnes of CO2 equivalent):	2,169.54	2,031.86
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.27	0.25

Energy Efficiency Action

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

(continued)

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 has upgraded their heating system and fitted a new boiler. The school has registered with the Eco Schools programme and currently holds a Green Flag with Distinction.
- Brook Mead Academy has not undertaken energy efficiency measures. However, the school has registered with the Eco Schools programme.
- Castle Mead Academy has not undertaken energy efficiency measures. However, the school has registered with the Eco Schools programme and achieved a Green Flag with Merit in the last academic year.
- Fosse Mead Primary Academy has fitted new LED lighting throughout the school and has upgraded part of the heating system. The school has registered with the Eco Schools programme and achieved a Green Flag with Merit in the last academic year.
- Kestrel Mead Primary Academy has improved the heating system to make it adjustable in each classroom. The school has registered with the Eco Schools programme and currently holds a Green Flag Award.
- Knighton Mead Primary Academy has not undertaken energy efficiency measures. However, the school has registered with the Eco Schools programme and currently holds a Green Flag with Merit.
- Kibworth Mead Academy has installed some LED lighting into some classrooms and corridors. New heating controls have also gone into these areas.
- North Mead Primary Academy has not undertaken any energy efficiency measures. However, the school has registered with the Eco Schools programme.
- Orchard Mead Academy has installed new LED lighting.
- Rowlatts Mead Primary Academy has installed a new boiler in the reception building and has put in external LED lighting. The school has registered with the Eco Schools programme and achieved a Green Flag Award in the last academic year.
- Rushey Mead Academy has installed new LED lighting to 20% of the school and additionally new heating in parts of the school to make it more efficient. The school has also registered with the Eco Schools programme and currently holds a Green Flag Award.
- Thurnby Mead Primary Academy has not undertaken any energy efficiency measures.
- Willowbrook Mead Primary Academy has had new boilers fitted for the school. The school has also registered with the Eco Schools programme.

Renewable Energy

None of the schools in The Mead Educational Trust produced renewable energy this 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/governmentconversionfactorsforcompanyreporting

Intensity measurement

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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'.

The Trust Strategy for 2022-24 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
- Marketing and Communications – 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 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 2023, the Trust is a well established, respected, cross phase school trust comprising 13 schools, the Teaching School Hub, SCITT, over 9,000 pupils and a combined income of over £50 million.

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.

The central Trust team is developing alongside the growth in the number of schools to provide capacity to support sustainable improvement. In 2022-23, the Trust recruited to the new posts of Chief Operating Officer and Head of Trust Development and employed a second Management Accountant.

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 and management accountancy.

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 2023

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 19 December 2023 and signed on its behalf by:

Anthony Glover
Chair of Trustees

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GOVERNANCE STATEMENT

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. The Board of Trustees have formally met 7 times during the year.

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	7	7
Sarah Ridley, Chief Executive Officer	7	7
Gemma Bhagalia	5	7
Kirsty Holt	4	7
Tina Jivraj	4	7
Kajal Joshi	3	7
Hetal Parmar, Vice-Chair of Trustees	6	7
Hiten Mehta	6	7
Jeremy Robinson	5	7
Kasar Singh	6	7
Lynda Valentine	3	7
David Riddick	6	6

During the year there has been one Trustee appointment: David Riddick.

Effective oversight of funds is maintained through the year via:

- 6 or 7 scheduled Board meetings
- 4 or 5 Finance Committee meetings
- Monthly budget management reports which are sent to the Trust CEO, Chair of Trustees and Chair of Finance Committee and are shared with all Trustees on GovernorHub
- Twice yearly meetings of the CFO with the Chair of the Finance Committee to provide the opportunity for that Chair to interrogate financial management across the Trust.

During 2022-23 the Board has had four committees as listed below:

- Finance Committee
- Audit and Risk Committee
- People and Culture Committee
- Education Committee

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance at Finance Committee meetings in 2022-23 was as follows:

Trustee	Meetings attended	Out of a possible
Hiten Mehta	5	5
Kasar Singh	4	5
David Riddick	4	4

Attendance at Risk and Audit Committee meetings in 2022-23 was as follows:

Trustee	Meetings attended	Out of a possible
Jeremy Robinson	3	4
Anthony Glover	3	4
Tina Jivraj	1	4
Kajal Joshi	3	4
David Riddick	3	3

Attendance at People and Culture Committee meetings in 2022-23 was as follows:

Trustee	Meetings attended	Out of a possible
Kirsty Holt	3	4
Jeremy Robinson	4	4
Anthony Glover	3	4
Tina Jivraj	2	4

Attendance at Education Committee meetings in 2022-23 was as follows:

Trustee	Meetings attended	Out of a possible
Gemma Bhagalia	3	4
Anthony Glover	3	4
Lynda Valentine	3	4
Kajal Joshi	2	4

Conflicts of interest

Relevant business and pecuniary interests are captured for all Members, Trustees and academy councillors and all staff with significant financial or spending powers. These are checked and updated annually. The register of interests includes:

- directorships, partnerships and employments with businesses;
- trusteeships and governorships at other educational institutions and charities; and
- relevant material interests arising from close family relationships.

The register of interests for all those involved in governance (Members, Trustees and academy councilors) is published on the Trust's website.

The register of interests is shared with (and countersigned by) the Trust CEO/school principal for staff, and the chair of the Board/academy council for trustees/academy councillors. These individuals ensure that conflicts of interest are taken into account in the day to day management and governance of the Trust and its schools.

In addition, at the start of every governance meeting (Board, committee and academy council), there is a standing item for those present to declare any relevant interests. Where there is an interest that might lead to a

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

question of bias, the individual will withdraw whilst the matter is considered.

The requirement of the Academy Trust Handbook with respect to trading with connected parties must be adhered to, as set out in the TMET Finance Policy.

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:

- Appointment of a new Chief Operating Officer.
- Setting up of The Mead Institute of Professional Learning.
- Development of the Trust approach to risk management.

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.
- Review of due diligence process and how the Board fulfils its responsibilities of oversight across the Trust, in light of the outcome of the May 2022 Ofsted inspection of Kibworth Mead Academy.
- Scrutiny of pay recommendations of Trust senior leaders' salary levels and independent benchmarking report (through Board People and Culture Committee).
- Consideration of the impact the Trust has had on its schools.
- Attendance of Trustees at the Members' meeting in March 2023 where they were questioned about the effectiveness of governance in the Trust.

People:

- Appointment of a new COO.
- Recruitment of a new Trustee, bringing additional skills to the Board.
- Attendance of the Board Chair and Vice Chair at the termly Chairs' and Vice Chairs' Forum to meet with the Director of Governance and 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 Hub.

Structures:

- The Board committees effectively fulfilled their roles.

Compliance:

- A comprehensive QA system is carried out with reviews and audits of Trust and schools, including financial audits, Challenge Partner Reviews, Safeguarding Audits and SEND reviews.

Evaluation:

- At the start of the year the Trust senior leaders used their newly developed Self Assurance Framework to conduct a self-evaluation to inform the strategic planning for 2022-23. This included a section on governance.
- In September 2022 the ESFA carried out a Financial Management and Governance Review. This concluded that there was strong practice in the trust and the actions from that have been implemented.
- In Spring 2023 an External Review of Governance was carried out on the Trust. The reviewer described governance as a strength of the Trust. The action plan is being implemented.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- In June 2023 a skills audit was carried out for trustees and academy councillors. The results of this are being used to inform the development training opportunities and communications.

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, as well as estates safety and management, 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 2022-23 to achieve better value for money across the Trust:

- Improved investment strategy, using fixed term investments with a higher interest rate.
- Engagement of internal audit through RSM.
- Ensuring the Trust business management arrangements are effective and efficient and enable the Trust to deliver its commitments, and to grow and prosper.
- The work of the Management Accountants who leads on the finance for secondary schools continues to improve the level of consistency and expertise.
- Appointment of two further management accountants, one late in the financial year and the other to start on 1st September 2023 will further enhance our capacity in producing management accounts and the consistency within them.
- 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.
- Expansion of the Operations Improvement Forum to including additional members who now share the opportunities for learning through the sharing of best practice.
- Providing appropriate training for finance staff to ensure that all schools 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 schools within the Trust can utilise the benefits of a single budget system through Orovio.
- Enabling each Trust school participating in central contracts to openly and transparently share the financial savings that these efficiencies bring.
- 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 service across all TMET schools.
- Employment of a Central Trust Data Manager and Trust Data Analyst has continued to provide improved consistency of the data reported throughout the Trust.
- Provision of equitable classroom resources and learning environment across all TMET schools.

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an 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 2022 to 31 August 2023 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 2022 to 31 August 2023 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 & Risk 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 buy-in an internal audit service from RSM.

The Trust invited expressions of interest for the internal audit service tender for 2023 but only received one response. Therefore, the Board of Trustees agreed to a one-year contract with RSM. A full tender exercise is being carried out for the internal audit service for 2024 and beyond.

The reviewer'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 on purchase systems
- testing on control accounts and bank reconciliations

On an annual basis, the reviewer reports to the Board of Trustees through the Finance and Audit & Risk 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 2022-23 internal audits for the thirteen schools and the central Trust function were completed by RSM in October 2023 and the Trust management team is addressing the actions.

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

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 financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the internal auditor/reviewer
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;
- correspondence from ESFA e.g. FNtl/Ntl and 'minded to' letters.

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 19 December 2023 and signed on their behalf by:

Anthony Glover
Chair of Trustees

Sarah Ridley
Accounting Officer

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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, including for estates safety and management, 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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 Academy Trust Handbook 2022.

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.

Sarah Ridley
Accounting Officer
Date: 19 December 2023

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023;
- 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 19 December 2023 and signed on its behalf by:

Anthony Glover
Chair of Trustees

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of The Mead Educational Trust (the 'Academy Trust') for the year ended 31 August 2023 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 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2023 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 2022 to 2023 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.

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

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

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.

Arising solely from the limitation on the scope of our work relating to the valuation of the land and buildings on conversion to and Academy Trust, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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:

- 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;

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

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

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.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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 MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

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

Based on our understanding of the Academy Trust and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we 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, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect of non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

In addition, we evaluated the trustees' and 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 manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquires of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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. This description forms part of our Auditors' Report.

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

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

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.

Luke Turner FCA FCCA (Senior Statutory Auditor)

for and on behalf of

Magma Audit LLP

Chartered Accountants

Statutory Auditors

Unit 2, Charnwood Edge Business Park

Syston Road

Cossington

Leicestershire

LE7 4UZ

Date: 21 December 2023

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

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

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 2022 to 2023, 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 2022 to 31 August 2023 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 Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 Trust regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing for evidence of those systems and controls in operations.

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 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

Chartered Accountants

Statutory Auditors

Unit 2, Charnwood Edge Business Park

Syston Road

Cossington

Leicestershire

LE7 4UZ

Date: 21 December 2023

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

		Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
	Note					
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		-	-	-	-	2,212,000
Other donations and capital grants		26,511	432,696	2,471,605	2,930,812	25,823,489
Other trading activities	6	349,785	-	-	349,785	257,417
Investments	7	176,957	-	-	176,957	5,267
Charitable activities	4	-	57,163,165	-	57,163,165	49,467,055
Teaching school hub		405,578	2,320,268	-	2,725,846	1,220,056
Total income		958,831	59,916,129	2,471,605	63,346,565	78,985,284
Expenditure on:						
Raising funds		293,707	-	-	293,707	59,636
Charitable activities		-	57,298,336	4,259,187	61,557,523	56,563,579
Teaching school hub		311,477	2,293,428	-	2,604,905	1,194,347
Total expenditure	8	605,184	59,591,764	4,259,187	64,456,135	57,817,562
Net income/(expenditure)		353,647	324,365	(1,787,582)	(1,109,570)	21,167,722
Transfers between funds	22	(148,203)	(815,461)	963,664	-	-
Net movement in funds before other recognised gains/(losses)		205,444	(491,096)	(823,918)	(1,109,570)	21,167,722
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	29	-	5,522,000	-	5,522,000	25,369,000
Pension surplus not recognised	29	-	(2,422,000)	-	(2,422,000)	-
Net movement in funds		205,444	2,608,904	(823,918)	1,990,430	46,536,722
Reconciliation of funds:						

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>As restated Total funds 2022 £</i>
Note					
Total funds brought forward	2,399,194	2,654,313	97,030,036	102,083,543	55,546,821
Net movement in funds	205,444	2,608,904	(823,918)	1,990,430	46,536,722
Total funds carried forward	2,604,638	5,263,217	96,206,118	104,073,973	102,083,543

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

The notes on pages 47 to 87 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2023

		2023 £	<i>As restated 2022 £</i>
Fixed assets	Note		
Tangible assets	15	95,228,747	95,854,952
		95,228,747	95,854,952
Current assets			
Stocks	16	220,514	134,441
Debtors	17	2,716,199	2,555,161
Investments	18	6,500,000	6,513,085
Cash at bank and in hand		6,182,174	5,246,092
		15,618,887	14,448,779
Creditors: amounts falling due within one year	19	(6,372,866)	(4,911,368)
Net current assets		9,246,021	9,537,411
Total assets less current liabilities		104,474,768	105,392,363
Creditors: amounts falling due after more than one year	20	(400,795)	(549,820)
Net assets excluding pension asset / liability		104,073,973	104,842,543
Defined benefit pension scheme asset / liability	29	-	(2,759,000)
Total net assets		104,073,973	102,083,543

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

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

			2023 £	As restated 2022 £
Funds of the Academy				
Restricted funds:				
Fixed asset funds	22	96,206,118	97,030,036	
Restricted income funds	22	5,263,217	5,413,313	
		<hr/>	<hr/>	
Restricted funds excluding pension liability	22	101,469,335	102,443,349	
Pension reserve	22	-	(2,759,000)	
		<hr/>	<hr/>	
Total restricted funds	22		101,469,335	99,684,349
Unrestricted income funds				
Designated funds	22	370,247	236,146	
General funds	22	2,234,391	2,163,048	
		<hr/>	<hr/>	
Total unrestricted income funds	22		2,604,638	2,399,194
			<hr/>	<hr/>
Total funds			104,073,973	102,083,543
			<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 42 to 87 were approved by the Trustees, and authorised for issue on 19 December 2023 and are signed on their behalf, by:

Anthony Glover
Chair of Trustees

The notes on pages 47 to 87 form part of these financial statements.

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	<i>As restated</i> <i>2022</i> £
Cash flows from operating activities			
Net cash provided by operating activities	24	2,072,911	2,393,024
Cash flows from investing activities	26	(984,420)	(1,271,234)
Cash flows from financing activities	25	(165,494)	(102,466)
Change in cash and cash equivalents in the year		922,997	1,019,324
Cash and cash equivalents at the beginning of the year		11,759,177	10,739,853
Cash and cash equivalents at the end of the year	27, 28	<u>12,682,174</u>	<u>11,759,177</u>

The notes on pages 47 to 87 form part of these financial statements

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023 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. 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.

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.

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.3 Income (continued)

- **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.

- **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

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.3 Income (continued)

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.

- **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.

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.

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.8 Tangible fixed assets

Assets costing £1,000 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
Windows	- 10% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 25% 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.

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.

THE MEAD EDUCATIONAL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

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 17. 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 19 and 20. 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.

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.

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

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.

The Academy will recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

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.

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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.

Critical accounting estimates and assumptions:

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

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 2023. 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 15 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 2023

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds as restated 2022 £</i>
Donated fixed assets	-	-	-	-	22,775,000
Capital grants	-	-	2,471,605	2,471,605	2,608,917
Donations	26,511	-	-	26,511	6,876
Donated use of asset	-	432,696	-	432,696	432,696
Transfer on conversion from local authority	-	-	-	-	2,212,000
Total 2023	<u>26,511</u>	<u>432,696</u>	<u>2,471,605</u>	<u>2,930,812</u>	<u>28,035,489</u>
<i>Total 2022 as restated</i>	<u>6,876</u>	<u>(315,304)</u>	<u>28,343,917</u>	<u>28,035,489</u>	

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Charitable Activities			
DfE/ESFA grants			
General Annual Grant (GAG)	46,806,973	46,806,973	42,237,913
Other DfE/ESFA grants			
Pupil Premium	2,847,177	2,847,177	2,544,967
Supplementary grant	1,367,570	1,367,570	546,024
Others	2,885,456	2,885,456	1,717,805
	<hr/> 53,907,176	<hr/> 53,907,176	<hr/> 47,046,709
Other Government grants			
Early Years Single Funding Formula (EYSFF)	760,968	760,968	685,255
Special Educational Needs (SEN)	1,773,321	1,773,321	1,028,191
Other grants	612,916	612,916	578,600
	<hr/> 3,147,205	<hr/> 3,147,205	<hr/> 2,292,046
Other income from the Academy's charitable activities	108,784	108,784	128,300
	<hr/> 57,163,165	<hr/> 57,163,165	<hr/> 49,467,055
Total 2023	<hr/> <hr/> 57,163,165	<hr/> <hr/> 57,163,165	<hr/> <hr/> 49,467,055
<i>Total 2022</i>	<hr/> <hr/> 49,467,055	<hr/> <hr/> 49,467,055	

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Teaching School Hub

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
DfE/ESFA grants				
Teaching school	-	153,484	153,484	169,246
	-	153,484	153,484	169,246
Other income				
School Centred Initial Teacher Training	-	2,166,784	2,166,784	804,008
Teaching school	405,578	-	405,578	246,802
Total 2023	405,578	2,320,268	2,725,846	1,220,056
<i>Total 2022</i>	246,802	973,254	1,220,056	

6. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings income	79,497	79,497	85,806
Consultancy income	1,724	1,724	1,489
Insurance claims	67,201	67,201	43,294
Other income	201,363	201,363	126,828
Total 2023	349,785	349,785	257,417
<i>Total 2022</i>	257,417	257,417	

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Bank interest	176,957	176,957	5,267
	<u>5,267</u>	<u>5,267</u>	
<i>Total 2022</i>	<u>5,267</u>	<u>5,267</u>	

8. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	<i>Total 2022 £</i>
Expenditure on raising funds:					
Allocated support costs	69,853	-	223,854	293,707	59,636
Charitable Activities:					
Direct costs	30,698,918	5,488,063	2,663,407	38,850,388	37,239,989
Allocated support costs	15,376,356	3,194,390	4,136,389	22,707,135	19,323,590
Teaching school hub	450,449	1,765	2,152,691	2,604,905	1,194,347
Total 2023	<u>46,595,576</u>	<u>8,684,218</u>	<u>9,176,341</u>	<u>64,456,135</u>	<u>57,817,562</u>
<i>Total 2022</i>	<u>43,897,036</u>	<u>5,935,754</u>	<u>7,984,772</u>	<u>57,817,562</u>	

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Educational operations	38,850,388	22,707,135	61,557,523	56,563,579
<i>Total 2022</i>	<u>37,239,989</u>	<u>19,323,590</u>	<u>56,563,579</u>	

Analysis of direct costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
LGPS pension interest cost (£1,321,000) less return on assets (£1,199,000)	122,000	427,000
Staff costs	31,580,395	30,622,294
Depreciation	3,194,390	2,872,352
Educational supplies	1,524,804	1,407,318
Examination fees	327,005	291,129
Staff development	407,812	293,948
Other direct costs	1,376,671	1,138,537
Technology costs	317,311	187,411
Total	<u>38,850,388</u>	<u>37,239,989</u>

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	13,437,408	12,009,431
Depreciation	1,064,797	957,450
Recruitment	124,901	119,397
Maintenance of premises and equipment	962,433	720,129
Cleaning	350,664	309,404
Rent and rates	1,252,496	803,171
Insurance	476,101	426,609
Catering	1,115,507	1,055,661
Legal and professional fees	446,672	513,413
Other support costs	839,620	765,863
Security and transport	328,625	149,759
Technology costs	832,089	717,897
Energy costs	1,378,572	687,374
Governance costs	97,250	88,032
Total	22,707,135	19,323,590

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	<i>2022 £</i>
Operating lease rentals	62,686	74,947
Depreciation of tangible fixed assets	4,259,187	3,830,049
Fees paid to auditors for:		
- audit	45,525	43,300
- other services	33,000	31,400

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	34,293,926	29,959,478
Social security costs	3,423,382	2,984,286
Pension costs	7,762,718	10,059,643
	<u>45,480,026</u>	<u>43,003,407</u>
Agency staff costs	1,108,100	782,076
Staff restructuring costs	7,450	111,553
	<u><u>46,595,576</u></u>	<u><u>43,897,036</u></u>

Staff restructuring costs comprise:

	2023 £	2022 £
Redundancy payments	-	16,235
Severance and compensation payments	7,450	95,318
	<u><u>7,450</u></u>	<u><u>111,553</u></u>

b. Severance payments

The Academy paid 2 severance payments in the year, disclosed in the following bands:

	2023 No.
£0 - £25,000	<u><u>2</u></u>

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £7,450 (2022: £95,318). Individually, the payments were £250 and £7,200

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Staff (continued)

d. Staff numbers

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

	2023	2022
	No.	No.
Teachers	507	475
Administration and support	708	662
Management	19	20
	<u>1,234</u>	<u>1,157</u>

e. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	17	9
In the band £70,001 - £80,000	7	9
In the band £80,001 - £90,000	5	5
In the band £90,001 - £100,000	7	2
In the band £100,001 - £110,000	2	2
In the band £110,001 - £120,000	1	2
In the band £120,001 - £130,000	1	-
In the band £140,001 - £150,000	1	1
	<u>1</u>	<u>1</u>

f. 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 £1,160,806 (2022 - £1,160,070). These figures include salary costs of all Trustees employed by the Academy Trust, even where they have no management role within their employment.

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

12. Central services

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

- human resources
- financial services
- legal services
- education and support services
- others as arising

The Academy charges for these services on the following basis:

5% of GAG funding plus a further 1% reinvested through school improvement projects. Rushey Mead Academy was charged an additional amount in line with the Academy Trust reserves policy.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Abbey Mead Primary Academy	186,223	175,438
Brook Mead Primary Academy	183,050	67,550
Castle Mead Academy	377,202	267,454
Fosse Mead Primary Academy	124,893	118,240
Kestrel Mead Primary Academy	216,216	185,031
Kibworth Mead Academy	297,874	232,309
Knighton Mead Primary Academy	70,607	67,131
North Mead Primary Academy	129,250	112,782
Orchard Mead Academy	462,261	433,870
Rowlatts Mead Primary Academy	98,269	92,450
Rushey Mead Academy	1,252,077	599,746
Thurnby Mead Academy	74,808	72,333
Willowbrook Mead Primary Academy	125,747	121,884
Total	3,598,477	2,546,218

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

13. 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:

Sarah Ridley (Chief Executive Officer and Trustee) - from 25 August 2022

Remuneration £140,000 - £145,000
Employer's pension contributions £30,000 - £35,000

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 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, Brook 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.

THE MEAD EDUCATIONAL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Tangible fixed assets

	Leasehold land and buildings £	Furniture and fixtures £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022 (as previously stated)	98,345,933	3,948,100	4,123,458	69,540	106,487,031
Prior Year Adjustment	2,960,000	-	-	-	2,960,000
At 1 September 2022 (as restated)	101,305,933	3,948,100	4,123,458	69,540	109,447,031
Additions	2,024,355	1,065,843	504,559	38,225	3,632,982
At 31 August 2023	103,330,288	5,013,943	4,628,017	107,765	113,080,013
Depreciation					
At 1 September 2022	8,582,358	2,236,932	2,729,006	43,783	13,592,079
Charge for the year	2,729,978	644,352	857,916	26,941	4,259,187
At 31 August 2023	11,312,336	2,881,284	3,586,922	70,724	17,851,266
Net book value					
At 31 August 2023	92,017,952	2,132,659	1,041,095	37,041	95,228,747
At 31 August 2022 (as restated)	92,723,575	1,711,168	1,394,452	25,757	95,854,952

See note 1.3 regarding assets transferred on conversion.

The Multi-Academy Trust was unable to obtain the property valuation at conversion for Fosse Mead Primary Academy at the time of approval of the 2022 financial statements. The land and buildings valuation has been brought into the financial statements and reflected as a prior year adjustment in the 31 August 2023 financial statements.

The Multi-Academy Trust was donated the leasehold land and buildings of Fosse Mead Primary Academy, these were included at a valuation of £2,960,000 under leasehold land and buildings. The valuation of these leasehold land and buildings has been provided by Montagu Evans.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

16. Stocks

	2023 £	2022 £
Classroom and other materials	220,514	134,441

17. Debtors

	2023 £	2022 £
Trade debtors	303,534	199,515
VAT recoverable	975,903	746,688
Prepayments and accrued income	1,422,704	1,599,229
Other debtors	14,058	9,729
	2,716,199	2,555,161

18. Current asset investments

	2023 £	2022 £
Current asset investments - Lloyds Bank	6,500,000	6,513,085

Current asset investments consists of two fixed interest rate deposit accounts with Lloyds Bank, being a 32 day notice investment of £1,500,000 at 2.45% and a 365 day notice investment of £5,000,000 at 2.8%.

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NOTES TO THE FINANCIAL STATEMENTS
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19. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Other loans	151,309	167,778
Trade creditors	1,190,559	1,066,418
Other taxation and social security	788,586	698,078
Other creditors	909,454	817,289
Accruals and deferred income	3,332,958	2,161,805
	6,372,866	4,911,368
	2023	2022
	£	£
Deferred income		
Deferred income at 1 September 2022	815,563	626,312
Resources deferred during the year	935,856	815,563
Amounts released from previous periods	(815,563)	(626,312)
	935,856	815,563

The closing balance of deferred income mainly relates to funding for the Universal Infant Free School Meals, EYSFF income, trips income and SCITT income received in advance of the 2023/24 academic year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	2023 £	2022 £
Other loans	400,795	549,820

Included within the above are amounts falling due as follows:

	2023 £	2022 £
Between one and two years		
Other loans	141,598	151,301
Between two and five years		
Other loans	257,307	394,734
Over five years		
Other loans	1,890	3,785

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

	2023 £	2022 £
Payable or repayable by instalments	1,890	3,785
	1,890	3,785

The above creditor relates to the early termination of the Building Schools for the Future (BSF) contract, Condition Improvement Fund (CIF) loans and 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 the next 2 to 5 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 across the Academy Trust. The loans were taken out as part of an energy efficiency programme and are repayable over the next 2 to 6 year period.

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Prior year adjustments

The Multi-Academy Trust was unable to obtain the property valuations at conversion for Fosse Mead Primary Academy at the time of approval of the 31 August 2022 financial statements. The land and buildings valuations have been brought into the accounts as a prior year adjustment within the 31 August 2023 financial statements. The 2022 figures have been restated for the donation from the Local Authority and the fixed asset addition of £2,960,000.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Designated funds						
Teaching School	76,146	405,578	(311,477)	-	-	170,247
3G pitch fund	160,000	-	-	40,000	-	200,000
	<u>236,146</u>	<u>405,578</u>	<u>(311,477)</u>	<u>40,000</u>	<u>-</u>	<u>370,247</u>
Unrestricted funds						
General funds	<u>2,163,048</u>	<u>553,253</u>	<u>(293,707)</u>	<u>(188,203)</u>	<u>-</u>	<u>2,234,391</u>
Total Unrestricted funds	<u>2,399,194</u>	<u>958,831</u>	<u>(605,184)</u>	<u>(148,203)</u>	<u>-</u>	<u>2,604,638</u>

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22. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted general funds						
General Annual Grant	4,914,990	46,806,973	(45,844,718)	(815,461)	-	5,061,784
Pupil Premium	318,334	2,847,177	(3,101,370)	-	-	64,141
Supplementary grant	-	1,367,570	(1,367,570)	-	-	-
Other DfE/ESFA grants	96,590	2,885,456	(2,948,058)	-	-	33,988
Other government grants	1,500	3,147,205	(3,148,405)	-	-	300
Other funding	26,152	108,784	(114,519)	-	-	20,417
Teaching School	17,671	153,484	(153,484)	-	-	17,671
SCITT	38,076	2,166,784	(2,139,944)	-	-	64,916
Notional rent and rent reimbursement	-	432,696	(432,696)	-	-	-
Pension reserve	(2,759,000)	-	(341,000)	-	3,100,000	-
	<u>2,654,313</u>	<u>59,916,129</u>	<u>(59,591,764)</u>	<u>(815,461)</u>	<u>3,100,000</u>	<u>5,263,217</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
DfE Group capital grants	29,430,428	2,471,605	(1,541,416)	1,923	-	30,362,540
Other government grants	446,413	-	(44,651)	7,376	-	409,138
Capital refresh	107,103	-	(69,529)	362	-	37,936
Other capital income	69,477	-	(13,997)	-	-	55,480
Transfer from Local Authority	57,854,203	-	(1,582,114)	-	-	56,272,089
Capital expenditure from GAG	2,956,265	-	(870,893)	954,003	-	3,039,375
Transfer from existing Academy joining the Trust	6,166,147	-	(136,587)	-	-	6,029,560
	97,030,036	2,471,605	(4,259,187)	963,664	-	96,206,118
Total Restricted funds	99,684,349	62,387,734	(63,850,951)	148,203	3,100,000	101,469,335
Total funds	102,083,543	63,346,565	(64,456,135)	-	3,100,000	104,073,973

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 mainly relates to funding towards fixed asset additions purchased in the year.

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22. Statement of funds (continued)

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 2023 term.

The supplementary grant is additional funding to provide support for the costs of the Health and Social Care Levy and wider costs. All funds were fully spent during the year.

The other DfE/ESFA grants consist of PE sports grant, rates funding, universal infant free schools meal income, teacher pay grant, teacher pension grant, mental health led tutoring, recovery premium funding, school led tutoring grants, growth funding, Year 7 catch-up funding, KS2 phonics and free school income. The closing balance relates to PE sports grant of £3,988 and free school income of £30,000.

Other government grants consists of Early Years Single Funding Formula (EYSFF) income, Special Educational Needs (SEN) income, Local Authority grants, Pupil Premium looked after children, Designated Special Provision (DSP) income and other small grants. The closing balance relates to the Local Authority income of £300 for expenditure planned in the 2023-24 financial year.

Other funding consists of various grants including, clothing support income, apprenticeship income, grants for books and training, The Duke of Edinburgh award scheme funding, maths hub funding, teach first CPD income, Homes of Ukraine grants and apprenticeship levy notional top up income. The closing balance relates to Kibworth Foundation Trust income of £1,525, ScienceHub and Spoke unspent funding of £15,906 and Homes of Ukraine funding of £2,986.

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 and SSIF grant of £12,671.

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 £64,916.

The deficit inherited on conversion is the amount transferred from Local Authority in relation to Abbey Mead Primary School a creditor has been provided, the amount is payable back to the Local Authority.

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

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

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 £977,371.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Statement of funds (continued)

Other government grants relate to Big Lottery Grants and Local Authority money received for fixtures and fittings, IT equipment and an outdoor gym and the set up of new DSP units. The transfer relates to the movement of expenditure. The closing balance relates to the net book value of the assets concerned.

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.

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

The transfer from Local Authority relates to the value of £66,174,276 (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 2023.

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 (as restated) £</i>
Designated funds						
Teaching School	18,568	246,802	(189,224)	-	-	76,146
3G pitch fund	120,000	-	-	40,000	-	160,000
	<u>138,568</u>	<u>246,802</u>	<u>(189,224)</u>	<u>40,000</u>	<u>-</u>	<u>236,146</u>
Unrestricted funds						
General funds	<u>2,026,217</u>	<u>269,560</u>	<u>(59,636)</u>	<u>(73,093)</u>	<u>-</u>	<u>2,163,048</u>
Total Unrestricted funds	<u>2,164,785</u>	<u>516,362</u>	<u>(248,860)</u>	<u>(33,093)</u>	<u>-</u>	<u>2,399,194</u>

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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22. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 (as restated) £</i>
Restricted general funds						
General Annual Grant	4,747,490	42,237,913	(41,066,254)	(1,004,159)	-	4,914,990
Pupil Premium	264,375	2,544,967	(2,491,008)	-	-	318,334
Other DfE/ESFA grants	235,719	2,263,829	(2,346,078)	(56,880)	-	96,590
EYSFF income	-	685,255	(685,255)	-	-	-
SEN income	-	1,028,191	(1,028,191)	-	-	-
Other government grants	1,800	578,600	(590,515)	11,615	-	1,500
Other funding	27,632	128,300	(129,780)	-	-	26,152
Teaching School	19,338	169,246	(170,913)	-	-	17,671
SCITT	69,016	804,008	(833,963)	(985)	-	38,076
Deficit inherited on conversion	(20,507)	-	-	20,507	-	-
Notional rent and rent reimbursement	-	432,696	(432,696)	-	-	-
Pension reserve	(23,416,000)	(748,000)	(3,964,000)	-	25,369,000	(2,759,000)
	<u>(18,071,137)</u>	<u>50,125,005</u>	<u>(53,738,653)</u>	<u>(1,029,902)</u>	<u>25,369,000</u>	<u>2,654,313</u>

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 (as restated) £</i>
Restricted fixed asset funds						
DfE Group capital grants	5,344,483	25,190,499	(1,161,242)	56,688	-	29,430,428
Other government grants	347,598	156,020	(45,590)	(11,615)	-	446,413
Capital refresh	197,307	-	(90,204)	-	-	107,103
Other capital income	44,001	37,398	(11,922)	-	-	69,477
Transfer from Local Authority	56,538,359	2,960,000	(1,644,156)	-	-	57,854,203
Capital expenditure from GAG	2,656,151	-	(717,808)	1,017,922	-	2,956,265
Transfer from existing Academy joining the Trust	6,325,274	-	(159,127)	-	-	6,166,147
	<u>71,453,173</u>	<u>28,343,917</u>	<u>(3,830,049)</u>	<u>1,062,995</u>	<u>-</u>	<u>97,030,036</u>
Total Restricted funds	<u>53,382,036</u>	<u>78,468,922</u>	<u>(57,568,702)</u>	<u>33,093</u>	<u>25,369,000</u>	<u>99,684,349</u>
Total funds	<u><u>55,546,821</u></u>	<u><u>78,985,284</u></u>	<u><u>(57,817,562)</u></u>	<u><u>-</u></u>	<u><u>25,369,000</u></u>	<u><u>102,083,543</u></u>

THE MEAD EDUCATIONAL TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

22. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Abbey Mead Primary Academy	196,142	130,268
Brook Mead Academy	308,826	13,777
Castle Mead Academy	516,812	486,459
Fosse Mead Primary Academy	178,837	44,428
Kestrel Mead Primary Academy	449,156	501,183
Kibworth Mead Academy	101,570	368,815
Knighton Mead Primary Academy	27,458	194,237
North Mead Primary Academy	128,463	168,189
Orchard Mead Academy	707,928	918,271
Rowlatts Mead Primary Academy	165,231	157,085
Rushey Mead Academy	1,711,148	1,936,964
Thurnby Mead Academy	143,127	99,310
Willowbrook Mead Primary Academy	191,771	231,853
Central services	3,041,386	2,561,668
Total before fixed asset funds and pension reserve	7,867,855	7,812,507
Restricted fixed asset fund	96,206,118	97,030,036
Pension reserve	-	(2,759,000)
Total	104,073,973	102,083,543

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

22. 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 2023 £	Total 2022 £
Abbey Mead Primary Academy	2,350,974	403,377	65,073	486,168	3,305,592	3,061,923
Brook Mead Academy	1,939,081	323,529	76,281	490,298	2,829,189	1,497,035
Castle Mead Academy	4,370,311	794,067	168,270	1,137,721	6,470,369	4,420,408
Fosse Mead Primary Academy	1,507,054	229,641	70,275	463,080	2,270,050	2,128,262
Kestrel Mead Primary Academy	2,969,247	475,081	110,822	581,381	4,136,531	3,451,850
Kibworth Mead Academy	3,605,812	552,776	82,330	1,011,990	5,252,908	4,759,139
Knighton Mead Primary Academy	1,184,265	164,901	37,183	302,635	1,688,984	1,400,972
North Mead Primary Academy	1,743,340	259,889	75,092	451,146	2,529,467	2,231,902
Orchard Mead Academy	5,926,159	909,223	125,026	1,530,369	8,490,777	7,777,822
Rowlatts Mead Primary Academy	1,316,453	194,417	52,652	282,086	1,845,608	1,721,937
Rushey Mead Academy	7,538,703	1,480,883	184,137	4,163,748	13,367,471	10,960,964
Thurnby Mead Academy	1,138,841	158,648	36,886	225,431	1,559,806	1,519,636
Willowbrook Mead Primary Academy	1,878,747	253,505	57,051	420,212	2,609,515	2,373,901
Central services	1,741,075	1,185,577	8,978	905,051	3,840,681	6,681,762

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

22. Statement of funds (continued)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Academy	<u>39,210,062</u>	<u>7,385,514</u>	<u>1,150,056</u>	<u>12,451,316</u>	<u>60,196,948</u>	<u>53,987,513</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	95,228,747	95,228,747
Current assets	2,604,638	12,036,878	977,371	15,618,887
Creditors due within one year	-	(6,372,866)	-	(6,372,866)
Creditors due in more than one year	-	(400,795)	-	(400,795)
Total	<u>2,604,638</u>	<u>5,263,217</u>	<u>96,206,118</u>	<u>104,073,973</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds (as restated) 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	95,854,952	95,854,952
Current assets	2,399,194	10,874,501	1,175,084	14,448,779
Creditors due within one year	-	(4,911,368)	-	(4,911,368)
Creditors due in more than one year	-	(549,820)	-	(549,820)
Pension scheme liability	-	(2,759,000)	-	(2,759,000)
Total	<u>2,399,194</u>	<u>2,654,313</u>	<u>97,030,036</u>	<u>102,083,543</u>

THE MEAD EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

23. Analysis of net assets between funds (continued)

24. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2023	<i>As restated</i>
	£	2022
		£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,109,570)	21,167,722
Adjustments for:		
Depreciation	4,259,187	3,830,049
Capital grants from DfE and other capital income	(2,471,605)	(2,608,917)
Interest receivable	(176,957)	(5,267)
Defined benefit pension scheme obligation inherited	-	748,000
Defined benefit pension scheme cost less contributions payable	219,000	3,531,000
Defined benefit pension scheme finance cost	122,000	427,000
Defined benefit pension past service cost	-	6,000
Increase in stocks	(86,073)	(3,416)
(Increase)/decrease in debtors	(161,038)	222,313
Increase in creditors	1,477,967	813,540
Donated fixed assets	-	(25,735,000)
	-	-
Net cash provided by operating activities	2,072,911	2,393,024

25. Cash flows from financing activities

	2023	2022
	£	£
Cash inflows from new borrowing	-	18,570
Repayments of borrowing	(165,494)	(121,036)
Net cash used in financing activities	(165,494)	(102,466)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. Cash flows from investing activities

	2023 £	2022 £
Interest receivable	176,957	5,267
Purchase of tangible fixed assets	(3,632,982)	(3,885,418)
Capital grants from DfE Group	2,471,605	2,415,499
Capital funding received from sponsors and others	-	193,418
Net cash used in investing activities	(984,420)	(1,271,234)

27. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	6,182,174	5,246,092
Cash investments	6,500,000	6,513,085
Total cash and cash equivalents	12,682,174	11,759,177

28. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	5,246,092	936,082	6,182,174
Debt due within 1 year	(167,778)	16,469	(151,309)
Debt due after 1 year	(549,820)	149,025	(400,795)
Liquid investments	6,513,085	(13,085)	6,500,000
	11,041,579	1,088,491	12,130,070

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 £860,507 were payable to the schemes at 31 August 2023 (2022 - £753,591) 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 2024.

The employer's pension costs paid to TPS in the year amounted to £4,801,173 (2022 - £4,298,352).

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 2023 was £3,506,000 (2022 - £2,858,000), of which employer's contributions totalled £2,769,000 (2022 - £2,258,000) and employees' contributions totalled £737,000 (2022 - £600,000). The agreed contribution rates for future years are 22.7 - 23.7 per cent for employers and 5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

	2023	2022
	%	%
Rate of increase in salaries	3.45	3.55
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.2	4.25
Inflation assumption (CPI)	2.95	3.05
Commutation of pensions to lump sums	55	50

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	19.1	21.5
Females	23.6	24.0
<i>Retiring in 20 years</i>		
Males	21.0	22.4
Females	24.8	25.7

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29. Pension commitments (continued)

Sensitivity analysis

	2023	<i>2022</i>
	£000	<i>£000</i>
Discount rate -0.1%	720	<i>746</i>
Salary increase rate +0.1%	75	<i>68</i>
Pension increase rate +0.1%	659	<i>685</i>
	=====	<i>=====</i>

Share of scheme assets

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

	At 31 August 2023	<i>At 31 August 2022</i>
	£	<i>£</i>
Equities	17,669,000	<i>16,286,000</i>
Corporate bonds	10,540,000	<i>7,475,000</i>
Property	2,170,000	<i>2,403,000</i>
Cash and other liquid assets	620,000	<i>534,000</i>
Total market value of assets	=====	<i>=====</i>
	30,999,000	<i>26,698,000</i>

The actual return on scheme assets was £1,184,000 (2022 - £(35,000)).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

29. Pension commitments (continued)

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 2022 for the year to 31 August 2023, or date of joining the fund if later).

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

	2023 £	2022 £
Current service cost	(2,988,000)	<i>(5,789,000)</i>
Past service cost	-	<i>(6,000)</i>
Interest income	1,199,000	<i>419,000</i>
Interest cost	(1,321,000)	<i>(846,000)</i>
Total amount recognised in the Statement of Financial Activities	<u>(3,110,000)</u>	<i><u>(6,222,000)</u></i>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

29. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	29,457,000	46,657,000
Conversion of academy trusts	-	1,600,000
Current service cost	2,988,000	5,789,000
Interest cost	1,321,000	846,000
Employee contributions	737,000	600,000
Actuarial gains	(5,537,000)	(25,823,000)
Benefits paid	(389,000)	(218,000)
Past service costs	-	6,000
At 31 August	28,577,000	29,457,000

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

	2023 £	2022 £
At 1 September	26,698,000	23,241,000
Conversion of academy trusts	-	852,000
Derecognition of surplus	(2,422,000)	-
Interest income	1,199,000	419,000
Actuarial losses	(15,000)	(454,000)
Employer contributions	2,769,000	2,258,000
Employee contributions	737,000	600,000
Benefits paid	(389,000)	(218,000)
At 31 August	28,577,000	26,698,000

The closing position of the FRS102 valuation as at 31 August 2023 was a net asset of £2,422,000. The Academy does not expect to benefit from the pension fund asset therefore an adjustment has been made for derecognition of surplus.

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30. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	47,501	62,686
Later than 1 year and not later than 5 years	3,347	50,670
	<u>50,848</u>	<u>113,356</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 Academy Trust 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.

Ian Ridley, husband of Sarah Ridley, Accounting Officer and Trustee of the Academy Trust, is employed by the Trust as Data Manager. Ian Ridley's appointment was made in open competition and Sarah Ridley was not involved in the decision making process regarding appointment. Ian Ridley is paid within the normal scale for his roles 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 13.