

Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2020
for
The Mead Academy Trust

MHA Monahans
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

The Mead Academy Trust

Contents of the Financial Statements
for the Year Ended 31 August 2020

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 11
Governance Statement	12 to 15
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees' Responsibilities	17
Report of the Independent Auditors	18 to 19
Independent Accountant's Report on Regularity	20
Statement of Financial Activities	21
Balance Sheet	22
Cash Flow Statement	23
Notes to the Cash Flow Statement	24
Notes to the Financial Statements	25 to 41
Detailed Statement of Financial Activities	42 to 43

The Mead Academy Trust

Reference and Administrative Details
for the Year Ended 31 August 2020

MEMBERS:	A Purcell (resigned 10.12.19) P Finn T Wright J Clark C Checkley
TRUSTEES	C Checkley B Quick L Bolton J Bullock M Haines P Finn L Shellard (appointed 7.11.19)
COMPANY SECRETARY	S Pedler
SENIOR MANAGEMENT TEAM:	K Austin (Head of River Mead) T Boulton (Head of Castle Mead) E Holton (Head of The Mead) K Jamieson (Head of Inclusion/SEN) L Palmer (Head of Teaching School) L Bolton (Chief Executive Officer)
REGISTERED OFFICE	Hackett Place Hilperton Trowbridge Wiltshire BA14 7GN
REGISTERED COMPANY NUMBER	08024396 (England and Wales)
AUDITORS	MHA Monahans Statutory Auditor Chartered Accountants Fortescue House Court Street Trowbridge Wiltshire BA14 8FA
SOLICITORS	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
BANKERS	Lloyds Bank 64 Fore Street Trowbridge Wiltshire BA14 8FA

The Mead Academy Trust
Report of the Trustees
for the Year Ended 31 August 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operated three primary academies in FY19/20 operating across four sites, incorporating four nursery provisions, two Complex Needs Resource Bases (RB), the Harbour (early intervention SEMH nurtured learning programme) and The Mead Teaching School.

TMAT academies had a roll of 965 pupils (Year R to 6) as at July 2020, with an additional 162 children in nursery provision.

Pupil Numbers	Available Places	Actual
The Mead - Hilperton	420 + nursery	408 + 46 nursery
The Mead - Wingfield	90	76 + 7 nursery
Castle Mead School	300 + 14 RB + nursery(NB: RB = 14 (funded but additional places funded by LA up to 24))	254 +24 RB + 55 nursery
River Mead School	210 + 25 RB + nursery	117 + 26 RB + nursery

OBJECTIVES AND ACTIVITIES

Objectives and aims

At the Mead Academy Trust, our purpose is:

- To work and learn together as a family of schools where staff work for and on behalf of each other and all of the children in our care.
- To ensure our schools are places where there are expectations of excellence, where individuals are valued, achievements celebrated and where children are happy and safe.
- To establish school communities where children and staff enjoy coming to school every day and take pride in moving their schools ever forward
- To encourage, support and develop every child so that they reach their full potential and
- To prepare children to live responsibly and peacefully in the spirit of understanding, tolerance, equality and friendship.

The aims of The Mead Academy Trust during the year ended 31 August 2020 were:

- To continue to raise the standard of educational attainment and achievement of all pupils across The Trust
- To provide a broad and balanced curriculum, including extra-curricular activities
- To develop children to be more effective learners
- To develop the Academy Trust sites so that they enable students to achieve their full potential.
- To ensure that every child enjoys the same high-quality education in terms of resourcing, personalised learning and care.
- To improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review.
- To provide value for money for the funds expended.
- To fulfil the role of a Teaching School
- To ensure effective professional learning from ITE through to Leadership development.
- To develop greater coherence, clarity and effectiveness in school systems within and between Trust schools.
- To comply with all appropriate statutory and curriculum requirements.
- To develop the Trust's capacity to manage change, and
- To conduct the Academy Trust's business in accordance with the highest standards of integrity, probity and openness.
- To aspire to achieve Ofsted Outstanding outcomes in Trust schools

Additionally, with effect from March 2020, to ensure Covid safety measures are implemented consistently across all sites, at all times.

The Mead Academy Trust
Report of the Trustees
for the Year Ended 31 August 2020

Covid Response Priorities 2020/2021:

- Remote and blended learning strategy - aligning work done remotely closely to the classroom curriculum
- Maintaining high standards in education through an effective curriculum that addresses identified Covid gaps in learning
- Effective SEN, safeguarding, well-being, attendance and behaviour whilst implementing Covid Risk Assessments

Curriculum Priorities 2020-2021:

- Leaders at all levels, including governors, regularly review and quality assure curriculum implementation
- Leaders ensure that on-going professional development/training is available for staff to ensure that curriculum requirements can be met
- Leaders enable curriculum expertise to develop across and between the schools
- There is a model of curriculum progression for every subject, ensuring sufficient depth and coverage of knowledge in each subject
- Curriculum mapping ensures sufficient coverage across the subject over time
- There is no mismatch between the planned and the delivered curriculum
- Assessment is designed thoughtfully to shape future learning. Assessment is not excessive or onerous
- Assessments are reliable. Teachers ensure systems to check reliability of assessments in subjects are fully understood by staff.

Objectives, Strategies and Activities

The Mead Academy Trust Key Strategic Priorities for 2019-20 were:

Purposeful Assessment

Focussed on improving and evaluating children's outcomes, with explicit reference to understanding what the children have learnt and in particular who needs any additional support or practice.

Inspirational Curriculum

Shaping enriched and memorable experiences; using effective teaching sequences that are purposeful, focussed on learning and have an end goal in mind; ensuring excellent progress in all subjects.

Effective Teaching

Developing practice and theory together to enhance teacher's subject knowledge and challenge their understanding of how children learn and how constructive pupil-teacher relationships are developed.

Maximising Learning Outcomes

An expectation that all pupils reach a minimum (but high) level of knowledge of the same content with a focus on reducing the attainment gap for disadvantaged learners. Extension for the highest attainers comes through greater depth rather than breadth or acceleration.

Courageous Leadership

Effective leaders with a clearly communicated vision and ethos focussed on shaping inspirational learning, driving excellent teaching and securing high outcomes. This means taking risks and learning from the outcomes; changing approaches if existing or new ones do not work and looking externally to find evidence and best practice to learn from. All contribute to, and benefit from, this culture of development.

Responsible Growth Strategy

Schools working closely together, with a shared ethos, principled leadership, mutual accountability and a genuine team approach. Building collective expertise, aiding transition and ensuring consistent and inspirational educational experiences.

The Trust's Key Improvement Priorities identified for 2019-20 were:

- Prioritisation of reading to allow pupils to access the full curriculum offer
- Prioritisation of mathematical fluency and confidence in numeracy as preconditions of success
- Enable highly effective teaching within core curriculum approaches
- To ensure a clear and coherent rationale for curriculum design is shared across the schools and fully understood by all
- Curriculum leaders show understanding of important concepts related to curriculum design, such as knowledge progression and sequencing of concepts
- Curriculum coverage allows all pupils to access the content and make progress through the curriculum

The Mead Academy Trust
Report of the Trustees
for the Year Ended 31 August 2020

Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The Academy Trust provides facilities for recreational and other leisure time occupations for the community at large in the interests of social welfare and with the interest of improving the life of the communities in which our schools are situated.

As an Academy Trust we have a duty to support other schools. Under the National Teaching School remit, we support other schools and academies through the provision of professional development, the training of new entrants to the profession, school to school support and research.

STRATEGIC REPORT

Achievement and performance

Key financial performance indicators

School Effectiveness

- The Mead - Good Ofsted outcome November 2019
- Development of a Curriculum Working Group - comprised of Trust leaders, shaping curriculum design and implementation
- Implementation of Cornerstones curriculum across all schools
- Trust Effectiveness teams providing curriculum expertise and peer networks for curriculum leadership
- Strong engagement of pupils in home learning through the use of Seesaw remote learning platform during lockdown
- Professional learning and dialogue facilitated by 'lesson study' and through Teacher Research Groups (TRGs) has continued to secure improvements in maths teaching across the schools
- SERs (School Effectiveness Reviews) termly, with external leadership, peer engagement., and the involvement of School Improvement Trustees.

The Mead Teaching School

- Implemented and managed the 'Smiles' campaign (www.themeadtrust.org/smiles), with over 600 photos shared by families of what they were doing during lockdown. This has now been accepted into the Wiltshire & Swindon History Centre Archives to represent 'Living in Lockdown' to future generations.
- Delivered Initial Teacher Training to three PGCE students and recruited 12 more who started training in September 2020.
- Supported the roll out of a number of digital tools to facilitate remote working and the new school landscape, including CPOMS (critical safeguarding tool), Zoom, and the Home Learning library (<https://www.themeadtrust.org/learning/curriculum/home-learning/>).
- Generated almost £11,000 income from delivering training and conferences

Inclusion & Safeguarding

- Introduction of Special Educational Needs & Disability (SEND) induction for ALL staff.
- Development of the Resource Base provision at River Mead and Castle Mead to support children with significant complex needs, some of whom may need a more specialist placement.
- The Harbour nurtured learning programme - continued to meet a gap in provision among schools in the locality for young children with emerging Social, Emotional and Mental Health (SEMH) needs. The provision has widened considerably over this pilot phase period, reaching children in a broad range of schools within CSL and beyond.
- Covid-19 Lockdown - Response to the significant safeguarding challenges during the months of lockdown, where fewer children were able to attend school. Provision of training to all staff on the potential impact on children and their families and recognising signs of need or child protection concerns.
- Covid-19 Lockdown - Development of Principles and Plans for 'emotionally safe' schools, for adults as well as children.

Additional Achievements

- Further development of shared Business processes and alignment of services
- Attendance at school during Spring/Summer lockdown and wider opening well above national percentages

Financial review

Financial position

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants (i.e. CIF grant) for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

The Mead Academy Trust
Report of the Trustees
for the Year Ended 31 August 2020

During the year ended 31 August 2020, the Academy received total income of £6,553,446 and incurred total expenditure of £7,536,362. The excess of expenditure over income for the year was £982,916.

At 31 August 2020 the net book value of fixed assets was £13,801,295 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Key financial policies adopted or reviewed during the year include the Financial Regulations 2019/2020 which lays out the framework for financial management, including financial responsibilities of The Board, Trust Leader, Heads of Schools, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, and the Reserves Policy.

Investment policy

The Trustees have discussed potential investment opportunities and the requirement to formalise an investment policy. In light of current interest rates and the future liquidity requirements of The Trust, the Trustees have decided that it would not be prudent to invest monies at this time. The policy, therefore, remains under review.

Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy Trust, the uncertainty over future income streams, unforeseen emergency or day to day costs.

The Trust Board requires Academy Schools to maintain an appropriate level of reserves to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and to deal with fluctuations in pupil numbers.

The value of reserves held as at 31 August 2020 is £340,046 after deductions have been made for the fixed asset fund of £14,306,665 and the long term LGPS pension deficit of £1,954,000; comprising £312,304 unrestricted reserves and £27,741 restricted reserves.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Going concern

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

Fundraising

The Trust undertakes regular fundraising activities related to nominated charities. It is also supported by the Parent Teacher Associations (PTAs), organisations which also support the Trust through fundraising events. Grant funding applications are made for priority areas.

Principal risks and uncertainties

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

Covid-19 - impacts on safety and wellbeing of staff and pupils; financial risks as a result of loss of income and additional expenditure incurred; impacts on educational outcomes; impact on staff retention and deployment

Financial - the Academy Trust is totally reliant on continued Government funding through the ESFA and given the Government's unwillingness to provide equitable and adequate funding to provide the highest quality education possible, this is on-going and a risk that is difficult to mitigate. In the last year the vast majority of the Academy Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practise will remain the same or that public funding will continue at the same levels or on the same terms. Development and provision that is non-statutory is reliant upon accessing further funding through grants and other sources.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the

The Mead Academy Trust
Report of the Trustees
for the Year Ended 31 August 2020

Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that pupil success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy Trust has appointed the Wiltshire Council's Accounting and Business Support Team to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training and on-going support from a Wiltshire Council Accounting and Budget Support Accounting Technician to keep them up to date with financial practice requirements and develop their skills in this area.

Risk Management Process - The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy Trust has agreed a risk management strategy, a Risk Register and a risk management plan. These have been discussed by Trustees and include the financial risks to the Academy Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Resource Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

Defined Benefit Pension Scheme Deficit - The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 22 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

Plans for future periods

The Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

The Academy Trust has been designated as a Teaching School and gains additional funding for its operations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of The Mead Academy Trust are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company operates as The Mead Academy Trust.

Details of the Trustees who served throughout the year and to the date the accounts are approved are included in the Reference and Administration Details on page 1.

The Mead Academy Trust
Report of the Trustees
for the Year Ended 31 August 2020

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 £10.00, for the debts and liabilities contracted before they cease to be Member.

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one loss and any one membership year.

Method of Recruitment and Appointment or Election of Trustees

On 1 May 2012 the Trustees appointed some of those that served the predecessor school (The Mead Community Primary School) to be Trustees of the newly formed Academy Trust.

The Articles of Association 2012 and funding agreement, state that the Academy Trust shall have the following Trustees:

- up to 3 Trustees who are appointed by Members
- Staff Trustees - provided that the total number of Trustees including the Chief Executive Officer, who are employees of the Company does not exceed one third of the total number of Trustees.
- Academy Trustees appointed under Article 51 or Article 52 (from Academy Advisory Groups)
- The Chief Executive Officer (Trust Leader), who is treated for all purposes as being an ex officio Governor.
- A minimum of 2 Parent Trustees who are elected or appointed from amongst the number of parent members of the Academy Advisory Groups
- Up to 1 Trustee appointed under Article 50AA by the Diocese of Salisbury Educational Trust; and
- Up to 3 Co-opted Trustees (not an employee if the number of Trustees exceeds one third of the total number of Trustees, including the Chief Executive Officer).

A review of governance arrangements within the academic year 2017-2018, in line with changes required as identified within the Academies Financial Handbook 2017, took place. Specifically, Staff Trustees were removed from the Trustees Board, and a level of independence achieved. The Trust Board now comprises: -

- x3 Trustees, as appointed by Members
 - The Chair of Trustees - also a Member
 - Chair of Resources Committee
 - Resources Committee and also a Member
- Chairs of Academy Advisory Groups
- x1 School Improvement Lead
- x2 Parent Trustees
- The Chief Executive Officer (Trust Leader)
- One Trustee is designated lead for Safeguarding and Inclusion

Trustees are appointed for a four-year period, except that this time limit does not apply to the Trust Leader (Chief Executive Officer). Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
NIL	n/a

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	n/a
1%-50%	n/a
51%-99%	n/a
100%	n/a

Percentage of pay bill spent on facility time

The Mead Academy Trust
Report of the Trustees
for the Year Ended 31 August 2020

Provide the total cost of facility time	n/a
Provide the total pay bill	n/a
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	n/a

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	n/a
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Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment, Induction and Training programme.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered via CSL (Collaborative Schools Ltd) and other providers.

There is a Governance Development Session organised each year which includes training to keep the Board Members and Trustees updated on relevant developments impacting on their roles and responsibilities. Academy Advisory Groups also hold a Governance Day each year for each of the three academy schools.

Organisational structure

The Board of Trustees normally meets once each term (6 x per annum) with additional meetings as required throughout the year. The Board establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees/Groups for ratification. It monitors the activities of the Committees/Groups through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The Board of Trustees has one subordinate Committee, which is the Resources Committee. This meets as scheduled nine times a year, with additional meetings as necessary. The Resources Committee is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with regulatory requirements and reporting, receiving scrutiny reports from the service providers, Wiltshire Council Accounting and Business Support Team, and drafting the annual budget including setting staffing levels. It also incorporates the role of an Audit Committee.

Each Academy School within the Trust also has an Academy Advisory Group that reports to the Board of Trustees.

The following decisions are reserved to the Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure,
- to appoint or remove the Chairman and/or Vice Chairman,
- to appoint the Trust Leader (Chief Executive Officer) and Secretary to the Trustees,
- to approve the Annual Development Plan and budget.
- to approve expenditure over a designated limit of £20,000.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making major decisions about the direction of the Academy Trust, capital expenditure and appointments of strategic leaders.

The Members and Board of Trustees have devolved responsibility for day to day management of the Academy Trust to the Trust Leader (Chief Executive Officer), and the Senior Leadership Group (SLG). The SLG comprises the Trust Leader, Heads of School, Deputy Head Teachers, Head of Teaching School, Head of Inclusion and the School Business Managers.

The Academy Trust has a leadership structure which consists of the Trustees, the Senior Leadership Group (SLG), Senior Teachers and Subject Leaders. The aim of the leadership structure is to delegate responsibility and encourage involvement in decision making at all levels.

The Mead Academy Trust
Report of the Trustees
for the Year Ended 31 August 2020

The SLG controls the Academy Trust at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Trust Leader, Heads of School, School Business Managers and the Resources Committee, are responsible for the authorisation of spending within agreed budgets, a summary of this is in the Financial Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Financial Scheme of Delegation. The Trust Leader with Heads of School are responsible for the appointment of staff, although appointment panels for strategic leadership posts always include a Trustee.

The Trust Leader/Chief Executive Officer is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings, and in line with the agreed Performance Management procedures. The Trust Leader's/Chief Executive Officer's Performance Management is carried out by a Sub-Committee of three Trustees, supported by an external advisor, and any associated pay increases agreed by Resources Committee and the Board of Trustees.

The Trustees benchmark against pay levels in other Academy Trusts of a similar size. The benchmark is the mid-point of the range paid for similar roles adjusting for a weighting for any additional responsibilities.

Related parties

There are no related parties which either control or significantly influence the decisions and operations of The Mead Academy Trust. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

FUNDS HELD AS CUSTODIAN FOR OTHERS

The Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant information of which the Charitable Company's auditor is unaware; and
- the 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 auditor is aware of that information.

The auditors, MHA Monahans, are willing to continue in office.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 18 December 2020 and signed on the board's behalf by:



C Checkley - Trustee

The Mead Academy Trust
Governance Statement
for the Year Ended 31 August 2020

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Trust Leader/Chief Executive Officer as Accounting Officer, for ensuring financial controls conform to 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 Academy Trust and the Secretary of State for Education. TMAT financial governance and controls are overseen by TMAT Resources Committee who report to the Board of Trustees on any material weaknesses or breakdowns in internal control that might have occurred.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

	Meetings attended	Out of a possible
Trustees:		
L Bolton (Staff: CEO; Accounting officer)	6	7
J Bullock	7	7
C Checkley (Chair)	5	7
P Finn	5	7
M Haines	6	7
R Quick	6	7
L Shellard	5	7
Members:		
C Checkley (Chair)	5	7
J Clark	1	6
P Finn	5	7
A Purcell	0	2
T Wright	6	7

Other Attendees - In addition to the above, the Board of Trustee Meetings are regularly attended by: -

- members of the Leadership Team, including the Head of Teaching School, Head of Inclusion, the x3 Head of Schools
- An Academy Advisor, Stephanie Davis, as Lead on SEN/Safeguarding (who is not a Trustee or staff member).
- The Chair of The Mead Academy Advisory Group - who is the Castle Mead School Business Manager, who is not a Trustee.

The Board of Trustees have reviewed the operation of the Governance arrangements and are satisfied they are working effectively. In the year, the following governance arrangements have been reviewed:

- The constitution of the Board of Trustees, as considered at each of its meetings, whereby all changes and new appointments are considered and if appropriate, agreed.
- The roles within the Board of Trustees, to support School Improvement
- The role within the Board of Trustees, to support Safeguarding/Inclusion/SEN.
- Succession planning for the position of Chair of the Mead Academy Advisory Group. A newly appointed Chairperson will be in place for the new academic year, and initially co-share the role.
- Changes to the composition of the Academy Advisory Groups, as a result of routine resignations and new appointments.
- The appointment of additional Parent Academy Advisors by Academy Advisory Groups.
- Building additional capacity for the River Mead Academy Advisor Group
- Continued use of the existing recruitment systems, Academy Ambassadors, and Inspiring Governance, relative to the success of using local systems for appointment processes.
- The Articles of Association continue to be subject to review, in line with DfE guidance
- The individual school performance data/information - resulting in the development of consistent template statistics across all schools for the consideration of the Board.

The Board of Trustees continues to review all governance arrangements on an on-going basis, in addition to full consideration at its Annual Strategic Development Meeting, which extends to all Groups and Committees within The Mead

The Mead Academy Trust
Governance Statement
for the Year Ended 31 August 2020

Academy Trust.

Effective Oversight of Funds - The Board of Trustees maintained effective oversight of funds within its seven meetings, as reported to the Board by the Chair of the Resources Committee and the Chief Executive Officer/Accounting Officer.

The Resources Committee is a sub-committee of the main Board of Trustees. The Resources Committee met nine times during the financial year to provide governance of the Finance, Personnel/Staffing, Infrastructure, Premises, Health and Safety, Procurement and Capital Works, arrangements for the wider Trust. Its Terms of Reference are: -

The Resources Committee is an executive group of The Board of Trustees and receives its mandate from The Board and reports to The Board. The Resources Committee is responsible for resource management of The Academies within The Trust. It also oversees the financial performance of the schools/Trust and making sure its money is well spent.

The Resources Committee is chaired by one of the Trustees who is responsible for reporting back to The Board of Trustees. The Chair is elected at the beginning of each academic year. The Resource Committee is comprised of a majority of Trustees:

- A Member (minimum of 1)
- Trustees with specialist knowledge; (minimum of 2)
- The Trust Leader: CEO/ Accounting Officer (1)
- School Business Manager - Lead on Finance (1)
- Business Manager - Trust Wide (1)
- School Business Manager - Academy Schools (2)
- Academy Advisors co-opted/approved by The Board of Trustees, as appropriate

In addition to the scheduled Resources Committee Meetings, other associated Panels are scheduled, within the auspices of the Resources Committee. These include Staffing Panels, Pay Panel, and Appeals Panel of the Pay Panel.

The Resources Committee met nine times throughout the year and the Trustee/Academy Advisor attendance was as follows: -

Trustee/Academy Advisor:	Meetings Attended	Out of a possible
R Quick - Chair (Trustee)	9	9
P Finn (Member; Trustee)	7	9
C Checkley (Member; Trustee)	4	9
L Bolton (Accounting Officer; Staff; Trustee)	7	9

Review of Value for Money

As Accounting Officer, the Trust Leader has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the tax payer 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. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Value for money purchasing across The Trust
- Deploying staff effectively across The Trust
- Reviewing quality of curriculum provision and quality of teaching across The Trust
- Reviewing quality of children's learning to enable children to achieve nationally expected progress across The Trust
- Outlining procedures for accepting best value quotes, noting that the selected provider may not necessarily be the cheapest quote. (e.g. Catering Equipment maintenance and service agreement with discount achieved; Heating Suppliers Maintenance Contracts with discounts achieved; ICT equipment and systems procurement - for example, chrome books, server, iPads, teacher laptops.

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 Academy Trust for the period 01 September 2019 to the 31 August 2020 and up to the date of approval of the annual report and financial statements.

The Mead Academy Trust
Governance Statement
for the Year Ended 31 August 2020

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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 01 September 2019 to the 31 August 2020 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 Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has put the following systems in place:

- The appointment of MHA Monahans as External Accountants
- The appointment of Wiltshire Council Accounting and Business Support Team for independent Financial Controls Assurance Reports, and
- The appointment of Wiltshire Council Accounting and Business Support Team for independent scrutiny, accounting and budget support - regular visits to each of the individual schools.
- Ad hoc visits/testing/sampling - by individual Trustees who are linked to Trust schools

The Internal Auditor's/Reviewer's role includes giving advice on financial 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 the following Financial Control Assurance Reports (FCARs):-

Castle Mead School:

- Review of Purchasing Procedures - December 2019
- Review of Income Procedures - February 2020

River Mead School:

- Review of Income Procedures - Nov 2019
- Review of Purchasing Procedures - Feb 2020

The Mead Community Primary School:

- Review of Purchasing Procedures - Feb 2020

The Financial Control Assurance reports are presented to the Board of Trustees, through the Resources Committee, on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities, providing details of any material control issues arising as a result of the audit work, and making recommendations as to remedial action.

The material control issues identified during this financial year are:

Castle Mead School:

No material control issues were identified during this financial year. Recommendations, action points and considerations at low risk, have been received and considered and are subject to appropriate actions being taken to adjust practice.

River Mead School:

No material control issues were identified during this financial year. Two minor recommendations, at low risk, have been considered and appropriate actions taken to adjust practice.

The Mead School:

No material control issues were identified during this financial year. Minor recommendations, relating to internal processing of BACs information provided some action points (low risk) that have been progressed and appropriate actions taken.

The Mead Academy Trust
Governance Statement
for the Year Ended 31 August 2020

Review of Effectiveness

As Accounting Officer, the Trust Leader/Chief Executive Officer, has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by: -

- The work of the External auditor - MHA Monahans Accountants
- The work of the School Business Managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- The work of Wiltshire Council Accounting and Business Support Team
- The work, scrutiny and guidance of the Resources Committee
- The individual recommendations made by Link Trustees to schools.
- Changes to the Academies Financial Handbook, and guidance from the ESFA.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by Wiltshire Council and a plan to address weaknesses (if relevant) and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 18 December 2020 and signed on its behalf by:



C Checkley - Trustee



Lyssy Bolton - Accounting Officer

The Mead Academy Trust

**Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2020**

As accounting officer of The Mead Academy Trust I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2019.

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.

A handwritten signature in black ink, appearing to read 'Lyssy Bolton', is written over a horizontal line. The signature is fluid and cursive.

Lyssy Bolton - Accounting Officer

Date: 18 December 2020

The Mead Academy Trust

Statement of Trustees' Responsibilities
for the Year Ended 31 August 2020

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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 the ESFA/DfE have been applied for the purposes intended.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the 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.

Approved by order of the members of the board of trustees on 18 December 2020 and signed on its behalf by:



C Checkley - Trustee

Report of the Independent Auditors to the Members of The Mead Academy Trust

Opinion

We have audited the financial statements of The Mead Academy Trust (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

**Report of the Independent Auditors to the Members of
The Mead Academy Trust**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Gare (Senior Statutory Auditor)
for and on behalf of MHA Monahans
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date: 23 December 2020

**Independent Reporting Accountant's Assurance Report on Regularity to
The Mead Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Mead Academy Trust during the period 1 September 2019 to 31 August 2020 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 Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Mead Academy Trust and the 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 Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Mead Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Academy's Trustees.
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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.



MHA Monahans
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Date: 23 December 2020

The Mead Academy Trust
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2020

				2020	2019	
	Notes	Unrestricted funds £	Restricted funds £	Restricted Fixed Asset Fund £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	-	21,399	56,283	77,682	821,660
Charitable activities						
Funding for the academy's educational operations	3	131,245	6,193,701	-	6,324,946	5,875,725
Teaching schools	25	-	92,914	-	92,914	144,748
Other trading activities	4	39,471	17,788	-	57,259	123,911
Investment income	5	4	641	-	645	487
Total		170,720	6,326,443	56,283	6,553,446	6,966,531
EXPENDITURE ON Charitable activities						
Academy's educational operations	3	87,840	6,708,618	635,513	7,431,971	6,854,421
Teaching schools	25	-	104,391	-	104,391	159,997
Total	6	87,840	6,813,009	635,513	7,536,362	7,014,418
NET INCOME/(EXPENDITURE)		82,880	(486,566)	(579,230)	(982,916)	(47,887)
Transfers between funds	21	-	(56,770)	56,770	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	153,000	-	153,000	(888,000)
Net movement in funds		82,880	(390,336)	(522,460)	(829,916)	(935,887)
RECONCILIATION OF FUNDS						
Total funds brought forward		229,424	(1,535,923)	14,829,125	13,522,626	14,458,513
TOTAL FUNDS CARRIED FORWARD		<u>312,304</u>	<u>(1,926,259)</u>	<u>14,306,665</u>	<u>12,692,710</u>	<u>13,522,626</u>

The notes form part of these financial statements

The Mead Academy Trust

Balance Sheet
31 August 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	13	13,801,295	14,168,778
CURRENT ASSETS			
Debtors	14	195,590	161,166
Cash at bank		<u>1,103,371</u>	<u>1,203,187</u>
		1,298,961	1,364,353
CREDITORS			
Amounts falling due within one year	15	(445,665)	(380,311)
		<u>853,296</u>	<u>984,042</u>
NET CURRENT ASSETS			
		14,654,591	15,152,820
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS			
Amounts falling due after more than one year	16	(7,881)	(9,194)
PENSION LIABILITY	22	(1,954,000)	(1,621,000)
		<u>12,692,710</u>	<u>13,522,626</u>
NET ASSETS			
FUNDS	21		
Unrestricted funds		312,304	229,424
Restricted funds		<u>12,380,406</u>	<u>13,293,202</u>
TOTAL FUNDS		<u>12,692,710</u>	<u>13,522,626</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 18 December 2020 and were signed on its behalf by:



C Checkley - Trustee

The Mead Academy Trust
Cash Flow Statement
for the Year Ended 31 August 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(114,121)	(128,426)
Interest paid		<u>94</u>	<u>(1,900)</u>
Net cash used in operating activities		<u>(114,027)</u>	<u>(130,326)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(41,404)	(292,849)
Capital grants from DfE/EFA		56,283	804,448
Interest received		<u>645</u>	<u>487</u>
Net cash provided by investing activities		<u>15,524</u>	<u>512,086</u>
Cash flows from financing activities			
Loan repayments in year		<u>(1,313)</u>	<u>(9,493)</u>
Net cash used in financing activities		<u>(1,313)</u>	<u>(9,493)</u>
Change in cash and cash equivalents in the reporting period			
		(99,816)	372,267
Cash and cash equivalents at the beginning of the reporting period		<u>1,203,187</u>	<u>830,920</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,103,371</u></u>	<u><u>1,203,187</u></u>

The notes form part of these financial statements

The Mead Academy Trust

Notes to the Cash Flow Statement
for the Year Ended 31 August 2020

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(982,916)	(47,887)
Adjustments for:		
Depreciation charges	408,887	391,207
Capital grants from DfE/ESFA	(56,283)	(804,448)
Interest received	(645)	(487)
Interest paid	(94)	1,900
DB pension finance cost	35,000	16,000
DB pension cost less contributions	451,000	264,000
(Increase)/decrease in debtors	(34,424)	40,361
Increase in creditors	<u>65,354</u>	<u>10,928</u>
Net cash used in operations	<u>(114,121)</u>	<u>(128,426)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19 £	Cash flow £	At 31.8.20 £
Net cash			
Cash at bank and in hand	<u>1,203,187</u>	<u>(99,816)</u>	<u>1,103,371</u>
	<u>1,203,187</u>	<u>(99,816)</u>	<u>1,103,371</u>
Debt			
Debts falling due within 1 year	(1,313)	-	(1,313)
Debts falling due after 1 year	<u>(9,194)</u>	<u>1,313</u>	<u>(7,881)</u>
	<u>(10,507)</u>	<u>1,313</u>	<u>(9,194)</u>
Total	<u>1,192,680</u>	<u>(98,503)</u>	<u>1,094,177</u>

The Mead Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

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

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements 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.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

Critical areas of judgement

There are no critical areas of judgement.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, 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 period 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.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received, and the amount can be measured reliably.

The Mead Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Other income

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

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 stock 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'.

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.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

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

Governance costs

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses.

Tangible fixed assets

Assets costing over £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 continues 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 lives. Where an asset comprises of two or more components which have substantially different lives each component is depreciated separately over its useful economic life. The expected useful lives are as follows:

Land and buildings

Leasehold Land	Straight line over 125 years
Main Fabric	Straight line over 75 years
Roof	Straight line over 70 years
Windows & External Doors	Straight line over 30 years
Gas Boilers/ Fires	Straight line over 15 years
Bathrooms	Straight line over 20 years
Kitchens	Straight line over 30 years
Mechanical Systems	Straight line over 30 years
Electrics	Straight line over 40 years

The Mead Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Freehold land is not depreciated. Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Other fixed assets

Fixtures and fittings	Straight line over 10 years
Computer equipment	Straight line over 3 years

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.

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 basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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 note 15. 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.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the Academy 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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 20, the TPS is a multi-employer scheme and therefore there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The Mead Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

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.

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 charitable activities.

2. DONATIONS AND CAPITAL GRANTS

	2020	2019
	£	£
Donations	21,399	17,212
Capital grants	<u>56,283</u>	<u>804,448</u>
	<u>77,682</u>	<u>821,660</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
Capital Grants	<u>56,283</u>	<u>804,448</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
Grants	-	5,723,705	5,723,705	5,190,643
Other	6,978	15,567	22,545	19,969
Catering income	30,411	-	30,411	60,940
Music income	22,545	-	22,545	28,236
Parental contributions	71,311	34,388	105,699	121,719
Nursery	-	420,041	420,041	454,218
	<u>131,245</u>	<u>6,193,701</u>	<u>6,324,946</u>	<u>5,875,725</u>

The Mead Academy Trust

Notes to the Financial Statements
for the Year Ended 31 August 2020

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
DfE/ESFA revenue grant				
General Annual Grant (GAG)	-	4,167,645	4,167,645	4,126,994
Other DFE Grants	-	778,248	778,248	614,635
	-	4,945,893	4,945,893	4,741,629
Other government grant				
Other Government Grants	-	777,812	777,812	449,014
	-	5,723,705	5,723,705	5,190,643

4. OTHER TRADING ACTIVITIES

	2020 £	2019 £
Hire of facilities	15,584	27,706
Other schools	-	17,221
Other	41,675	78,984
	<u>57,259</u>	<u>123,911</u>

5. INVESTMENT INCOME

	2020 £	2019 £
Deposit account interest	<u>645</u>	<u>487</u>

6. EXPENDITURE

	Non-pay expenditure			2020	2019
	Staff costs £	Premises £	Other costs £	Total £	Total £
Charitable activities					
Academy's educational operations					
Direct costs	4,525,695	-	306,798	4,832,493	4,270,607
Allocated support costs	1,307,771	793,266	498,441	2,599,478	2,583,814
Teaching schools					
Direct costs	88,914	-	-	88,914	82,508
Allocated support costs	-	-	15,477	15,477	77,489
	<u>5,922,380</u>	<u>793,266</u>	<u>820,716</u>	<u>7,536,362</u>	<u>7,014,418</u>

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	408,887	391,207
Auditor's remuneration - audit	10,500	10,500
Auditor's remuneration - non-audit	<u>1,500</u>	<u>1,500</u>

The Mead Academy Trust

**Notes to the Financial Statements
for the Year Ended 31 August 2020**

7. CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Direct costs - academy's educational operations	51,035	4,781,458	4,832,493	4,270,607
Direct costs - teaching schools	-	88,914	88,914	82,508
Support costs - academy's educational operations	36,805	2,562,673	2,599,478	2,583,814
Support costs - teaching schools	-	<u>15,477</u>	<u>15,477</u>	<u>77,489</u>
	<u>87,840</u>	<u>7,448,522</u>	<u>7,536,362</u>	<u>7,014,418</u>

	2020 Total £	2019 Total £
Analysis of support costs		
Support staff costs	1,307,771	1,279,161
Depreciation	75,163	70,235
Technology costs	86,159	57,869
Premises costs	793,266	757,625
Other support costs	<u>352,596</u>	<u>496,413</u>
Total support costs	<u>2,614,955</u>	<u>2,661,303</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

One or more governors has been paid remuneration or has received other benefits from an employment with the academy. The Head Teacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff members under their contracts of employment. The value of governors' remuneration and other benefits was as follows:

L Bolton (Head teacher and governor)
Remuneration: £90,000 - £95,000 (2019: £85,000 - £90,000)
Employer's pension contributions: £20,000 - £25,000 (2019: £10,000 - £15,000)

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

During the year ended 31 August 2020 no Trustees received any reimbursement of expenses (2019: £Nil) in respect of their role as a Trustee.

9. STAFF COSTS

	2020 £	2019 £
Wages and salaries	4,240,230	4,011,039
Social security costs	331,443	324,227
Operating costs of defined benefit pension schemes	<u>1,340,093</u>	<u>969,502</u>
	5,911,766	5,304,768
Supply teacher costs	<u>10,614</u>	<u>600</u>
	<u>5,922,380</u>	<u>5,305,368</u>

The Mead Academy Trust

Notes to the Financial Statements
for the Year Ended 31 August 2020

9. STAFF COSTS - continued

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2020	2019
Teachers	57	62
Administration and support	140	127
Management	<u>16</u>	<u>13</u>
	<u>213</u>	<u>202</u>

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

	2020	2019
£80,001 - £90,000	-	1
£90,001 - £100,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>1</u>

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 national insurance and employer pension contributions) received by key management personnel for their services to the academy trust was £394,120 (2019: £429,007).

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim.

The cost of this insurance is included in the total insurance cost.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Restricted Fixed Asset Fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	17,212	-	804,448	821,660
Charitable activities				
Funding for the academy's educational operations	665,113	5,210,612	-	5,875,725
Teaching schools	-	144,748	-	144,748
Other trading activities	123,911	-	-	123,911
Investment income	<u>487</u>	<u>-</u>	<u>-</u>	<u>487</u>
Total	806,723	5,355,360	804,448	6,966,531
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	772,433	5,507,662	574,326	6,854,421
Teaching schools	-	159,997	-	159,997
Total	<u>772,433</u>	<u>5,667,659</u>	<u>574,326</u>	<u>7,014,418</u>

The Mead Academy Trust

Notes to the Financial Statements
for the Year Ended 31 August 2020

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Restricted Fixed Asset Fund £	Total funds £
NET INCOME/(EXPENDITURE)	34,290	(312,299)	230,122	(47,887)
Transfers between funds	<u>-</u>	<u>(63,321)</u>	<u>63,321</u>	<u>-</u>
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>(888,000)</u>	<u>-</u>	<u>(888,000)</u>
Net movement in funds	34,290	(1,263,620)	293,443	(935,887)
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>195,134</u>	<u>(272,303)</u>	<u>14,535,682</u>	<u>14,458,513</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>229,424</u></u>	<u><u>(1,535,923)</u></u>	<u><u>14,829,125</u></u>	<u><u>13,522,626</u></u>

12. CENTRAL SERVICES

The academy trust recharges the costs of the Central Service hub to each of its Academies. The Central Services are comprised of both core Trust functions and Shared Services which are managed at Trust level to maximise efficient utilisation. These Shared Services are recharged to the individual Academy depending on usage.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
River Mead Primary School	128,244	70,520
Castle Mead Primary School	152,278	92,619
The Mead Primary School	<u>180,602</u>	<u>111,819</u>
	<u><u>461,124</u></u>	<u><u>274,958</u></u>

Costs included within the Central and Shared service recharge increased by £186,166 during the year as a result of additions to the pool of Shared Services.

The academy trust will continue to develop the methodology it uses to calculate and recharge the costs of its Central Services and Shared Services to ensure they are fairly and appropriately distributed to each school and to maximise the efficient use of resources.

The Mead Academy Trust

**Notes to the Financial Statements
for the Year Ended 31 August 2020**

13. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 September 2019	15,690,877	278,710	374,049	40,689	16,384,325
Additions	-	3,250	38,154	-	41,404
Disposals	-	-	(731)	-	(731)
	<u>15,690,877</u>	<u>281,960</u>	<u>411,472</u>	<u>40,689</u>	<u>16,424,998</u>
DEPRECIATION					
At 1 September 2019	1,775,870	110,559	322,336	6,782	2,215,547
Charge for year	333,724	28,118	42,976	4,069	408,887
Eliminated on disposal	-	-	(731)	-	(731)
	<u>2,109,594</u>	<u>138,677</u>	<u>364,581</u>	<u>10,851</u>	<u>2,623,703</u>
NET BOOK VALUE					
At 31 August 2020	<u>13,581,283</u>	<u>143,283</u>	<u>46,891</u>	<u>29,838</u>	<u>13,801,295</u>
At 31 August 2019	<u>13,915,007</u>	<u>168,151</u>	<u>51,713</u>	<u>33,907</u>	<u>14,168,778</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	1,091	7,402
Other debtors	14,206	4,308
VAT	44,047	41,014
Prepayments and accrued income	<u>136,246</u>	<u>108,442</u>
	<u>195,590</u>	<u>161,166</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other loans (see note 17)	1,313	1,313
Trade creditors	108,035	49,458
Social security and other taxes	89,134	76,430
Other creditors	16,616	16,925
Accruals and deferred income	<u>230,567</u>	<u>236,185</u>
	<u>445,665</u>	<u>380,311</u>

Deferred income

Deferred government grants

	2020 £	2019 £
Deferred Income at 1 September 2019	166,275	193,643
Resources deferred in the year	168,653	166,275
Amounts released from previous years	<u>(166,275)</u>	<u>(193,643)</u>
Deferred Income at 31 August 2020	<u>168,653</u>	<u>166,275</u>

Deferred income at the year-end relates to funds received in advance for universal infant free school meals and other ESFA grants which relate to the 2020/21 academic year:

The Mead Academy Trust

**Notes to the Financial Statements
for the Year Ended 31 August 2020**

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Other loans (see note 17)	<u>7,881</u>	<u>9,194</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>1,313</u>	<u>1,313</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>1,313</u>	<u>1,313</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>3,939</u>	<u>3,940</u>
Amounts falling due in more than five years:		
Other loans – more than 5 years	<u>2,629</u>	<u>3,941</u>

Creditors due after more than one year at the end of the current year include a £20,000 loan from the ESFA under the Condition Improvement Fund. Repayments on the loan commenced in September 2019 and will be repaid over equal instalments over an 8-year period. Interest is charged on the loan at the rate of 2.04% per annum.

Creditors due after more than one year at the end of the prior year include a £15,000 loan from the ESFA under the Condition Improvement Fund. This loan has been cancelled and the balance had been transferred to other creditors as at 31 August 2019.

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	7,659	8,930
Between one and five years	<u>2,668</u>	<u>7,350</u>
	<u>10,327</u>	<u>16,280</u>

19. 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.

The Mead Academy Trust

Notes to the Financial Statements
for the Year Ended 31 August 2020

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Restricted Fixed Asset Fund £	2020 Total funds £
Fixed assets	-	-	13,801,295	13,801,295
Current assets	312,304	481,287	505,370	1,298,961
Current liabilities	-	(445,665)	-	(445,665)
Long term liabilities	-	(7,881)	-	(7,881)
Pension liability	-	(1,954,000)	-	(1,954,000)
	<u>312,304</u>	<u>(1,926,259)</u>	<u>14,306,665</u>	<u>12,692,710</u>

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

	Unrestricted funds £	Restricted funds £	Restricted Fixed Asset Fund £	2019 Total funds £
Fixed assets	-	-	14,168,778	14,168,778
Current assets	229,424	474,582	660,347	1,364,353
Current liabilities	-	(380,311)	-	(380,311)
Long term liabilities	-	(9,194)	-	(9,194)
Pension liability	-	(1,621,000)	-	(1,621,000)
	<u>229,424</u>	<u>(1,535,923)</u>	<u>14,829,125</u>	<u>13,522,626</u>

21. MOVEMENT IN FUNDS

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
Unrestricted Fund	229,424	82,880	-	312,304
Restricted funds				
General Annual Grant	53,821	10,911	(56,770)	7,962
Restricted Fixed Asset Fund	14,829,125	(579,230)	56,770	14,306,665
Pension Fund	(1,621,000)	(333,000)	-	(1,954,000)
Teaching School	31,256	(11,477)	-	19,779
	<u>13,293,202</u>	<u>(912,796)</u>	<u>-</u>	<u>12,380,406</u>
TOTAL FUNDS	<u>13,522,626</u>	<u>(829,916)</u>	<u>-</u>	<u>12,692,710</u>

The Mead Academy Trust

Notes to the Financial Statements
for the Year Ended 31 August 2020

21. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	170,720	(87,840)	-	82,880
Restricted funds				
General Annual Grant	4,167,645	(4,156,734)	-	10,911
Restricted Fixed Asset Fund	56,283	(635,513)	-	(579,230)
Pension Fund	-	(486,000)	153,000	(333,000)
Teaching School	92,914	(104,391)	-	(11,477)
Other DfE/ESFA Grants	793,815	(793,815)	-	-
Other Local Authority Grants	1,184,567	(1,184,567)	-	-
Other Restricted Income	<u>87,502</u>	<u>(87,502)</u>	-	-
	<u>6,382,726</u>	<u>(7,448,522)</u>	<u>153,000</u>	<u>(912,796)</u>
TOTAL FUNDS	<u><u>6,553,446</u></u>	<u><u>(7,536,362)</u></u>	<u><u>153,000</u></u>	<u><u>(829,916)</u></u>

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	Transfers between funds £	At 31.8.19 £
Unrestricted funds				
Unrestricted Fund	195,134	34,290	-	229,424
Restricted funds				
General Annual Grant	117,507	(17,050)	(46,636)	53,821
Restricted Fixed Asset Fund	14,535,682	230,122	63,321	14,829,125
Pension Fund	(453,000)	(1,168,000)	-	(1,621,000)
Teaching School	<u>63,190</u>	<u>(15,249)</u>	<u>(16,685)</u>	<u>31,256</u>
	<u>14,263,379</u>	<u>(970,177)</u>	-	<u>13,293,202</u>
TOTAL FUNDS	<u><u>14,458,513</u></u>	<u><u>(935,887)</u></u>	<u><u>-</u></u>	<u><u>13,522,626</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	806,723	(772,433)	-	34,290
Restricted funds				
General Annual Grant	4,126,994	(4,144,044)	-	(17,050)
Restricted Fixed Asset Fund	804,448	(574,326)	-	230,122
Pension Fund	-	(280,000)	(888,000)	(1,168,000)
Teaching School	144,748	(159,997)	-	(15,249)
Other DfE/ESFA Grants	614,635	(614,635)	-	-
Other Local Authority Grants	449,014	(449,014)	-	-
Other Restricted Income	<u>19,969</u>	<u>(19,969)</u>	-	-
	<u>6,159,808</u>	<u>(6,241,985)</u>	<u>(888,000)</u>	<u>(970,177)</u>
TOTAL FUNDS	<u><u>6,966,531</u></u>	<u><u>(7,014,418)</u></u>	<u><u>(888,000)</u></u>	<u><u>(935,887)</u></u>

The Mead Academy Trust

**Notes to the Financial Statements
for the Year Ended 31 August 2020**

21. MOVEMENT IN FUNDS - continued
Restricted Funds

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

General Annual Grant (GAG) - Relates to the funding provided to the Academy by the DfE and expenditure incurred by the Academy spent in line with the terms of the Funding Agreement.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE/ESFA grants - Relates to additional government funding received in the period to be used on specific purposes.¹⁶

Local authority grants - Relates to additional funding received in the period to be used on specific purposes from local authorities.

Teaching School - Relates to funding relating to teaching school activities.

Other restricted income - Relates to other income with restrictions attached.

Pension reserve - Relates to the academy trust's local government pension scheme liability.

Fixed Asset Fund - This equates to the net book value of fixed assets held by the academy trust plus any unspent capital grants less any accrued capital expenditure.

TOTAL FUNDS ANALYSIS BY ACADEMY

Fund balances at 31 August 2020 were allocated as follows:

	Total 2020 £	Total 2019 £
The Mead Primary School	182,816	182,321
Castle Mead Primary School	41,788	52,390
River Mead Primary School	<u>115,441</u>	<u>79,790</u>
Total before fixed asset and pension reserve	340,045	314,501
Restricted fixed asset fund and capital maintenance fund	14,306,665	14,829,125
Pension reserve	<u>(1,954,000)</u>	<u>(1,621,000)</u>
Total	<u><u>12,692,710</u></u>	<u><u>13,522,626</u></u>

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 £
The Mead Primary School	1,699,001	286,316	81,242
Castle Mead Primary School	1,433,442	234,050	59,669
River Mead Primary School	<u>1,025,544</u>	<u>201,990</u>	<u>65,003</u>
Total	<u><u>4,157,987</u></u>	<u><u>722,356</u></u>	<u><u>205,914</u></u>

The Mead Academy Trust

Notes to the Financial Statements
for the Year Ended 31 August 2020

21. MOVEMENT IN FUNDS - continued

	Other Costs (excluding depreciation and LGPS movement) £	Total2020 £	Total2019 £
The Mead Primary School	623,787	2,690,346	2,750,518
Castle Mead Primary School	346,674	2,073,835	1,863,093
River Mead Primary School	349,752	1,642,289	1,709,600
	<hr/>	<hr/>	<hr/>
Total	1,320,213	6,406,470	6,323,211

22. PENSION AND SIMILAR OBLIGATIONS

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 Avon Pension Fund. Both are multi-employer defined benefit schemes.

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

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

Teachers' pension scheme

Introduction

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

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

Valuation of the teachers' pension scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £533,774 (2019: £583,813).

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

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.

The Mead Academy Trust

**Notes to the Financial Statements
for the Year Ended 31 August 2020**

22. PENSION AND SIMILAR OBLIGATIONS - 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 2020 was £475,000 (2019: £449,000), of which employer's contributions totalled £377,000 (2019: £352,000) and employees' contributions totalled £98,000 (2019: £97,000). The agreed contribution rates for future years are 22 per cent for employers and between 5.5 per cent and 9.9 per cent for employees.

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

The amounts recognised in the balance sheet are as follows:

	2020	2019
	£	£
Present value of funded obligations	(6,693,000)	(5,688,000)
Fair value of plan assets	<u>4,739,000</u>	<u>4,067,000</u>
Deficit	<u>(1,954,000)</u>	<u>(1,621,000)</u>

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

	Defined benefit pension plans	
	2020	2019
	£	£
Current service cost	828,000	595,000
Net interest from net defined benefit asset/liability	118,000	117,000
Past service cost	<u>-</u>	<u>21,000</u>
	<u>946,000</u>	<u>733,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Opening defined benefit obligation	5,688,000	3,860,000
Current service cost	828,000	595,000
Past service cost	-	21,000
Contributions by scheme participants	98,000	97,000
Interest cost	118,000	117,000
Benefits paid	137,000	(34,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(53,000)	(321,000)
Actuarial (gains)/losses from changes in financial assumptions	193,000	1,353,000
Obligation other remeasurement	<u>(316,000)</u>	<u>-</u>
	<u>6,693,000</u>	<u>5,688,000</u>

The Mead Academy Trust

**Notes to the Financial Statements
for the Year Ended 31 August 2020**

22. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Opening fair value of scheme assets	4,067,000	3,407,000
Contributions by employer	377,000	352,000
Contributions by scheme participants	98,000	97,000
Interest income	83,000	101,000
Benefits paid	137,000	(34,000)
Return on plan assets (excluding interest income)	<u>(23,000)</u>	<u>144,000</u>
	<u><u>4,739,000</u></u>	<u><u>4,067,000</u></u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	53,000	321,000
Actuarial (gains)/losses from changes in financial assumptions	(193,000)	(1,353,000)
Other remeasurement	316,000	-
Return on plan assets (excluding interest income)	<u>(23,000)</u>	<u>144,000</u>
	<u><u>153,000</u></u>	<u><u>(888,000)</u></u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2020	2019
UK Equities	56%	71%
Bonds	32%	14%
Property	12%	13%
Cash	<u>-</u>	<u>2%</u>
	<u><u>100%</u></u>	<u><u>100%</u></u>

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

	2020	2019
Discount rate	1.70%	1.90%
Future salary increases	2.60%	2.60%
Future pension increases	2.20%	2.30%
CPI inflation	2.20%	2.30%

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

	At 31 August 2020	At 31 August 2019
Current pensioners		
Males	21.7 years	21.4 years
Females	24.0 years	23.7 years

The Mead Academy Trust

Notes to the Financial Statements
for the Year Ended 31 August 2020

22. PENSION AND SIMILAR OBLIGATIONS - continued

Future pensioners		
Males	22.5 years	22.3 years
Females	25.5 years	25.1 years

The sensitivity regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumption at 31 August 2020	Approximate monetary amount (£000)	
0.5% increase in Real Discount Rate	968	
0.5% increase in the Salary Increase Rate	72	
0.5% increase in CPI Rate	881	

23. RELATED PARTY DISCLOSURES

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

The following related party transactions took place in the period of account:

L Bolton, the Executive Head Teacher of the Trust, is also a Trustee of Collaborative Schools Limited, a registered charitable company which provided educational support services of £31,002 (2019: £12,463) to the Academy Trust during the year. There were no amounts due to the company at the year end. Collaborative Schools Limited is a not for profit organisation of which L Bolton is one of several Trustees. The other Trustees of the company are also Head Teachers of local schools. J Bullock, a Trustee, is employed by Collaborative Schools Limited as Collaborative Schools Co-ordinator.

24. ULTIMATE CONTROLLING PARTY

The company is under the joint control of the Trustees. There is no ultimate controlling party.

25. TEACHING SCHOOL TRADING ACCOUNT

	2020	2019
	£	£
INCOME		
Direct income		
Other income	92,914	144,748
EXPENDITURE		
Direct expenditure		
Direct costs	104,391	159,997
TRANSFERS BETWEEN FUNDS EXCLUDING DEPRECIATION	-	(16,685)
DEFICIT FROM ALL SOURCES	(11,477)	(31,934)
TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2019	31,256	63,190
TEACHING SCHOOL BALANCES AT 31 AUGUST 2020	19,779	31,256

The Mead Academy Trust

Detailed Statement of Financial Activities
for the Year Ended 31 August 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and capital grants		
Donations	21,399	17,212
Capital grants	<u>56,283</u>	<u>804,448</u>
	77,682	821,660
Other trading activities		
Hire of facilities	15,584	27,706
Other schools	-	17,221
Other	<u>41,675</u>	<u>78,984</u>
	57,259	123,911
Investment income		
Deposit account interest	645	487
Charitable activities		
Grants	5,723,705	5,190,643
Teaching school	92,914	144,748
Other	22,545	19,969
Catering income	30,411	60,940
Music income	22,545	28,236
Parental contributions	105,699	121,719
Nursery	<u>420,041</u>	<u>454,218</u>
	<u>6,417,860</u>	<u>6,020,473</u>
Total incoming resources	6,553,446	6,966,531
EXPENDITURE		
Charitable activities		
Wages	3,553,945	3,157,417
Social security	290,610	284,377
Pensions	759,440	583,813
Supply teacher costs	10,614	600
Educational supplies	222,436	196,841
Staff development	44,022	44,174
Educational consultancy	-	6,848
School trips	<u>40,340</u>	<u>79,045</u>
	4,921,407	4,353,115
Support costs		
Management		
Wages	686,285	853,622
Social security	40,833	39,850
Pensions	580,653	385,689
Technology costs	86,159	57,869
Maintenance of premises and equipment	287,043	287,285
Cleaning	30,188	14,326
Rent and rates	38,684	34,687
Energy costs	60,168	55,654
Insurance	39,708	27,250
Security and transport	3,751	17,451
Carried forward	1,853,472	1,773,683

This page does not form part of the statutory financial statements

The Mead Academy Trust

Detailed Statement of Financial Activities
for the Year Ended 31 August 2020

	2020 £	2019 £
Management		
Brought forward	1,853,472	1,773,683
Catering	71,986	356,734
Freehold property	333,724	320,972
Fixtures and fittings	28,118	26,817
Motor vehicles	4,069	4,069
Computer equipment	42,976	39,349
Bank interest	(94)	1,900
Expected return on pension scheme assets	(83,000)	(101,000)
Interest on pension scheme liabilities	118,000	117,000
Other costs	<u>245,704</u>	<u>121,779</u>
	<u>2,614,955</u>	<u>2,661,303</u>
Total resources expended	<u>7,536,362</u>	<u>7,014,418</u>
Net expenditure	<u>(982,916)</u>	<u>(47,887)</u>