

**THE MEAD EDUCATIONAL TRUST**  
**(A Company Limited by Guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

By 31 August 2020, The Mead Educational Trust (TMET) comprised ten schools (seven primary and three secondary), Leicester Teaching School and Leicestershire Secondary SCITT (School Centred Initial Teacher Training), all of which are based in Leicester. TMET's schools have a combined pupil capacity of nearly 7,000 and a combined number on roll of approximately 6,300.

During the 2019-20 financial year, two Leicester primary schools joined the Trust: Abbey Mead Primary Academy and Kestrel Mead Primary Academy both joined on 1 September 2019.

TMET was established to provide a local sponsorship solution and became fully operational in November 2015 with its first two schools, Rushey Mead Academy and North Mead Primary Academy (previously Northfield House Primary Academy). By the end of the 2018-19 financial year TMET has grown to an 'Established Trust' of eight schools and, by the start of September 2019, to ten schools. The Trust is due to open another secondary Free School, Brook Mead Academy, in August 2021. The Trust is deliberately a cross phase entity, believing that everyone has mu

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**TRUSTEES' REPORT (CONTINUED)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

Each new Trustee attends a face to face induction session (in person or virtually) with the Trust Head of Trustees

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

**Organisational structure**

The Trust Governance and Accountability Structure at 31 August 2020:



**Members**

The Members are the guardians of the Trust



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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.

**Remuneration Committee**

This committee considers, determines and keeps under review

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	<b>3</b>
Full-time equivalent employee number	<b>3</b>

**Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	<b>2</b>
1%-50%	<b>1</b>
51%-99%	-
100%	-

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

Total cost of facility time	<b>33</b>
Total pay bill	<b>28,700,830</b>
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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**Related parties and other connected charities and organisations**

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

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

- Leicester City Council
- Leicester City Educational Improvement Partnership
- Leicestershire Secondary SCITT
- Challenge Partners
- The British Council
- Teaching Schools Council
- East Midlands, South Yorkshire and Humber Teaching Schools Alliance
- a number of Multi Academy Trusts

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**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 (continued from 2007)
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 (2013)	Good (Jan 2020)
Orchard Mead Academy	01/09/2017	Inadequate (2016)	N/A
Castle Mead Academy	23/08/2019	N/A	N/A
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)

**School end of year results**

2019-20 proved to be an unusual and challenging year due to the COVID-19 pandemic. As a result, there are no Key Stage 2 results for 2020.

The GCSE results for Rushey Mead and Orchard Mead Academies were based on Centre Assessed Grades, i.e. in depth teacher assessments of what the students would have achieved if they had sat their GCSE exams. The 2020 results are not being published by the DfE. Rushey Mead Academy exceeded national averages for attainment and progress, as it has done in previous years. Orchard Mead Academy showed an improvement on 2019 in overall attainment and progress as part of the significant improvement journey this school is on.

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

The SCITT works with a range of partnership schools in Leicester and Leicestershire and continues to achieve a high level of success. In 2019-20, it was successful in increasing the number of trainees to 59 trainees across 12 subjects, its biggest cohort yet. This included three Salaried School Trainees and one Researchers in Schools. Four trainees withdrew from the course and 51 achieved QTS (Qualified Teacher Status). Those who withdrew had various reasons but, overwhelmingly, teaching was not a career they wanted to pursue. Due to the lockdown, four trainees were not able to demonstrate sufficient evidence across the Teachers' Standards and they are extending their programme until the end of December 2020. The DfE recognised that a small proportion of trainees required additional time to obtain QTS and they have provided additional funding to trainees and providers.

**Key Achievements:**

- 98% of the SCITT NQTs are now working in Leicester/Leicestershire schools.
- Since 2013, the SCITT has trained 222 teachers.
- The number of partnership schools has grown to 56 (this includes primary, special, secondary, independent and sixth forms).
- During 2019-20, 161 teachers from the SCITT partner schools attended the following training: mentor training; the Power of Coaching; Cognitive Science; Tom Bennett conference. These were opportunities for



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report (continued)**

**Achievements and performance (continued)**

- colleagues in the partner schools to develop their mentoring skills.
- A new partnership has been developed with Thomas Estley Teaching Alliance to support them in delivering

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**Promoting the success of the company**

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

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

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

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

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

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

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**Financial review**

**Financial review**

The Academy Trust had a net increase in funds for the year ended 31 August 2020 of £878,101 including fixed assets movements but excluding pension reserve movements. As at 31 August 2020 the Trust held £1,999,686 of unrestricted reserves plus £3,422,287 of unspent (non fixed asset) restricted funds. The Trust therefore held combined unrestricted and non fixed asset restricted funds, being its available reserves of £5,421,973.

The Trust had a pension deficit on their Local Government Pension Scheme of £14,832,000 at 31 August 2020 and a fixed asset reserve of £53,106,588 (being the book value of past purchases £52,370,051 plus £756,537 of unspent capital grants.)

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

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

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

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Investment policy**

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

The purpose of the Trust Investment Policy is:

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

Guidelines are strict and include:

- Regular cash balance reports are to be prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding creditors that are due for payment.
- Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested following approval from the Finance and Audit Committee. Approval must be signed off and recorded in the committee minutes.
- In making decisions regarding where and how any surplus funds should be invested, due regard will be given to risk. The Finance and Audit Committee will set a maximum level of investment with any single provider. This decision will be recorded in the minutes of this committee.
- The main bank account for each school attracts interest at the current rate of 0.1% regardless of any separate investment. This interest is paid directly into the bank account of the individual schools and is a true reflection of the interest earned on their own balances.
- Currently, it is expected that surplus funds will be invested with the existing banker Lloyds Bank in an instant access deposit account. There is potential for a better rate of return from investing a single value that may be a contribution from any combination of schools. The interest accrued would then be distributed proportionally to each school.
- The Finance and Audit Committee will receive a report at each meeting as to the performance of the investment.
- The Chief Financial Officer will research alternative sources of investment return at least twice a year and will report to the Finance and Audit Committee the options available. Any decision to diversify the investments must be recorded in the minutes of this committee.
- The Finance and Audit Committee will consider the ethical and moral standing of any alternative investment provider and they will ensure that this potential investment partner meet the standards that will be expected by the Trust Board.

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

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









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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Plans for future periods**

The Trust has clear strategic ambitions built on its vision and values, at the core of which is the determination that 'together we make a positive difference'. The Trust KPIs set out our high level aspirations and are grouped together under the headings of:

- Together we make a positive difference for our learners
- Together we make a positive difference through our governance
- Together we make a positive difference through our leadership
- Together we make a positive difference through our staff
- Together we make a positive difference to the educational landscape
- Together we make a positive difference through effective operations

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

**Growth**

The Trust is now a well-established, respected, cross phase MAT comprising ten schools, the Teaching School, SCITT, over 6,000 pupils, a combined GAG income of £28 million and a total income in excess of £36 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 Trust is due to open another new secondary school in Leicester, Brook Mead Academy, in 2021.

To develop school improvement capacity f



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**THE MEAD EDUCATIONAL TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Mead Educational Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

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

Attendance during the year at meetings of the Board of Trustees is presented in the following table. Victoria Bishop ceased to be a Trustee before the first meeting of the year. Gemma Bhagalia went on maternity leave in March 2020.

Trustee	Meetings attended	Out of a possible
Anthony Glover, Chair of Trustees	7	8
Carolyn Robson, Chief Executive	8	8
Gemma Bhagalia	3	8
Rachael Clarke	6	8
Victoria Bishop	0	0
Elaine Taylor	8	8
Kirsty Holt	7	8
Kasar Singh	6	8
Deepak Karia	6	8
Hetal Parmar, Vice-Chair of Trustees	7	8
Hiten Mehta	7	8

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

During the year there has been one Trustee resignation: Victoria Bishop (25 September 2019). There have been no Trustee appointments.

The Board of Trustees had planned four meetings during 2019-20 but arranged additional meetings in April to August 2020 due to the COVID-19 pandemic. Therefore, the Board formally met eight times during the year.

Effective oversight of funds is maintained through the year via:

- 4 Board meetings
- 4 Finance and Audit Committee meetings (5 in 2019-20)
- Monthly budget management reports which are sent to the Trust CEO, Chair of Trustees and Chair of Finance and Audit Committee and are shared with all Trustees on GovernorHub
- Twice yearly meetings of the CFO with the Chair of the Finance and Audit Committee to provide the opportunity for that Chair to interrogate financial management across the Trust.

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**THE MEAD EDUCATIONAL TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

The Finance and Audit Committee is a committee of the Board of Trustees. Its purpose is to provide assurance over the sustainability of, and compliance with, the Trust's financial systems and operational controls. The committee's role is to maintain an oversight of the Trust's financial governance, risk management, internal control and value for money framework. This committee incorporates the role of an Audit Committee. Whilst academy councils draft their annual budget and set their own staffing levels, the Board of Trustees has overall responsibility of approving or not approving these recommendations prior to submission to the ESFA by the deadline (usually 31 July each year but extended to September in 2020 due to COVID-19).

Attendance at Finance and Audit Committee meetings in 2019-20 was as follows:

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

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Capacity to handle risk**

The Board of Trustees has reviewed the key ri+ the

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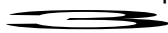
**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of effectiveness**

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the committee he iy " 





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

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

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



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

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**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated

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

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

Except for the matter described in the basis for qualified opinion section of our report, in the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting

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

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**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant  
**Magma Audit LLP**

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

Date: 26 January 2021



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

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants						
Transfer from Local Authority on conversion		228,371	(1,871,507)	87,022	(1,556,114)	-
Other donations and capital grants		4,844	432,696	892,081	1,329,621	1,378,221
Charitable activities:	4					
Funding for the Academy Trust's educational operations		-	33,936,395	-	33,936,395	25,699,163
Teaching school		134,489	105,776	-	240,265	641,015
SCITT		-	919,465	-	919,465	617,464
Other trading activities	5	154,477	-	-	154,477	265,252
Investments	6	24,799	-	-	24,799	26,330
<b>Total income</b>		<b>546,980</b>	<b>33,522,825</b>	<b>979,103</b>	<b>35,048,908</b>	<b>28,627,445</b>
<b>Expenditure on:</b>						
Raising funds		104,638	-	-	104,638	194,100
Charitable activities:						
Academy Trust's educational operations		-	34,337,096	2,262,433	36,599,529	27,423,141
Teaching school		127,950	80,175	-	208,125	626,388
SCITT						

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**THE MEAD EDUCATIONAL TRUST**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Note					
<b>Net movement in funds before other recognised gains/(losses) brought forward</b>	<b>279,706</b>	<b>(2,913,983)</b>			

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THE MEAD EDUCATIONAL TRUST

(A Company Limited by Guarantee)

REGISTERED NUMBER: 09079258

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BALANCE SHEET  
AS AT 31 AUGUST 2020

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	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	14	<b>52,370,051</b>	52,344,998
		<hr/>	<hr/>
		<b>52,370,051</b>	52,344,998
<b>Current assets</b>			
Stocks	15	116,251	96,846
Debtors	16	1,560,320	1,495,269
Investments	17	4,508,562	2,500,000
Cash at bank and in hand		2,769,707	3,568,790
		<hr/>	<hr/>
		<b>8,954,840</b>	7,660,905
Creditors: amounts falling due within one year	18	<b>(2,673,884)</b>	(2,212,685)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>6,280,956</b>	

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**THE MEAD EDUCATIONAL TRUST**

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

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

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	<b>Note</b>	<b>2020</b> <b>£</b>	<i>2019</i> <i>£</i>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	22	<b>2,509,163</b>	<i>856,541</i>
<b>Cash flows from investing activities</b>	24	<b>(1,283,584)</b>	<i>(272,303)</i>
<b>Cash flows from financing activities</b>	23	<b>(16,100)</b>	<i>(27,457)</i>
<b>Change in cash and cash equivalents in the year</b>		<b>1,209,479</b>	<i>556,781</i>
Cash and cash equivalents at the beginning of the year		<b>6,068,790</b>	<i>5,512,009</i>
<b>Cash and cash equivalents at the end of the year</b>	25, 26	<b>7,278,269</b>	<i>6,068,790</i>

The notes on pages 44 to 80 form part of these financial statements

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

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

**1.2 Going concern**

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

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

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

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.

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

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

**1.4 Expenditure**

Expenditure is recognised once there is a ~~At the time of~~ c o n o m i c c i o n o f t h e T r u s t



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

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**1. Accounting policies (continued)**

**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

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

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**1. Accounting policies (continued)**

**1.9 Stocks**

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

**1.10 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.

**1.11 Cash at bank and in hand**

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

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

**1.12 Liabilities**

Liabilities are recognised when there is an obligation at the

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**THE MEAD EDUCATIONAL TRUST**

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

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

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**1. Accounting policies (continued)**

**1.17 Conversion to an academy trust**

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Kestrels' Field Primary School and Abbey Primary Community School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction ar0

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

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**2. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying

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

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**4. Funding for the Academy Trust's educational operations**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	28,179,306	<b>28,179,306</b>	21,858,829
Other DfE/ESFA grants	-	4,042,797	<b>4,042,797</b>	3,012,830
Teaching School	-	59,203	<b>59,203</b>	465,617
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**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**5. Income from other trading activities**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Lettings income	47,455	<b>47,455</b>	41,670
Consultancy income	10,884	<b>10,884</b>	1,540
Other income	96,138	<b>96,138</b>	222,042
	<hr/> <b>154,477</b> <hr/>	<hr/> <b>154,477</b> <hr/>	<hr/> <b>265,252</b> <hr/>

*Total*

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

**7. Expenditure**

	<b>Staff Costs 2020 £</b>	<b>Premises 2020 £</b>	<b>Other 2020 £</b>	<b>Total 2020 £</b>	<i>Total 2019 £</i>
Expenditure on fundraising trading activities:					
Direct costs	14,071	-	-	<b>14,071</b>	-
Allocated support costs	42,064	-	48,503	<b>90,567</b>	194,100
Charitable Activities:					
Direct costs	20,431,967	1,696,825	2,652,152	<b>24,780,944</b>	18,792,498
Allocated support costs	8,551,187	2,712,299	1,657,739	<b>12,921,225</b>	9,900,091
	<u>29,039,289</u>	<u>4,409,124</u>	<u>4,358,394</u>	<u><b>37,806,807</b></u>	<u>28,886,689</u>
<i>Total 2019</i>	<u><u>21,444,517</u></u>	<u><u>3,445,154</u></u>	<u><u>3,997,018</u></u>	<u><u>28,886,689</u></u>	

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Educational operations	<u>24,780,944</u>	<u>12,921,225</u>	<u><b>37,702,169</b></u>	<u>28,692,589</u>
<i>Total 2019</i>	<u><u>18,792,498</u></u>	<u><u>9,900,091</u></u>	<u><u>28,692,589</u></u>	



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

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

**Analysis of direct costs**

<b>Charitable Activities 2020</b>	<b>Total funds 2020</b>	<i>As restated Total funds 2019</i>
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**THE MEAD EDUCATIONAL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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

**Analysis of support costs**

	<b>Charitable Activities 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Staff costs	8,243,864	<b>8,243,864</b>	6,222,419
Depreciation	565,608	<b>565,608</b>	442,215
Recruitment	63,150	<b>63,150</b>	61,755
Maintenance of premises and equipment	437,237	<b>437,237</b>	293,460
Cleaning	138,510	<b>138,510</b>	105,880
Rent & rates	867,023	<b>867,023</b>	689,554
Insurance	237,427	<b>237,427</b>	171,615
Catering	704,497	<b>704,497</b>	420,735
Legal and professional fees	96,771	<b>96,771</b>	77,179
Other support costs	486,326	<b>486,326</b>	449,199
Security and transport	79,454	<b>79,454</b>	69,030
Technology costs	457,888	<b>457,888</b>	432,729
Energy costs	465,213	<b>465,213</b>	384,428
Governance costs	78,257	<b>78,257</b>	79,893
	<u>12,921,225</u>	<u><b>12,921,225</b></u>	<u>9,900,091</u>
<i>Total 2019</i>	<u>9,900,091</u>	<u>9,900,091</u>	

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

Net income/(expenditure) for the year includes:

	<b>2020 £</b>	<i>2019 £</i>
Operating lease rentals	<b>45,781</b>	35,232
Depreciation of tangible fixed assets	<b>2,262,433</b>	1,768,861
Loss on disposal of fixed assets	-	3,949
Fees paid to auditors for:		
- audit	<b>34,500</b>	32,000
- other services	<b>27,100</b>	25,000
	<u><b>2,337,814</b></u>	<u>1,864,042</u>

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

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**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>20,647,374</b>	<i>15,829,380</i>

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

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**10. Staff (continued)**

**c. Higher paid staff**

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

	<b>2020</b>	<i>2019</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>11</b>	<i>5</i>
In the band £70,001 - £80,000		

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

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**11. Central services**

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

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

**13. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

Castle Mead Academy has 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 cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

**14. Tangible fixed assets**

	Leasehold land and buildings £	Furniture and fixtures £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2019	53,286,940	2,202,156	1,410,099	-	56,899,195
Additions	902,683	510,618	838,135	36,050	2,287,486
At 31 August 2020	<u>54,189,623</u>	<u>2,712,774</u>	<u>2,248,234</u>	<u>36,050</u>	<u>59,186,681</u>
<b>Depreciation</b>					
At 1 September 2019	3,080,249	768,732	705,216	-	4,554,197
Charge for the year	1,353,252	403,360	496,809	9,012	2,262,433
At 31 August 2020	<u>4,433,501</u>	<u>1,172,092</u>	<u>1,202,025</u>	<u>9,012</u>	<u>6,816,630</u>
<b>Net book value</b>					
At 31 August 2020	<u>49,756,122</u>	<u>1,540,682</u>	<u>1,046,209</u>	<u>27,038</u>	<u>52,370,051</u>
At 31 August 2019	<u>50,206,691</u>	<u>1,433,424</u>	<u>704,883</u>	-	<u>52,344,998</u>

See note 1.3 regarding assets transferred on conversion.

The Multi-Academy Trust has been unable to obtain the property valuations at conversion for Abbey Mead Primary Academy and Kestrel Mead Primary Academy at the time of approval of the 2020 accounts. The land and buildings valuation will be brought into the accounts when an independent valuation is received and will be reflected as a prior year adjustment in the 31 August 2021 financial statements.

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**THE MEAD EDUCATIONAL TRUST**

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

**20. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Designated funds</b>						
Teaching School	24,143	134,489	(127,950)	-	-	30,682
<b>Unrestricted funds</b>						
General funds	1,695,837	412,491	(104,638)	(34,686)	-	1,969,004
<b>Total Unrestricted funds</b>	<b>1,719,980</b>	<b>546,980</b>	<b>(232,588)</b>	<b>(34,686)</b>	<b>-</b>	<b>1,999,686</b>
<b>Restricted general funds</b>						
General Annual Grant	2,496,523	28,179,306	(26,562,136)	(1,073,232)	-	3,040,461
Pupil Premium	725	1,998,722	(1,833,938)	-	-	165,509
Other DfE Group grants	62,872	2,044,075	(2,014,988)	-	-	91,959
Other government grants	31,154	1,666,224	(1,695,278)	-	-	2,100
Other funding	18,546	48,289	(13,730)	(8,890)	-	44,215
Teaching School	15,371	105,776	(80,175)	-	-	40,972
SCITT	75,079	919,244	(893,845)	(42,900)	-	57,578
Notional rent	-	432,696	(432,696)	-	-	-
Deficit inherited on conversion	-	(20,507)	-	-	-	(20,507)
Pension reserve	(11,026,000)	(1,851,000)	(1,785,000)	-	(170,000)	(14,832,000)
	<b>(8,325,730)</b>	<b>33,522,825</b>	<b>(35,311,786)</b>	<b>(1,125,022)</b>	<b>(170,000)</b>	<b>(11,409,713)</b>
<b>Restricted fixed asset funds</b>						
DfE Group capital grants	3,789,045	883,387	(345,443)	-	-	4,326,989
Other government grants	170,529	-	(48,100)	-	-	122,429
Capital refresh	424,421	-	(100,681)	-	-	323,740
Other capital income	8,482	8,694	(4,079)	-	-	13,097
Transfer from Local Authority	48,214,666	87,022	(1,402,107)	-	-	46,899,581
Capital expenditure from GAG	623,067	-	(362,023)	1,159,708	-	1,420,752

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

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

**Total funds analysis by academy**

Fund balances at 31 August 2020 were allocated as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Abbey Mead Primary Academy	<b>91,567</b>	-
Castle Mead Academy	<b>171,681</b>	1,428
Kestrel Mead Primary Academy	<b>202,669</b>	-
Knighton Mead Primary Academy	<b>161,138</b>	206,995
North Mead Primary Academy	<b>79,071</b>	45,270
Orchard Mead Academy	<b>1,093,043</b>	1,000,512
Rowlatts Mead Primary Academy	<b>381,685</b>	452,484
Rushey Mead Academy	<b>2,266,719</b>	1,862,690
Thurnby Mead Academy	<b>175,890</b>	186,375
Willowbrook Mead Primary Academy	<b>176,114</b>	311,934
Central services	<b>622,396</b>	352,562
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	<b>5,421,973</b>	4,420,250
Restricted fixed asset fund	<b>53,106,588</b>	53,230,210
Pension reserve	<b>(14,832,000)</b>	(11,026,000)
	<hr/>	<hr/>
<b>Total</b>	<b>43,696,561</b>	



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

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

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Teaching School	19,086	156,414	(151,357)	-	-	24,143
<b>General funds</b>						
General funds	1,594,215	295,710	(194,088)	-	-	1,695,837
<b>Total Unrestricted funds</b>	1,613,301	452,124	(345,445)	-	-	1,719,980
<b>Restricted general funds</b>						
General Annual Grant	1,357,911	21,858,829	(20,321,477)	(398,740)	-	2,496,523
Pupil Premium	-	1,628,749	(1,628,024)	-	-	725
Other DfE Group grants	3,268	1,384,081	(1,324,477)	-	-	62,872
Other government grants	1,200	750,244	(720,290)	-	-	31,154
Other funding	13,415	77,260	(67,129)			

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

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
DfE Group capital grants	3,063,858	931,397	(206,210)	-	-	3,789,045
Other government grants	179,099	10,000	(48,099)	29,529	-	170,529
Capital refresh	486,370	-	(61,949)	-	-	424,421
Other capital income	5,387	-	(1,905)	5,000	-	8,482
Transfer from Local Authority	49,490,935	-	(1,272,320)	(3,949)	-	48,214,666
Capital expenditure from GAG	428,285	-	(178,378)	373,160	-	623,067
	<u>53,653,934</u>	<u>941,397</u>	<u>(1,768,861)</u>	<u>403,740</u>	<u>-</u>	<u>53,230,210</u>
<b>Total Restricted funds</b>	<u>48,452,403</u>	<u>28,175,321</u>	<u>(28,541,244)</u>	<u>-</u>	<u>(3,182,000)</u>	<u>44,904,480</u>
<b>Total funds</b>	<u><u>50,065,704</u></u>	<u><u>28,627,445</u></u>	<u><u>(28,886,689)</u></u>	<u><u>-</u></u>	<u><u>(3,182,000)</u></u>	<u><u>46,624,460</u></u>

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

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

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	-	-	52,370,051	<b>52,370,051</b>
Current assets	1,999,686	6,218,617	736,537	<b>8,954,840</b>
Creditors due within one year	-	(2,673,884)	-	<b>(2,673,884)</b>
Creditors due in more than one year	-	(122,446)	-	<b>(122,446)</b>
Pension scheme liability	-	(14,832,000)	-	<b>(14,832,000)</b>
<b>Total</b>	<u>1,999,686</u>	<u>(11,409,713)</u>	<u>53,106,588</u>	<u><b>43,696,561</b></u>

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

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**21. Analysis of net assets between funds (continued)**

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

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	-	-	52,344,998	52,344,998
Current assets	1,720,901	5,054,792	885,212	7,660,905
Creditors due within one year	(921,000)			



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

**23. Cash flows from financing activities**

	<b>2020</b>	<b>2019</b>
	£	£
Cash inflows from new borrowing	<b>21,057</b>	-
Repayments of borrowing	<b>(37,157)</b>	<b>(27,457)</b>
<b>Net cash used in financing activities</b>	<b>(16,100)</b>	<b>(27,457)</b>

**24. Cash flows from investing activities**

	<b>2020</b>	<b>2019</b>
	£	£
Interest receivable	<b>24,799</b>	26,330
Purchase of tangible fixed assets	<b>(2,287,486)</b>	<b>(1,240,030)</b>
Capital grants from DfE Group	<b>883,387</b>	941,397
Capital funding received from sponsors and others	<b>95,716</b>	-
<b>Net cash used in investing activities</b>	<b>(1,283,584)</b>	<b>(272,303)</b>

**25. Analysis of cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	£	£
Cash in hand	<b>2,769,707</b>	3,568,790
Cash investments	<b>4,508,562</b>	2,500,000
<b>Total cash and cash equivalents</b>	<b>7,278,269</b>	<b>6,068,790</b>

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

	At 1 September 2019 £	Cash flows £	New loans £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	3,568,790	(799,083)	-	-	2,769,707
Debt due within 1 year	(32,946)	37,157	(4,211)	(37,158)	(37,158)
Debt due after 1 year	(142,758)	-	(16,846)	37,158	(122,446)
Liquid investments	2,500,000	2,008,562	-	-	4,508,562
	<u>5,893,086</u>	<u>1,246,636</u>	<u>(21,057)</u>	<u>-</u>	<u>7,118,665</u>

**27. Conversion to an academy trust**

On 1 September 2019 Abbey Primary Community School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Mead Educational Trust from Leicester City Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net loss in the Statement of Financial Activities as Expenditure on Charitable activities - transfer from local authority on conversion.

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

	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>Tangible fixed assets</b>			
Other tangible fixed assets	-	72,690	72,690
<b>Current liabilities</b>			
Cash - representing budget deficit on LA funds	(20,507)	-	(20,507)
LGPS pension deficit	(1,088,000)	-	(1,088,000)
<b>Net (liabilities)/assets</b>	<u>(1,108,507)</u>	<u>72,690</u>	<u>(1,035,817)</u>

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**27. Conversion to an academy trust (continued)**

On 1 September 2019 Kestrels' Field Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Mead Educational Trust from Leicester City Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net loss in the Statement of Financial Activities as Expenditure on Charitable activities - transfer from local authority on conversion.

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

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Restricted fixed asset funds</b>	<b>Total funds</b>
	£	£	£	£
<b>Tangible fixed assets</b>				

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**29. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period

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**29. Pension commitments (continued)**

The employer's pension costs paid to TPS in the year amounted to £2,975,335 (2019 - £1,582,103).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,929,000 (2019 - £1,419,000), of which employer's contributions totalled £1,539,000 (2019 - £1,126,000) and employees' contributions totalled

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**29. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Discount rate -0.5%	<b>3,940</b>	<i>3,094</i>
Salary increase rate +0.5%	<b>412</b>	<i>538</i>
Pension increase rate +0.5%	<b>3,457</b>	<i>2,484</i>
	<b>=====</b>	<i>=====</i>

**Share of scheme assets**

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

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<i>£</i>
Equities	<b>8,748,000</b>	<i>6,775,0d</i>

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**29. Pension commitments (continued)**

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

	2020 £	2019 £
<b>At 1 September</b>	<b>10,547,000</b>	<b>10,547,000</b>
Conversion of academy trusts	<b>3,649,000</b>	-
Current service cost	<b>3,059,000</b>	1,761,000
Interest on MM	<b>532,000</b>	485,000
Employee contributions	<b>390,000</b>	293,000
Actuarial (gains)/losses	<b>(476,000)</b>	3,562,000
Benefits paid	<b>(208,000)</b>	(71,000)
Past service costs	<b>6,000</b>	330,000
<b>At 31 August</b>	<b>29,659,000</b>	<b>29,659,000</b>

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

**2020**



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**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.

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**34. Comparatives**

During the current year the financial statements include 10 schools, the Leicester teaching school and the Leicestershire Secondary School-Centred Initial Teacher Training (SCITT). The 10 schools include a full year of Castle Mead Academy which joined the Academy Trust in late August 2019, Abbey Mead Primary Academy and Kestrel Mead Primary Academy both of which joined the trust on 1 September 2019. The prior year figures included 8 schools, the Leicester teaching school and the SCITT. These 10 schools, together with central services are disclosed within the statement of funds note.

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

	2020 £	2020 £	2019 £	2019 £
<b>Income</b>				
Government grants	1,800,975		1,280,100	
<b>Other income</b>				
Other incoming resources	687,927		792,862	
<b>Total income</b>		<b>2,488,902</b>		<b>2,072,962</b>
<b>Expenditure</b>				
Direct staff costs	275,396		393,895	
Bursaries	1,329,172		814,483	
Delivery costs				