

**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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**Members** P.D. Smith  
A. Singh  
B. Abrams  
R. Dodds (appointed 23 September 2024)  
C. French (appointed 4 October 2024)

**Trustees** R.A. Dodds, Chair  
S. Pearson (resigned 4 September 2025)  
J. Millward (resigned 12 September 2025)  
F. Benoist  
M. Butler  
B. Karim  
A. Thomas  
S. Mashford (appointed 4 November 2024)  
E. Pogue (appointed 31 October 2025)  
J. Powell (appointed 18 June 2025)  
M. Rusling (appointed 31 October 2025)  
S. Voyce (appointed 18 June 2025)

**Company registered number** 08119703

**Company name** Mercia Learning Trust

**Principal and registered office** Mercia Learning Trust  
79 Glen Road  
Sheffield  
S7 1RB

**Company secretary** C.F. Chance

**Accounting officer and Chief Executive Officer** N Miley

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2025**

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**Senior leadership team**

King Egbert School  
- P. Haigh, Headteacher  
Newfield School  
- C. Jenkinson, Co-Headteacher (appointed 1 September 2024, changed role 31 December 2024)  
- S. Dawson, Co-Headteacher (appointed 1 September 2024, changed role 31 December 2024)  
- R Hollingsworth, Headteacher (appointed 1 January 2025)  
Totley Primary School  
- B. Paxman, Headteacher  
Woodlands Primary School  
- M. Bennett, Headteacher (appointed 1 September 2024)  
The Nether Edge Primary  
- M. Nott, Headteacher  
Mercia School  
- J. Fisher, Co-Headteacher (appointed 1 September 2024 until 31 December 2024)  
- R. Hollingsworth, Co-Headteacher (appointed 1 September 2024, changed role 31 December 2024)  
- J. Fisher, Headteacher (appointed 1 January 2025)  
Anns Grove  
- A. Farrar, Headteacher  
- A. Hayden, Head of School (appointed 1 September 2024)  
Central  
N.Miley, Chief Executive Officer  
C. Chance, Director of Finance and Operations

**Independent auditor**

BHP LLP  
Albert Works  
Sidney Street  
Sheffield  
S1 4RG

**Bankers**

Yorkshire Bank  
Fargate  
Sheffield  
S1 1LL  
  
Virgin Money  
Jubilee House  
Gosforth  
Newcastle upon Tyne  
NE3 4PL

**Solicitors**

Browne Jacobson LLP  
44 Castle Gate  
Nottingham  
NG1 7BJ

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2025. The annual report serves the purposes of both a Trustees' report and a Directors' and Strategic report under company law.

During the year the Trust operated three secondary schools and four primary schools providing education to pupils aged 3 to 18 across South-West Sheffield. The schools have a combined pupil capacity of 5,540 and had a roll of 5,363 at the school census on 3 October 2024.

***Structure, governance and management***

***a. Constitution***

The Multi Academy Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum of Association is the primary governing document of the Multi Academy Trust. The Trustees of Mercia Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Mercia Learning Trust.

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

***b. Members liability***

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

Trustees are covered by the Academy Trust insurer for liability arising from negligent acts, errors and omissions committed in good faith.

***c. Method of recruitment and appointment or election of Trustees***

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

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 Mercia Learning Trust's development.

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

The training and induction provided for new Trustees will depend on their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and any 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.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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

***e. Organisational structure***

The management structure consists of 3 levels, the Board of Trustees (Strategic Board), the Local Governing Bodies and the Senior Leadership Teams of each school. The aim of the management structure is to devolve responsibility and encourage decision making at all levels.

The Strategic Board is responsible for strategic direction and planning, approving the academies' budgets, monitoring individual academy performance and making major decisions about the direction of the Trust. The Local Governing Bodies are responsible for setting individual school policies and approving the school improvement plan.

The Senior Leadership Teams is detailed on Page 2. These senior leaders control each academy at an executive level implementing the policies laid down by the Trust. The Chief Executive Officer works closely with all the Senior Leadership Teams within the Trust as well as brokering support for schools outside the Trust.

***f. Arrangements for setting pay and remuneration of key management personnel***

The FRS 102 definition of key management personnel covers Trustees and the SLT team listed on page 1 and 2 of this report.

When setting pay for all employees (including leadership and management), the Trust follows either:

- the national School Teachers Pay and Conditions Document (STPCD) that covers guidance on teachers' pay and conditions; the national teachers' pay scales include leadership pay scales or
- the Local authority NJC (National Joint Council) pay scales are followed for support staff.

The Trust pay policy is reviewed to reflect statutory changes, pay rises are approved annually by the Board of Trustees in line with national and local guidance for both teaching and support staff.

Accountabilities and expectations for the CEO role are set and appraised each year by a panel of Trustees with guidance from external experts, as required.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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

***g. Trade union facility time***

***Relevant union officials***

Number of employees who were relevant union officials during the year	8
Full-time equivalent employee number	8

***Percentage of time spent on facility time***

<b><i>Percentage of time</i></b>	<b><i>Number of employees</i></b>
0%	4
1%-50%	4
51%-99%	-
100%	-

<b><i>Percentage of pay bill spent on facility time</i></b>	<b><i>£</i></b>
Total cost of facility time	1,323
Total pay bill	16,078,852
Percentage of total pay bill spent on facility time	<1 %

***Paid trade union activities***

Time spent on paid trade union activities as a percentage of total paid facility time hours	59.0	%
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***h. Engagement with employees (including disabled persons)***

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has implemented several detailed policies in relation to all aspects of personnel matters. Full details of these policies are available from the Trust's offices.

The Multi Academy Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- In accordance with the Multi Academy Trust's equal opportunities policy, the Multi Academy Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.
- Volunteers' policy
- Health & safety policy

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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

***i. Engagement with suppliers, customers and others in a business relationship with the Multi Academy Trust***

Throughout the year, the trustees have worked hard to maintain strong relationships with all stakeholders (especially parents) and other business partners.

***Objectives and activities***

***a. Objects and aims***

The Trust's object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

***b. Objectives, strategies and activities***

This year, we relaunched our trust's mission. After a period of consultation and feedback, we felt it was the right time in our trust's development to renew our mission. This was not about a revolution, but instead an evolution. After a series of workshops with key staff, including governors and trustees, we launched our new mission and values at our annual conference. We used a framework of critical questions to communicate our new mission and values. These came from Patrick Lencioni's work on achieving organisational health from his book, *The Advantage: Why Organizational Health Trumps Everything Else In Business*.

**Why do we exist?**

To empower everyone in our communities, especially the most disadvantaged, to succeed.

**How do we behave?**

We are kind - showing care and supporting each other.

We have integrity - doing the right thing and always putting children first.

We work with diligence - overcoming obstacles and having no excuses.

**What do we do?**

We run schools that focus on academic excellence, cultural capital and the development of character.

**How do we succeed?**

- A culture of excellence – high standards shaped by clarity, not control.
- Academic focus – empowering all children through an exceptional curriculum.
- Purposeful collaboration – relationships built on trust, reducing sub-optimisation and driving collective success.

These questions now underpin strategy, decision-making, and accountability across our Trust. They have brought a renewed clarity of purpose that aligns our mission, our values, and the lived experience of staff and pupils across all schools.

**Our Trust objectives for 2024–25 were:**

- Ensure every school continues to improve, securing strong outcomes and high-quality Ofsted judgements where inspections occur.
- Create and communicate the Mercia Excellence Framework, ensuring consistent standards in teaching, leadership, behaviour and operations.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**Objectives and activities (continued)**

- Strengthen provision for vulnerable pupils, expanding and embedding Specialist Resource Provisions (SRPs) across three schools.
- Develop leadership capacity at every level, ensuring succession strength and long-term sustainability.
- Maintain strong financial stewardship, rebuilding reserves, managing risk and ensuring strategic investment.
- Development of operational systems to ensure we are resilient and ready for future growth.

**Our Offer:**

At all Mercia Learning Trust schools, our pupils will benefit from:

- A fully inclusive approach, maximising the attainment and achievement of every pupil.
- A broad and balanced curriculum, with high quality teaching that responds to individual needs.
- Promotion of resilience and self-reliance in our learners, thus enabling them to meet the challenges and opportunities of the changing world.
- Support to develop and maintain positive wellbeing in all aspects of life.
- High standards of orderly behaviour rooted in strong moral values.
- Continual investment in the professional development of all our staff, as the foundation of our offer to pupils.

**c. Public benefit**

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The charitable company's aims are set out in this report. The Trustees have complied with their duty under section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and Trustees have paid due regard to this guidance in deciding what activities the Charitable company should undertake.

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

The Board of Trustees uses both financial and non financial key performance indicators to manage the Trust. The Trust maintains a strong management information function which is focused on regular and accurate reporting including the issue of termly financial information during the year to the Trust inclusive of a financial commentary. Financial KPI's are measured continuously. A view of individual school effectiveness is disclosed in this report under Review of Activities.

**b. Going concern**

After making appropriate enquiries, the board of Trustees have 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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**Strategic report (continued)**

**Achievements and performance (continued)**

***c. Promoting the success of the company***

The Trustees confirm that as directors, they have acted in a way most likely to promote the success of the Trust as required in Section 172 of the Companies Act 2016 and in doing so, have had regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term – The core strategic objective is to sustain and improve the quality and effectiveness of all aspects of each school and the Trust as a whole. All strategy and decision making (short, medium, and long term) is carefully considered by all trustees and always has recourse back to the impact on this core objective.
- b) the interests of the Trust's employees – The health, safety, well being, workload, support, development, and retention of staff is a core trust commitment enshrined in its 'pledge' to staff. Procedures, policy, and monitoring ensure that these commitments are delivered consistently, and the interests of employees are always considered.
- c) the need to foster the Trust's business relationships with suppliers, customers, and others – The Trust has clear protocols and expectations which it maintains at all times.
- d) the impact of the Trust's operations on the community and the environment – The Trust and each school is very aware of its importance and impact within the community and environment. Whenever possible, actions attempt to reduce this impact and foster strong external community links.
- e) the desirability of the Trust maintaining a reputation for high standards of business conduct – The trust is committed to maintaining a strong reputation and the highest standards of business conduct.
- f) the need to act fairly between members of the company – the Trust works with its members, keeping them suitably informed of the trust's activities, plans and governance arrangements so that they are able to fulfil their role effectively.

***d. Review of activities***

The 2024–25 academic year was defined by strengthened clarity of mission, sector-leading outcomes, investment in infrastructure, and significant operational development across schools and the central team.

**Trust-Wide Performance**

Three schools achieved Outstanding Ofsted inspections:

- King Egbert School
- Nether Edge Primary School
- Totley Primary School

Primary outcomes were the strongest in the Trust's history, with several schools performing well above national averages.

Secondary outcomes remained exceptional, with Mercia School having the highest GCSE and Post-16 results for Sheffield state schools.

Attendance improved across the majority of schools, supported by trust-wide systems and expertise.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**Strategic report (continued)**

**Achievements and performance (continued)**

Financial stability was strengthened, with reserves increasing from 2% to 5%.

Specialist Resource Provisions were opened or expanded, providing high-quality, inclusive support for pupils with complex needs.

**King Ecgbert School**

King Ecgbert School enjoyed an exceptional year, starting with an Outstanding judgement in every area of its long-awaited Ofsted inspection. This achievement reflects the strength of the school's culture, curriculum, and leadership, and underscores the impact of high-quality teaching and inclusive practice. Attendance continued to improve, with particularly strong gains for disadvantaged pupils, who also saw a significant rise in academic outcomes. Notably, the proportion of disadvantaged pupils achieving a grade 4 or above in English and maths increased by 16%, demonstrating the school's focused work on closing attainment gaps.

Looking ahead, the school will continue to focus on securing even stronger attendance for all pupils, with targeted support for the most vulnerable. Furthermore, we will be looking at further expansion of facilities to support the overwhelming demand for places at the school. Alongside this, King Ecgbert will launch a new coaching and professional development programme designed to strengthen teaching practice, deepen inclusion, and ensure all pupils - particularly those with additional needs - receive consistently high-quality support.

**Mercia School**

Mercia School strengthened its position as one of the highest-performing schools in the country. Academic outcomes were exceptional once again: the GCSE cohort achieved an average grade 7, despite a significant increase in pupil numbers, and the school celebrated strong A Level results for its first ever sixth-form cohort, who achieved an impressive B+ average grade. The year was also marked by successful leadership transitions, including a new headteacher, Joshua Fisher, previously one of the deputy headteachers under the founding headteacher, Dean Webster.

Next year, the school aims to maintain its exceptionally high standards while managing continued growth. It has set ambitious targets, including securing a minimum A Level average grade of A–, an Attainment 8 score of 70 at GCSE, and ensuring that at least 95% of pupils achieve grade 4+ in English and Maths. High attendance remains central to the school's ethos, and the ambition for the coming year is to sustain attendance above 97% across all year groups. The school will continue to refine its curriculum and leadership structures to support these aspirations.

**Newfield School**

Newfield School experienced a year of consolidation and improvement as it continued its upward trajectory in key metrics. The school saw a noticeable rise in attendance, alongside a reduction in behaviour incidents and improved movement around school. These gains were matched academically: pupils achieved an Attainment 8 score above the national average, demonstrating strengthened teaching and learning across subjects. At the end of 2023/24 the previous headteacher left and Ruth Hollingsworth, deputy headteacher from Mercia School, became the substantive headteacher. Ruth has been supported by Dean Webster, Executive Director for Secondary Standards, in her role and this is leading to a renewed focus and drive at the school.

In the coming year, Newfield will continue working towards raising pupil outcomes, particularly focusing on increasing the number achieving grade 5 and above in English and Maths. This will be supported by the newly introduced Period 6 model, which provides structured after-school academic support for Year 11 pupils. Strengthening progression to Level 3 pathways post-16 will be an important priority, alongside expanding participation in enrichment activities to ensure all pupils benefit from a broad educational experience.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**Totley Primary School**

Totley Primary School built on its sustained track record of excellence, ending the year with another Outstanding Ofsted judgement in all areas. Furthermore, outcomes across all phases were exceptional with year 6 pupils securing the highest attainment levels in the school's history, with 92% achieving the combined expected measure and a third achieving greater depth. Disadvantaged pupils also achieved strongly, with 83% meeting the combined standard - 14% above the national figure for all pupils. The school's culture, underpinned by the Totley Way, remained a key strength, supported by a stable and experienced staff team.

Looking forward, Totley Primary aims to further narrow the attainment gap between disadvantaged and non-disadvantaged pupils, building upon its already successful practice. In line with the rest of our trust, a coaching model is being introduced to strengthen staff development and ensure consistency in the delivery of the Totley Way. The school will also play an increasingly outward-facing role, sharing its effective practice across our Trust to support improvement in other settings.

**Woodlands Primary School**

Woodlands Primary School experienced a year of significant change and improvement. The appointment of an experienced headteacher and the successful establishment of a new Specialist Resource Provision marked two major milestones in the school's development. Phonics outcomes improved markedly, placing the school among the strongest performers within our Trust, and pupils continued to make gains in reading and maths at Key Stage 2, with 71% and 69% of pupils reaching expected standard respectively. The introduction of a coaching model, along with the development of lead coaches, strengthened teaching consistency and supported staff professional growth.

In the year ahead, the school will focus on embedding the Woodlands Way to ensure that high-quality provision is consistent across all phases. Improving attendance remains a priority, with the aim of bringing rates in line with the national average. The school will also deepen its coaching model so that all staff - including teachers and associate staff - benefit from consistent professional development that enhances teaching, learning, pastoral and operational practices.

**Nether Edge Primary School**

Nether Edge Primary School had a highly successful year that included an Outstanding Ofsted judgement in all areas. The school strengthened its ambitious and inclusive culture, with the new Specialist Resource Provision becoming firmly embedded and widely recognised as a model of excellence. Academic outcomes were strong across all phases, with phonics being well above national with 92% of pupils passing, and additionally, at KS2, 87% of pupils reached the expected standard in reading, again significantly above national. Attendance improvements were especially noteworthy, with Nether Edge making significant gains from previous years.

Next year, the school will continue to focus on securing the best possible outcomes for disadvantaged pupils to ensure they achieve at least as well as their peers. Leaders will develop the Specialist Resource Provision further with the ambition of becoming sector-leading beyond our trust and the school is also exploring the expansion of its Early Years offer. This would include the introduction of a two-year-old nursery and linked childminding provision to better serve the needs of the local community.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**Anns Grove Primary School**

Anns Grove Primary School completed its first full year in our Trust after joining in October 2023, and it did so with confidence, stability and strong early impact. The school successfully transitioned to Trust systems and processes, moving away from previous local authority arrangements, and strengthened its operational and educational foundations. Curriculum development was a major focus, particularly in Early Years, which delivered notable improvements including a Good Level of Development of 74%. Key Stage 2 maths outcomes were also significantly above national averages at 84%, and attendance remained strong at 96%. This was all achieved whilst growing the roll by an additional 15 pupils.

Over the next year, Anns Grove will continue to embed the Anns Grove Way across all aspects of school life to support consistency and culture. Improving outcomes for disadvantaged pupils is a central priority, ensuring that no attainment gap exists between these pupils and their peers. The school will continue developing its literacy curriculum to strengthen reading across all phases. Leaders will also manage the school's ongoing expansion and associated estate developments, ensuring the physical environment supports growing pupil numbers.

**Trust Developments**

During 2024/25, our Trust made substantial progress in strengthening its operational capacity, ensuring that every school benefits from high-quality, reliable, and future-focused central services. The year was characterised by purposeful collaboration, investment in modern systems, and a growing alignment between schools and the central team. These developments directly enhanced educational provision by reducing workload, increasing efficiency, and enabling leaders to focus more fully on teaching, learning, and pupil wellbeing.

A major area of progress was the introduction and development of the Mercia Excellence Framework, which now informs practice across all operational functions as well as teaching and leadership. This framework has brought greater coherence to processes, expectations, and standards, ensuring that all schools receive consistent, expert support.

This framework will be refined and codified over the coming years, ensuring all staff, existing and new, are aware of what makes our trust exceptional.

School improvement capacity grew significantly this year, with the creation of a new secondary standards role to complement the work of the primary team and Trust Improvement Director. This strengthened our Trust's ability to respond quickly to emerging need and to support all schools. These roles and targeted interventions contributed to notable gains in behaviour, attendance, curriculum development and overall consistency across all schools.

Operational systems also continued to mature. Our finance team played a central role in stabilising our Trust's long-term sustainability, successfully increasing reserves and introducing Sage Intacct across all schools. This system will be fully rolled out across 2025/26, and will lead to modernised reporting, improved transparency, and quicker, data-driven decision-making. A review of central recharge structures created greater clarity around how financial resources are used, strengthened scalability as our Trust grows and supported more equitable deployment of services across all schools. This reallocation has also supported our position to increase reserves.

Our estates team oversaw a wide programme of developments, including the successful establishment of Specialist Resource Provisions at Woodlands and Nether Edge, alongside routine compliance and maintenance work. Additionally, the implementation of a transparent capital bidding process improved fairness and strategic oversight across our trust. This has enabled stronger relationships with individual schools and ensured more responsive estate management.

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**TRUSTEES' REPORT (CONTINUED)**  
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**Strategic report (continued)**

**Achievements and performance (continued)**

IT infrastructure underwent significant modernisation, supporting both security and efficiency. IT services were fully centralised for the central team, Nether Edge Primary, and all three secondary schools, with preparations completed for the remaining primary schools to follow in 2025/26. An updated staffing structure within the IT team ensured internal expertise matched the expanding scale of our Trust. These developments mean our trust is well positioned to adopt innovative technologies, including cloud-based systems and emerging AI tools.

Our HR team delivered major improvements in people management and staff experience. The first trust-wide Edurio staff survey provided valuable insight into staff wellbeing and engagement. The launch of the SAMpeople HR information system modernised processes, enhanced data accuracy and brought consistency across all schools. Our HR team's work also led to a decrease in staff absence compared with the previous year, reflecting strengthened wellbeing support and improved attendance monitoring.

Our communications and marketing team further enhanced the visibility and identity of our Trust. Clearer alignment across school social media channels improved reach and consistency, while the launch of our Trust's first parent newsletter created a new direct communication link with families. The team played a key role in delivering high-profile events, such as the Young Creatives art exhibition and the Mercia Staff Conference, which celebrated excellence and strengthened the sense of collective culture across schools. Their work also supported improved design standards and internal branding across school environments.

Our payroll and recruitment team continued to provide highly reliable services, as confirmed by positive external audit findings. Payroll systems remained error-free, with accurate and timely processing throughout the year. Recruitment processes became more consistent and efficient, supported by the development of a standardised approach that aligns with safer recruitment guidance. The team's next phase of development will include deeper integration with SAMpeople and a broader focus on workforce planning, helping schools to build strong and sustainable staffing structures.

Finally, our governance team strengthened oversight, accountability, and strategic coherence across our Trust. A full external governance review confirmed the strength of existing practice while identifying refinements, most of which were implemented by the end of the academic year. For 2025/26 meeting cycles have been realigned to match assessment periods, improving the flow of information between local governing bodies and our Trust Board. A proactive succession strategy has helped recruit several new trustees and governors, strengthening capacity at all levels.

Collectively, these developments reflect a maturing Trust infrastructure - one that is increasingly aligned, efficient, and driven by clarity of purpose. Operational teams now operate with greater cohesion and strategic intent, directly contributing to our Trust's mission of empowering all pupils, especially the most disadvantaged, to succeed.

***Financial review***

***a. Results for the year***

For the year ended 31 August 2025, there was a surplus on GAG funds of £1,238,355 (2024: deficit of £549,213) and a surplus of £79,905 (2024: deficit of £39,213) on unrestricted funds.

The Trustees priority was to strengthen the reserves position to above 5% as per the reserves policy

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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At 31 August 2025, the net book value of fixed assets was £70,669,431 (2024: £72,023,287) and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The Trust received an actuarial assessment of pension scheme deficit in accordance with FRS 102. The deficit balance is included within the balance sheet as at 31 August 2025 and supporting notes to the accounts (see note 23).

***b. Reserves policy***

Free reserves are considered to be unrestricted funds and the GAG fund. The trust's policy is that the level of free reserves should:

- Ensure fluctuations in income (e.g. phased implementation of a National Funding Formula) is managed effectively.
- Manage fluctuations in income such as delays between spending and receipt of grants.
- Enable a robust programme for the renewal and replacement of school assets, particularly ICT, to be developed and maintained
- Provide a cushion to deal with unexpected emergencies such as urgent maintenance and any unanticipated financial issues.

In achieving this, our trustees will be mindful that existing pupils are not disadvantaged through the retention of excessive reserves. Trust policy is that each school's annual spending plan operates within the parameters of annual income and expenditure. Our trust adopts reserves pooling to function and remain financially sustainable. Trust reserves should not fall below a minimum agreed level of 3% of income, and should, in most years, be maintained above 5%.

Discretionary reserves above this amount will fund trust priorities as defined by our board. At 31 August 2025, the trust held unrestricted funds of £870,228 (2024: £790,323) and GAG funds of £1,238,355 (2024: £nil) i.e. free funds of £2,108,583 (2024: £790,323) which equates to 5.0% (2024: 1.7%) of income. Funds in excess of our trust's 5% reserves threshold will be subject to annual review by our Trust Board to ensure their effective deployment in line with our trust's strategic priorities.

In addition to the free reserves, the trust also held £15,000 restricted funds i.e. a total of £2,123,583 unrestricted funds, GAG funds and restricted funds.

***c. Investment policy***

During this period, the Trust has held all its funds in either interest bearing current or deposit accounts.

***d. Principal risks and uncertainties***

The Trust's main source of income is funding from the DfE that is paid monthly throughout the year. Given this and the planned reserves at each school, the Trust board do not consider they have a cash flow or liquidity risk.

The Trust board has considered and agreed an ongoing risk register.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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***Fundraising***

- The Trustees accept they have overall responsibility and accountability for fundraising.
- All fundraising is coordinated by staff, pupils and parents and we do not involve professional fundraisers or commercial participators to undertake any fundraising activities.
- The Trust does not subscribe to any fundraising standards or scheme for fundraising regulation.
- The Trust ensures fundraisers acting on our behalf are supervised and is not aware of any failure to comply with fundraising standards.
- The Trust has received no complaints within the year regarding fundraising activity.

***Streamlined energy and carbon reporting***

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

	<b>2025</b>	<b>2024</b>
Energy consumption used to calculate emissions (kWh)	<b>4,688,334</b>	5,495,196
<b><i>Energy consumption breakdown (kWh):</i></b>		
Gas	<b>2,521,198</b>	3,219,049
Electricity	<b>2,147,281</b>	2,250,175
<b><i>Scope 1 emissions (in tonnes of CO2 equivalent):</i></b>		
Gas consumption	<b>463.90</b>	589.60
Owned transport	<b>4.79</b>	8.02
<b>Total scope 1</b>	<b>468.69</b>	597.62
<b><i>Scope 2 emissions (in tonnes of CO2 equivalent):</i></b>		
Purchased electricity	<b>380.07</b>	465.95
<b><i>Scope 3 emissions (in tonnes of CO2 equivalent):</i></b>		
Business travel in employee-owned or rental vehicles	<b>0.90</b>	1.28
<b>Total gross emissions (in tonnes of CO2 equivalent):</b>	<b>849.66</b>	1,064.85
<b><i>Intensity ratio:</i></b>		
Tonnes of CO2 equivalent per pupil	<b>0.16</b>	0.21

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**Streamlined energy and carbon reporting (continued)**

The Multi Academy Trust has followed and used the following quantification and reporting methodologies:

**Quantification and Reporting Methodology**

We have followed the HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting; the GHG Reporting Protocol - Corporate Standard; and the 2025 UK Government's Conversion Factors for Company Reporting.

**Intensity measurement**

The chosen intensity measurement ratio at 0.16 is the total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.

**Measures Taken to Improve Energy Efficiency**

Our IT centralisation has reduced our virtual server infrastructure by a third and ensures all school devices are now part of our more stringent auto-shutdown routines. All classroom projectors have been replaced with new devices that are more energy efficient.

**Plans for future periods**

The legal objects of the Mercia Learning Trust are to advance for the public benefit education in the United Kingdom. To meet this object, we will continue to pursue excellence for every child, guided by our renewed mission, values, and Critical Questions.

Priorities for 2025/26 include:

- Deepening the impact of the Mercia Excellence Framework across all phases.
- Strengthening outcomes for disadvantaged and SEND pupils.
- Completing the centralisation of IT for security and efficiency.
- Continuing to grow strategically where culturally and geographically appropriate.
- Embedding a new People Strategy to strengthen recruitment, retention, and leadership development.
- Ensuring robust financial planning and continued reserve growth to support long-term sustainability.

**Summary**

2024/25 was a year of exceptional performance and renewed strategic clarity. With four Outstanding schools, two Good schools, and one awaiting inspection, Mercia Learning Trust continues to provide sector-leading education across South West Sheffield. Our Trust's financial position is secure, its leadership is strengthened, and its mission is clearer than ever. Guided by kindness, integrity, diligence, and our mission, Mercia Learning Trust is well placed to deepen its impact in the years ahead - empowering everyone in our communities, especially the most disadvantaged, to succeed.

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**MERCIA LEARNING TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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***Disclosure of information to auditor***

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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



Signer ID: HQ2YKHHCOA...

.....  
**R.A. Dodds**  
Chair of Trustees  
Date: 19/12/2025 GMT

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**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Academy Trust Governance Guide and Academy Trust Handbook.

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

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
R.A. Dodds, Chair	6	6
S. Pearson (resigned 4 September 2025)	0	0
J. Millward (resigned 12 September 2025)	0	0
F. Benoist	3	6
M. Butler	2	6
B. Karim (appointed 15 May 2024)	5	6
A. Thomas (appointed 24 June 2024)	6	6
S. Mashford (appointed 4 November 2024)	4	6
J. Powell	1	1
S. Voyce	1	1

Throughout 2024-25, our board of trustees underwent several significant changes to enhance its capacity and broaden its skill set. We welcomed three new Trustees with an education background and working for other Trusts in an Executive position.

Joanne Powell is a Regional Director for Astrea Academy Trust with a background of working in primary schools and Stuart Voyce is the Executive Director of School Improvement for Resilience Trust in Leeds. Stuart has a history of working for Ofsted and various secondary schools. These two trustees bring a skillset to complement the skills possessed by other trustees on our board and enhance our board's educational awareness.

While welcoming new members, we also bid farewell to two dedicated leavers. Joanne Millward left us after 7 years, whilst Sarah Pearson left us after 10 years of supporting both as the Chair of Totley Primary School Local Governing Body and latterly Trustee.

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**MERCIA LEARNING TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

These changes underscore our commitment to fostering a diverse and skilled board, ensuring we are well-positioned to navigate the challenges and opportunities of the evolving educational landscape.

Our Trust maintains an up to date and complete register of business and pecuniary interests. Details are published on the Trust's website and 'Declarations of Pecuniary Interests' is a standard agenda item for all Trust Committees.

In 2023/24 our Trustees commissioned an external review of governance by the Confederation of School Trusts (CST) to evaluate their effectiveness. This concluded in December 2024 and the findings and recommendations were reviewed by our Board.

Across the second half of the year, we started to implement the recommendations to strengthen our approach. This included reviewing and updating the scheme of delegation. This work was completed based on best practice from other larger trusts and in consultation with other stakeholders. The new Scheme of Delegation will be implemented from September 2025. Additionally, our Articles of Association have been updated to bring them in line with the current recommended model from the DfE.

The Finance Risk and Audit Committee normally meet every term to discuss finance and audit matters and provide assurance over the suitability of, and compliance with its financial systems and controls. The Finance Risk and Audit Committee met 3 times in the academic year.

Challenges of pay awards and other increasing costs were monitored during the year alongside any impact on reserves. The FRA committee, with the board, challenged the CEO to increase reserves back in line with policy and set a two-year plan to achieve a level of 5% reserves. The CEO led a piece of work on curriculum led financial planning to achieve this target.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
A. Thomas	3	3
F. Benoist	2	3
R. Dodds	3	3
B. Karim	3	3
M. Butler	2	3
S. Mashford	2	3

**Review of value for money**

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money, prioritised health and safety and focused on energy efficiencies during each academic year whilst delivering on key priorities.

## GOVERNANCE STATEMENT (CONTINUED)

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### **Review of value for money (continued)**

Our IT centralisation project has secured huge savings including:

- A central purchase model for many software licences including Microsoft CSP Licensing
- A more streamlined remote access system means we no longer need individual SSL certificates or an additional licence for enhanced 2FA systems for remote desktop for each school
- Procurement of a trust-wide IT audit and cyber essentials assessment rather than an individual project and certification for each school
- Machines that were not suitable for our recent upgrade to Windows 11 had components upgraded rather than being completely replaced to increase their lifespan and performance
- The visitor management systems have been brought into one trust wide contract

### **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 Mercia Learning Trust for the year 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

### **The risk and control framework**

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. It includes:

- Comprehensive budgeting and monitoring systems with annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance, Risk and Audit Committee of reports which indicate the financial performance against the forecasts and of major purchase plans, capital works and expenditure programme
- Clearly defined purchasing guidelines
- Identification and management of risks
- Review of internal audit reports and management responses by Trustees
- clearly defined purchasing (asset purchase or capital investment) guidelines
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ Duncan and Toplis as internal auditor.

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**MERCIA LEARNING TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework (continued)**

Duncan and Toplis have been employed as internal auditors because the revised FRC Ethical Standard for auditors states that a firm providing external audit to an entity shall not also provide internal audit services to it.

The internal auditor performed a range of 11 checks on internal payroll processes.

The internal auditor has delivered their schedule of work as planned across all sites. No material control issues arose.

On an annual basis, the internal auditor prepares a summary report for the Finance, Risk and Audit Committee outlining the areas reviewed, key findings and recommendations to help the committee consider actions and assess year on year progress.

**Review of effectiveness**

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Risk and Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

**Conclusion**

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees and signed on their behalf by:



Signer ID: HQ2YKHHCOA.....

**R.A. Dodds**

Chair of Trustees

Date: 19/12/2025 GMT



Signer ID: PE855R4UJBB.....

**N. Miley**

Accounting Officer

Date: 19/12/2025 GMT

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**MERCIA LEARNING TRUST**  
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**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Mercia Learning Trust, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the trust's funding agreement with DfE, and the requirements of the Academy Trust Handbook, including responsibilities for estates safety and management. I have also considered my responsibility to notify the academy trust board of trustees and DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management.

I confirm that I and the Multi Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Multi Academy Trust, or material non-compliance with the framework of authorities.

I confirm that no instances of material irregularity, impropriety or 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 DfE.



Signer ID: PE855RHHB...

**N. Miley**  
Accounting Officer  
Date: 19/12/2025 GMT

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**MERCIA LEARNING TRUST**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Signer ID: HQ2YKHHQAA.....

**R.A. Dodds**

Chair of Trustees

Date: 19/12/2025 GMT

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**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MERCIA LEARNING TRUST**

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**Opinion**

We have audited the financial statements of Mercia Learning Trust (the 'multi academy trust') for the year ended 31 August 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

In our opinion the financial statements:

- give a true and fair view of the state of the Multi Academy Trust's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

**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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Multi Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

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**MERCIA LEARNING TRUST**  
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MERCIA LEARNING TRUST (CONTINUED)**

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**Other information**

The other information comprises the information included in the Trustees' report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Trustees' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

In the light of our knowledge and understanding of the Multi Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

**Responsibilities of trustees**

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

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**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MERCIA LEARNING TRUST (CONTINUED)**

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

**Auditor's responsibilities for the audit of the financial statements**

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

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

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the entity through discussions with management, and from our knowledge and experience of the industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the entity, including but not limited to those issued by or relating to Ofsted, DfE, GDPR, Safeguarding and Health and Safety;
- we assessed the extent of compliance with the laws and regulations identified above through discussions with management with direct responsibility for the compliance of laws and regulations, agreeing financial statement disclosures to underlying supporting documentation, reviewing legal expenses and reviewing Ofsted reports. We also reviewed the trust's website to ensure the required disclosures had been made in line with the Academy Trust Handbook;
- we ensured identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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**MERCIA LEARNING TRUST**  
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MERCIA LEARNING TRUST (CONTINUED)**

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To address the risk of fraud through management bias and override of controls, we

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

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

*Nicola O'Sullivan*

Signer ID: MMITLPRPJQ...

**Nicola O'Sullivan (Senior statutory auditor)**

for and on behalf of

**BHP LLP**

Albert Works

Sidney Street

Sheffield

S1 4RG

Date: 19/12/2025 GMT

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**MERCIA LEARNING TRUST**  
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MERCIA LEARNING TRUST AND THE SECRETARY OF STATE FOR EDUCATION**

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In accordance with the terms of our engagement letter dated 5 November 2025 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Mercia Learning Trust during the year 1 September 2024 to 31 August 2025 have not been applied to the purposes identified by Parliament and that the financial transactions do not conform to the authorities which govern them.

This report is made solely to Mercia Learning Trust and the Secretary of State for Education in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Mercia Learning Trust and the Secretary of State for Education 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 Mercia Learning Trust and the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Mercia Learning Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Mercia Learning Trust's funding agreement with the Secretary of State for Education dated 20 February 2012 and the Academy Trust Handbook, extant from 1 September 2024, 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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by DfE. 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 Multi Academy Trust's income and expenditure.

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**MERCIA LEARNING TRUST**  
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MERCIA LEARNING TRUST AND THE SECRETARY OF STATE FOR EDUCATION (CONTINUED)**

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The work undertaken to draw our conclusion includes:

- Detailed testing on a sample basis to assess the nature of expenditure and whether funds have been used appropriately;
- Review of the academy trust's internal financial procedures to ensure that controls are in place to prevent or identify regularity issues;
- Ensure that DfE approval has been obtained for relevant transactions;
- Discussions with Governors, Senior Leadership Team and the Accounting Officer throughout the audit process to ensure that regularity threats have been addressed.

**Conclusion**

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

During the year, some related party transactions were not disclosed on the DfE related party portal before the transactions took place. This is not in line with the requirements of the Academy Trust Handbook which requires reporting to be done prior to the transaction taking place.

*Nicola O'Sullivan*

Signer ID: MMITLPRPJQ...

Nicola O'Sullivan (Senior statutory auditor)

BHP LLP

Date: 19/12/2025 GMT

**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

		Unrestricted funds 2025 Note	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	As restated Total funds 2024 £
<b>Income from:</b>						
Donations and capital grants:	3					
Local authority school conversion		-	-	-	-	9,158,096
Other donations and capital grants		6,853	247,367	913,706	1,167,926	1,428,888
Other trading activities	4	1,138,075	-	-	1,138,075	1,031,587
Investments	5	64,170	-	-	64,170	126,355
Charitable activities	6	267,596	39,844,708	-	40,112,304	35,324,113
<b>Total income</b>		<b>1,476,694</b>	<b>40,092,075</b>	<b>913,706</b>	<b>42,482,475</b>	<b>47,069,039</b>
<b>Expenditure on:</b>						
Raising funds		310,279	226,896	-	537,175	825,574
Charitable activities	8	1,086,510	38,014,712	2,120,069	41,221,291	38,779,042
<b>Total expenditure</b>		<b>1,396,789</b>	<b>38,241,608</b>	<b>2,120,069</b>	<b>41,758,466</b>	<b>39,604,616</b>
<b>Net income/(expenditure)</b>		<b>79,905</b>	<b>1,850,467</b>	<b>(1,206,363)</b>	<b>724,009</b>	<b>7,464,423</b>
Transfers between funds	17	-	(199,266)	199,266	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>79,905</b>	<b>1,651,201</b>	<b>(1,007,097)</b>	<b>724,009</b>	<b>7,464,423</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains on defined benefit pension schemes	23	-	1,926,000	-	1,926,000	451,000
<b>Net movement in funds</b>		<b>79,905</b>	<b>3,577,201</b>	<b>(1,007,097)</b>	<b>2,650,009</b>	<b>7,915,423</b>

**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

	<b>Note</b>	<b>Unrestricted funds 2025</b>	<b>Restricted funds 2025</b>	<b>Restricted fixed asset funds 2025</b>	<b>Total funds 2025</b>	<b>As restated Total funds 2024</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward as previously stated		<b>790,323</b>	<b>(2,345,913)</b>	<b>67,851,214</b>	<b>66,295,624</b>	62,858,882
Prior year adjustment	29	-	-	<b>4,478,681</b>	<b>4,478,681</b>	-
Total funds brought forward as restated		<b>790,323</b>	<b>(2,345,913)</b>	<b>72,329,895</b>	<b>70,774,305</b>	62,858,882
Net movement in funds		<b>79,905</b>	<b>3,577,201</b>	<b>(1,007,097)</b>	<b>2,650,009</b>	7,915,423
<b>Total funds carried forward</b>		<b>870,228</b>	<b>1,231,288</b>	<b>71,322,798</b>	<b>73,424,314</b>	<b>70,774,305</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 34 to 66 form part of these financial statements.

**BALANCE SHEET**  
AS AT 31 AUGUST 2025

	Note	2025 £	As restated 2024 £
<b>Fixed assets</b>			
Tangible assets	14	<b>70,669,431</b>	72,023,287
		<b>70,669,431</b>	72,023,287
<b>Current assets</b>			
Debtors	15	<b>1,272,209</b>	913,677
Cash at bank and in hand		<b>3,418,839</b>	2,360,398
		<b>4,691,048</b>	3,274,075
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	16	<b>(1,761,165)</b>	(2,074,057)
<b>Net current assets</b>		<b>2,929,883</b>	1,200,018
<b>Net assets excluding pension liability</b>		<b>73,599,314</b>	73,223,305
Defined benefit pension scheme liability	23	<b>(175,000)</b>	(2,449,000)
<b>Total net assets</b>		<b>73,424,314</b>	70,774,305
<b>Funds of the Multi Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	<b>71,322,798</b>	72,329,895
Restricted income funds	17	<b>1,406,288</b>	103,087
Restricted funds excluding pension liability	17	<b>72,729,086</b>	72,432,982
Pension reserve	17	<b>(175,000)</b>	(2,449,000)
<b>Total restricted funds</b>	17	<b>72,554,086</b>	69,983,982
<b>Unrestricted income funds</b>	17	<b>870,228</b>	790,323
<b>Total funds</b>		<b>73,424,314</b>	70,774,305

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**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2025**

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The financial statements on pages 29 to 66 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Signer ID: HQ2YKHHCOA.....

**R.A. Dodds**

Date: 19/12/2025 GMT

The notes on pages 34 to 66 form part of these financial statements.

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**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	19	<b>294,901</b>	(1,670,246)
<b>Cash flows from investing activities</b>	20	<b>763,540</b>	662,652
<b>Change in cash and cash equivalents in the year</b>		<b>1,058,441</b>	(1,007,594)
Cash and cash equivalents at the beginning of the year		<b>2,360,398</b>	3,367,992
<b>Cash and cash equivalents at the end of the year</b>	21, 22	<b>3,418,839</b>	<b>2,360,398</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Multi Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2024 to 2025 issued by DfE, the Charities Act 2011 and the Companies Act 2006.

Mercia Learning Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity and rounded to the nearest £.

**1.2 Fund accounting**

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

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

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

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

**1.3 Income**

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

**• Grants**

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the 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 entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grants are reflected in the Balance sheet in the restricted fixed asset fund.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

**• Donations**

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

**• Other income**

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

**1.4 Expenditure**

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

**• Expenditure on raising funds**

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

**• Charitable activities**

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

**1.5 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Multi Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2025

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**1. Accounting policies (continued)**

**1.6 *Tangible fixed assets***

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Depreciation is provided on the following bases:

Long term leasehold property	- Straight line over 60 years
Furniture and fixtures	- Straight line over 35 months
Computer equipment	- Straight line over 35-36 months
Motor vehicles	- 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.

**1.7 *Operating leases***

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

**1.8 *Interest receivable***

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

**1.9 *Taxation***

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**1. Accounting policies (continued)**

**1.10 Debtors**

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

**1.11 Cash at bank and in hand**

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

**1.12 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 Multi 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 are measured at the best estimate of the amounts required to settle the obligation.

**1.13 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 16. 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**1. Accounting policies (continued)**

**1.14 Pensions**

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

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

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

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

**1.15 Agency arrangements**

The trust acts as an agent in distributing 16-19 bursary funds from DfE. Payments received from DfE and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid any balances held are disclosed.

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**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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

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

Critical accounting estimates and assumptions:

The Multi 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2025. 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.

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

	<b>Unrestricted funds 2025</b>	<b>Restricted funds 2025</b>	<b>Restricted fixed asset funds 2025</b>	<b>Total funds 2025</b>	<b>As restated Total funds 2024</b>
<b><i>Donations</i></b>					
Local authority school conversion	-	-	-	-	9,158,096
Donations	6,853	-	-	<b>6,853</b>	8,536
School fund income	-	247,367	-	<b>247,367</b>	434,894
Capital grants	-	-	913,706	<b>913,706</b>	985,458
	<b>6,853</b>	<b>247,367</b>	<b>913,706</b>	<b>1,167,926</b>	<b>10,586,984</b>
Total 2024 as restated	<b>275,195</b>	<b>894</b>	<b>10,310,895</b>	<b>10,586,984</b>	

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**MERCIA LEARNING TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 AUGUST 2025*

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**4. Income from other trading activities**

	<b>Unrestricted funds 2025</b> £	<b>Restricted funds 2025</b> £	<b>Total funds 2025</b> £	<b>Total funds 2024</b> £
Lettings	39,143	-	<b>39,143</b>	40,997
School to school support	2,468	-	<b>2,468</b>	14,709
School clubs, trips and catering	1,096,464	-	<b>1,096,464</b>	975,881
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	1,138,075	-	<b>1,138,075</b>	1,031,587
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
<b>Total 2024</b>	<b>1,023,989</b>	<b>7,598</b>	<b>1,031,587</b>	
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	

**5. Investment income**

	<b>Unrestricted funds 2025</b> £	<b>Total funds 2025</b> £	<b>Total funds 2024</b> £
Investment income	64,170	<b>64,170</b>	126,355
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
<b>Total 2024</b>	<b>126,355</b>	<b>126,355</b>	

**MERCIA LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

**6. Funding for the Multi Academy Trust's educational operations**

	<b>Unrestricted funds 2025</b> £	<b>Restricted funds 2025</b> £	<b>Total funds 2025</b> £	<b>Total funds 2024</b> £
<b><i>Education</i></b>				
<b><i>DfE grants</i></b>				
General Annual Grant	-	29,632,947	<b>29,632,947</b>	27,204,801
Other DfE grants				
Pupil Premium	-	1,734,289	<b>1,734,289</b>	1,624,770
Post-16	-	2,724,179	<b>2,724,179</b>	2,174,706
Teachers' Pay and Pension Grant	-	1,221,231	<b>1,221,231</b>	794,904
Mainstream Schools Additional Grant	-	1,097,220	<b>1,097,220</b>	864,774
Other	165,408	466,560	<b>631,968</b>	535,586
NI Grant	-	209,353	<b>209,353</b>	-
	165,408	-	<b>37,251,187</b>	33,199,541
<b><i>Other Government grants</i></b>				
Local authority grants	80,203	2,758,929	<b>2,839,132</b>	1,696,585
	80,203	2,758,929	<b>2,839,132</b>	1,696,585
<b><i>Other income from the Multi Academy Trust's education</i></b>				
	21,985	-	<b>21,985</b>	49,023
<b><i>COVID-19 additional funding (DfE)</i></b>				
Recovery premium	-	-	-	310,800
School led tutoring	-	-	-	68,164
	-	-	-	378,964
	267,596	39,844,708	<b>40,112,304</b>	35,324,113
Total 2024	<b>1,218,161</b>	<b>34,105,952</b>	<b>35,324,113</b>	

The above Recovery Premium and School-led tutoring income in the prior year was all spent during that year.

**MERCIA LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

**7. Expenditure**

	<b>Staff Costs</b> <b>2025</b> <b>£</b>	<b>Premises</b> <b>2025</b> <b>£</b>	<b>Other</b> <b>2025</b> <b>£</b>	<b>Total</b> <b>2025</b> <b>£</b>	<b>As restated</b> <b>Total</b> <b>2024</b> <b>£</b>
<b>Expenditure on school fund:</b>					
Direct costs	-	-	212,000	<b>212,000</b>	466,529
<b>Expenditure on fundraising trading activities:</b>					
Direct costs	-	-	325,175	<b>325,175</b>	359,045
<b>Education:</b>					
Direct costs	26,899,594	1,512,836	2,480,234	<b>30,892,664</b>	28,284,981
Allocated support costs	3,613,709	4,576,804	2,138,114	<b>10,328,627</b>	10,494,061
	<b>30,513,303</b>	<b>6,089,640</b>	<b>5,155,523</b>	<b>41,758,466</b>	<b>39,604,616</b>
Total 2024 as restated	<b>28,147,954</b>	<b>6,291,504</b>	<b>5,165,158</b>	<b>39,604,616</b>	

**8. Analysis of expenditure by activities**

	<b>Activities</b> <b>undertaken</b>	<b>Support costs</b>	<b>Total</b> <b>funds</b>	<b>As restated</b> <b>Total</b> <b>funds</b>
	<b>directly</b> <b>2025</b> <b>£</b>	<b>2025</b> <b>£</b>	<b>2025</b> <b>£</b>	<b>2024</b> <b>£</b>
Education	30,892,664	10,328,627	<b>41,221,291</b>	38,779,042
Total 2024 as restated	<b>28,284,981</b>	<b>10,494,061</b>	<b>38,779,042</b>	

**MERCIA LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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

**Analysis of support costs**

			As restated
	Education 2025	Total funds 2025	Total funds 2024
	£	£	£
Staff costs	3,436,233	<b>3,436,233</b>	3,530,545
Depreciation	235,229	<b>235,229</b>	220,878
School trips, school meals and other support costs	1,444,840	<b>1,444,840</b>	1,351,137
Recruitment and support	55,889	<b>55,889</b>	65,449
Maintenance of premises and equipment	631,452	<b>631,452</b>	809,380
Cleaning	435,495	<b>435,495</b>	381,727
Rent and rates	178,303	<b>178,303</b>	148,356
Energy costs	329,386	<b>329,386</b>	418,865
Insurance	252,694	<b>252,694</b>	204,335
Catering	5,860	<b>5,860</b>	8,819
PFI property costs	3,029,124	<b>3,029,124</b>	3,123,588
Bank interest and charges	5,096	<b>5,096</b>	6,347
Legal costs	33,313	<b>33,313</b>	50,578
Loss on disposal of fixed assets	38,692	<b>38,692</b>	-
Governance costs	217,021	<b>217,021</b>	174,057
	<hr/>	<hr/>	<hr/>
	10,328,627	<b>10,328,627</b>	10,494,061
	<hr/>	<hr/>	<hr/>
Total 2024 as restated	<hr/>	<hr/>	<hr/>
	10,494,061	<b>10,494,061</b>	

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**MERCIA LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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

Net income/(expenditure) for the year includes:

	<b>2025</b> £	<b>2024</b> £
Operating lease rentals	<b>48,832</b>	52,810
Depreciation of tangible fixed assets	<b>1,568,192</b>	1,378,270
Loss on disposal of fixed assets	<b>257,948</b>	-
Fees paid to auditor for:		
- audit	<b>28,880</b>	27,500
- other services	<b>14,180</b>	5,230

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**10. Staff**

**a. Staff costs and employee benefits**

Staff costs during the year were as follows:

	<b>2025</b> £	<b>2024</b> £
Wages and salaries	<b>22,120,890</b>	20,823,987
Social security costs	<b>2,486,468</b>	2,060,165
Pension costs	<b>5,410,141</b>	4,588,227
	<b>30,017,499</b>	27,472,379
Agency staff costs	<b>479,988</b>	643,306
Staff restructuring costs	<b>15,816</b>	32,269
	<b>30,513,303</b>	28,147,954

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Staff restructuring costs comprise:

	<b>2025</b> £	<b>2024</b> £
Redundancy payments	-	26,777
Severance payments	<b>15,816</b>	5,492
	<b>15,816</b>	32,269

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. Staff (continued)**

**b. Severance payments**

The Multi Academy Trust paid 1 severance payment in the year (2024 - 2), disclosed in the following bands:

	<b>2025</b> No.	<b>2024</b> No.
£0 - £25,000	1	1
£25,001 - £50,000	-	1
	<hr/>	<hr/>

**c. Staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments of £15,816 (2024: £32,269).

**d. Staff numbers**

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

	<b>2025</b> No.	<b>2024</b> No.
Teachers	305	300
Management	45	45
Admin and support	315	321
	<hr/>	<hr/>
	665	666
	<hr/>	<hr/>

The average headcount expressed as full-time equivalents was:

	<b>2025</b> No.	<b>2024</b> No.
Teachers	257	256
Management	42	42
Admin and support	217	249
	<hr/>	<hr/>
	516	547
	<hr/>	<hr/>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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**10. Staff (continued)**

**e. Higher paid staff**

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

	<b>2025</b> <b>No.</b>	<b>2024</b> <b>No.</b>
In the band £60,001 - £70,000	18	14
In the band £70,001 - £80,000	9	9
In the band £80,001 - £90,000	5	2
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	2	1
In the band £110,001 - £120,000	1	1
In the band £130,001 - £140,000	-	2
In the band £140,001 - £150,000	2	-
In the band £160,001 - £170,000	1	-
In the band £180,001 - £190,000	-	1

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**f. Key management personnel**

The key management personnel of the Multi Academy Trust comprise the Trustees and the senior management team as listed on page 2. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Multi Academy Trust was £1,763,213 (2024 - £1,304,311).

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, no Trustee expenses have been incurred (2024 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 AUGUST 2025*

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**12. Central services**

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

- Accounting Officer support
- Chief Finance Officer support
- Human Resources/Occupational Health services
- Health and Safety support
- Safeguarding Training
- Legal Services support
- IT support
- Business Manager support
- In-house payroll
- Design Service
- Estates Manager
- Trust Improvement Plan Lead
- Senior Secondary Curriculum Lead
- Director of Primary phase
- School Improvement Partner

The Multi Academy Trust charges for these services on the following basis:

Flat percentage of GAG income - 4.5%.

The actual amounts charged during the year were as follows:

	<b>2025</b>	<b>2024</b>
	£	£
King Ecgbert School	<b>435,077</b>	398,354
Newfield School	<b>358,935</b>	343,065
Totley School	<b>87,751</b>	83,849
Woodlands Primary School	<b>104,820</b>	97,028
Nether Edge Primary School	<b>91,700</b>	88,927
Mercia School	<b>292,637</b>	239,208
Anns Grove Primary School	<b>83,600</b>	69,036
 <b>Total</b>	 <b>1,454,520</b>	 1,319,467

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

The Multi Academy Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

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**14. Tangible fixed assets**

	Long-term leasehold property £	Furniture and fixtures £	Computer equipment £	Motor vehicles £	Total £
<b><i>Cost or valuation</i></b>					
At 1 September 2024 (as previously stated)	<b>76,775,759</b>	<b>965,705</b>	<b>1,641,631</b>	<b>36,975</b>	<b>79,420,070</b>
Prior Year Adjustment	<b>4,510,000</b>	-	-	-	<b>4,510,000</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 1 September 2024 (as restated)	<b>81,285,759</b>	<b>965,705</b>	<b>1,641,631</b>	<b>36,975</b>	<b>83,930,070</b>
Additions	-	<b>351,249</b>	<b>121,035</b>	-	<b>472,284</b>
Disposals	-	<b>(484,533)</b>	<b>(762,785)</b>	-	<b>(1,247,318)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2025	<b>81,285,759</b>	<b>832,421</b>	<b>999,881</b>	<b>36,975</b>	<b>83,155,036</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b><i>Depreciation</i></b>					
At 1 September 2024 (as previously stated)	<b>9,886,410</b>	<b>772,580</b>	<b>1,179,499</b>	<b>36,975</b>	<b>11,875,464</b>
Prior Year Adjustment	<b>31,319</b>	-	-	-	<b>31,319</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 1 September 2024 (as restated)	<b>9,917,729</b>	<b>772,580</b>	<b>1,179,499</b>	<b>36,975</b>	<b>11,906,783</b>
Charge for the year	<b>1,194,546</b>	<b>125,546</b>	<b>248,100</b>	-	<b>1,568,192</b>
On disposals	-	<b>(355,137)</b>	<b>(634,233)</b>	-	<b>(989,370)</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2025	<b>11,112,275</b>	<b>542,989</b>	<b>793,366</b>	<b>36,975</b>	<b>12,485,605</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b><i>Net book value</i></b>					
At 31 August 2025	<b>70,173,484</b>	<b>289,432</b>	<b>206,515</b>	-	<b>70,669,431</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2024 (as restated)	<b>71,368,030</b>	<b>193,125</b>	<b>462,132</b>	-	<b>72,023,287</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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**NOTES TO THE FINANCIAL STATEMENTS**  
*FOR THE YEAR ENDED 31 AUGUST 2025*

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**14. Tangible fixed assets (continued)**

Included in land and buildings is land at valuation of £10,098,000 (2024: £10,098,000) which is not depreciated.

The prior year comparatives have been restated to recognise the transfer of a sixth-form building from the local authority to King Ecgbert School. Legal title to the property was obtained in the preceding financial year, and the asset has now been reflected at its appropriate cost and accumulated depreciation. Further details of this restatement are provided in note 29.

**15. Debtors**

	<b>2025</b>	<b>2024</b>
	£	£
Trade debtors	<b>59,716</b>	54,030
Other debtors	<b>151,903</b>	209,425
Prepayments and accrued income	<b>1,060,590</b>	650,222
	<hr/> <b>1,272,209</b>	<hr/> 913,677
	<hr/> <b>=====</b>	<hr/> <b>=====</b>

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

	<b>2025</b>	<b>2024</b>
	£	£
Trade creditors	<b>1,218,705</b>	1,241,403
Other taxation and social security	<b>141,873</b>	131,552
Other creditors	<b>2,154</b>	1,112
Accruals and deferred income	<b>398,433</b>	699,990
	<hr/> <b>1,761,165</b>	<hr/> 2,074,057
	<hr/> <b>=====</b>	<hr/> <b>=====</b>

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	<b>2025</b> £	<b>2024</b> £
Deferred income at 1 September	<b>456,872</b>	547,433
Resources deferred during the year	<b>276,085</b>	456,872
Amounts released from previous periods	<b>(456,872)</b>	(547,433)
	<b>276,085</b>	456,872

Deferred income relates to income received which relates to the following financial year. The majority of this deferred income related to local government growth funding, universal infant income and school trips.

**17. Statement of funds**

<i>Unrestricted funds</i>	As restated		Transfers in/out	Gains/ (Losses)	Balance at 31 August 2025
	Balance at 1 September 2024	Income £			
General funds	<b>790,323</b>	<b>1,476,694</b>	<b>(1,396,789)</b>	-	<b>870,228</b>

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

	<b>As restated</b> <b>Balance at 1</b> <b>September</b> <b>2024</b>	<b>Income</b> <b>£</b>	<b>Expenditure</b> <b>£</b>	<b>Transfers</b> <b>in/out</b> <b>£</b>	<b>Gains/</b> <b>(Losses)</b> <b>£</b>	<b>Balance at 31</b> <b>August 2025</b> <b>£</b>
<b><i>Restricted general funds</i></b>						
GAG	-	29,632,947	(28,180,847)	(175,424)	-	1,276,676
Pupil premium	-	1,734,289	(1,734,289)	-	-	-
Mainstream schools additional grant	-	1,097,220	(1,097,220)	-	-	-
School fund	103,087	247,367	(212,000)	(23,842)	-	114,612
DfE NI grant	-	209,353	(209,353)	-	-	-
Post-16	-	2,724,179	(2,709,179)	-	-	15,000
PE grant	-	77,720	(77,720)	-	-	-
UIFSM grant	-	210,076	(210,076)	-	-	-
Local government growth funding	-	381,672	(381,672)	-	-	-
DfE rates rebate	-	178,764	(178,764)	-	-	-
Local government EHCP income	-	112,595	(112,595)	-	-	-
Teachers Pay and Pension	-	1,221,231	(1,221,231)	-	-	-
Local government LAC pupil premium	-	44,734	(44,734)	-	-	-
Local government IR funding	-	1,403,746	(1,403,746)	-	-	-
Local government banded funding	-	281,607	(281,607)	-	-	-
Local government FEL funding	-	534,575	(534,575)	-	-	-
Pension reserve	(2,449,000)	-	348,000	-	1,926,000	(175,000)
	(2,345,913)	40,092,075	(38,241,608)	(199,266)	1,926,000	1,231,288

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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

	<b>As restated</b>				<b>Transfers</b>	<b>Gains/</b>	<b>Balance at 31</b>
	<b>Balance at 1</b>				<b>in/out</b>	<b>(Losses)</b>	<b>August 2025</b>
	<b>September</b>				<b>£</b>	<b>£</b>	<b>£</b>
	<b>2024</b>	<b>Income</b>	<b>Expenditure</b>		<b>£</b>	<b>£</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>		<b>£</b>	<b>£</b>	<b>£</b>
<b><i>Restricted fixed asset funds</i></b>							
Restricted fixed asset funds	<b>72,329,895</b>	<b>913,706</b>	<b>(2,120,069)</b>	<b>199,266</b>		<b>-</b>	<b>71,322,798</b>
<b><i>Total Restricted funds</i></b>							
<b>Total Restricted funds</b>	<b>69,983,982</b>	<b>41,005,781</b>	<b>(40,361,677)</b>		<b>-</b>	<b>1,926,000</b>	<b>72,554,086</b>
<b><i>Total funds</i></b>							
<b>Total funds</b>	<b>70,774,305</b>	<b>42,482,475</b>	<b>(41,758,466)</b>		<b>-</b>	<b>1,926,000</b>	<b>73,424,314</b>

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

Unrestricted funds

The unrestricted funds represent funds available to the trustees to apply for the general purposes of the trust.

Restricted general funds

General Annual Grant (GAG) - The Academy Trust's principal funding stream received from the DfE. This must be used to fund the normal running costs of the Trust for the benefit of existing students.

Pupil Premium (DfE) - DfE funding to address the current underlying inequalities between children eligible for free school meals (FSM) and their wealthier peers by ensuring that funding to tackle the disadvantage reaches the pupils who need it most.

Mainstream Schools Additional Grant - The MSAG is to help alleviate certain cost pressures, notably staffing costs such as teacher pay awards, support-staff pay increases, employer pension contributions and national insurance contributions.

School Fund - Funds received for activities, trips and fundraising which will be paid to suppliers and charities.

DfE NI grant - The NI grant is to cover increased employer National Insurance contribution costs.

Post 16 - Annual funding allocations from DfE for the provision of 16 to 19 education.

PE grant - The DfE provided Primary Schools with a PE and Sport Premium to improve the quality of the PE and sport activities they offer their pupils.

UIFSM grant - The universal infant free school meals (UIFSM) grant enables schools to provide free school meals to all pupils in reception, year 1 and year 2.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

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

Local government growth funding - Local government growth funding is provided directly to schools from Sheffield City Council where additional pupil numbers.

DfE Rates rebate - Academies can claim full funding from the DfE for national non-domestic rates costs.

Local government EHCP income - EHCP funding is received for pupils with an Education, Health and Care Plan that states support required to meet their SEN needs.

Teachers Pay and Pension Grants - To support the increased employment costs as a result of the teachers' pay award and increases in pension contributions.

Local government LAC pupil premium - LAC pupil premium is extra funding to help improve the educational outcomes of pupils who are (or have been) in local authority care.

Local Government IR Funding - SCC per pupil funding for pupils in the Integrated Resource.

Local Government Banded Funding - Local authorities allocate funding for pupils with low cost, high incidence SEN.

Local government FEL funding - FEL funding is provided to early years providers to deliver free childcare and early education hours for eligible pupils.

Other DfE - Funds received restricted for specific use by the Trust for educational purposes.

Growth fund - The local authority plan places in schools across the city where growth in numbers is expected - the school then receives an amount per planned pupil place.

Recovery funds - DfE funding to cover costs associated with recovery from Covid including catch up tuition.

Other - Miscellaneous funding towards specific purposes.

Pension reserve - The deficit on the Local Government Pension Scheme has been recognised against restricted funds in order to match it against GAG as recommended by the DfE Accounts Direction.

Growth funding - The local authority plan places in schools across the city where growth in numbers is expected - the school then receives an amount per planned pupil place.

Recovery funds - DfE funding to cover costs associated with recovery from covid including catch up tuition.

**Restricted fixed asset funds**

Assets donated to the trust from the local authority on conversion of schools, fixed assets purchased from GAG, other funds and DfE capital grants.

**Transfers**

A transfer has been made out of GAG to restricted fixed asset funds of £199,266 to reflect assets purchased out of GAG funding.

Under the funding agreement with the Secretary of State, the Multi Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2025.

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

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

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 August 2024 £
<b><i>Unrestricted funds</i></b>						
General funds	1,209,650	2,643,700	(2,682,822)	(380,205)	-	790,323
<b><i>Restricted general funds</i></b>						
GAG	206,032	27,204,801	(27,754,014)	343,181	-	-
Pupil premium	-	1,624,770	(1,624,770)	-	-	-
School fund	134,722	434,894	(466,529)	-	-	103,087
Post-16	-	2,174,706	(2,174,706)	-	-	-
Other DfE/ESFA grants	-	21,648	(21,648)	-	-	-
Rates funding	-	122,374	(122,374)	-	-	-
PE grant	-	66,544	(66,544)	-	-	-
UIFSM grant	-	174,616	(174,616)	-	-	-
Growth fund	-	224,895	(224,895)	-	-	-
Teachers Pay and Pension	-	794,904	(794,904)	-	-	-
Recovery funds	-	378,963	(378,963)	-	-	-
Local government IR funding	-	204,474	(204,474)	-	-	-
Local government banded funding	-	44,650	(44,650)	-	-	-
Other restricted funds	-	1,076,205	(1,076,205)	-	-	-
Pension reserve	(2,705,000)	(434,000)	239,000	-	451,000	(2,449,000)
	(2,364,246)	34,114,444	(34,890,292)	343,181	451,000	(2,345,913)

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

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 August 2024 £
<b><i>Restricted fixed asset funds</i></b>						
Restricted fixed asset funds	64,013,478	10,310,895	(2,031,502)	37,024	-	72,329,895
<b>Total Restricted funds</b>	<b>61,649,232</b>	<b>44,425,339</b>	<b>(36,921,794)</b>	<b>380,205</b>	<b>451,000</b>	<b>69,983,982</b>
<b>Total funds</b>	<b>62,858,882</b>	<b>47,069,039</b>	<b>(39,604,616)</b>	<b>-</b>	<b>451,000</b>	<b>70,774,305</b>

**Total funds analysis by academy**

Fund balances at 31 August 2025 were allocated as follows:

	2025 £	2024 £
King Egbert School	<b>274,461</b>	98,833
Newfield School	<b>304,323</b>	115,462
Totley School	<b>18,748</b>	12,163
Woodlands Primary School	<b>348,170</b>	221,995
Nether Edge Primary School	<b>139,335</b>	59,492
Mercia School	<b>337,361</b>	170,791
Anns Grove Primary School	<b>35,301</b>	92,024
Mercia Learning Trust	<b>818,817</b>	122,650
 Total before fixed asset funds and pension reserve	 <b>2,276,516</b>	 893,410
Restricted fixed asset fund	<b>71,322,798</b>	72,329,895
Pension reserve	<b>(175,000)</b>	(2,449,000)
 <b>Total</b>	 <b>73,424,314</b>	 70,774,305

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

**Total cost analysis by academy**

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

	<b>Teaching and educational support staff costs</b> £	<b>Other support staff costs</b> £	<b>Educational supplies</b> £	<b>Other costs excluding depreciation</b> £	<b>Total 2025</b> £	<b>Total 2024</b> £
King Egbert School	7,465,023	579,438	278,305	2,411,679	<b>10,734,445</b>	10,283,822
Newfield School	5,746,504	672,443	225,083	2,285,350	<b>8,929,380</b>	8,821,972
Totley School	1,666,198	114,934	167,236	383,328	<b>2,331,696</b>	2,213,382
Woodlands Primary School	2,372,864	229,274	164,320	494,744	<b>3,261,202</b>	3,061,685
Nether Edge Primary School	2,075,733	115,233	166,299	430,113	<b>2,787,378</b>	2,586,303
Mercia School	4,809,665	921,898	294,904	943,115	<b>6,969,582</b>	6,051,465
Anns Grove Primary School	2,009,987	111,087	139,594	291,595	<b>2,552,263</b>	2,216,759
Mercia Learning Trust	1,104,002	519,020	107,041	894,265	<b>2,624,328</b>	2,896,764
<b>Multi Academy Trust</b>	<b>27,249,976</b>	<b>3,263,327</b>	<b>1,542,782</b>	<b>8,134,189</b>	<b>40,190,274</b>	<b>38,132,152</b>

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

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

	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	-	70,669,431	<b>70,669,431</b>
Current assets	843,987	3,193,694	653,367	<b>4,691,048</b>
Creditors due within one year	26,241	(1,787,406)	-	<b>(1,761,165)</b>
Provisions for liabilities and charges	-	(175,000)	-	<b>(175,000)</b>
<b>Total</b>	<b>870,228</b>	<b>1,231,288</b>	<b>71,322,798</b>	<b>73,424,314</b>

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

	Unrestricted funds 2024 £	Restricted funds 2024 £	As restated Restricted fixed asset funds 2024 £	As restated Total funds 2024 £
Tangible fixed assets	-	-	72,023,287	72,023,287
Current assets	760,666	2,206,801	306,608	3,274,075
Creditors due within one year	29,657	(2,103,714)	-	(2,074,057)
Provisions for liabilities and charges	-	(2,449,000)	-	(2,449,000)
<b>Total As restated</b>	<b>790,323</b>	<b>(2,345,913)</b>	<b>72,329,895</b>	<b>70,774,305</b>

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

	2025	As restated 2024
	£	£
Net income for the year (as per Statement of financial activities)	<b>724,009</b>	7,464,423
<hr/>		
<i>Adjustments for:</i>		
Depreciation	1,568,192	1,472,464
Capital grants from DfE and other capital income	(913,706)	(985,458)
Interest receivable	(64,170)	(126,355)
Defined benefit pension scheme inherited	-	434,000
Defined benefit pension scheme cost less contributions payable	(435,000)	(376,000)
Defined benefit pension scheme finance cost	87,000	137,000
Increase in debtors	(358,532)	(104,008)
Decrease in creditors	(312,892)	(260,875)
Fixed assets acquired on conversion	-	(9,325,437)
<hr/>		
<i>Net cash provided by/(used in) operating activities</i>	<b>294,901</b>	(1,670,246)
<hr/>		

**20. Cash flows from investing activities**

	2025	2024
	£	£
Dividends, interest and rents from investments	64,170	126,355
Purchase of tangible fixed assets	(472,284)	(449,161)
Loss on disposal of tangible fixed assets	257,948	-
Capital grants from DfE	913,706	985,458
<hr/>		
<i>Net cash provided by investing activities</i>	<b>763,540</b>	662,652
<hr/>		

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**21. Analysis of cash and cash equivalents**

	<b>2025</b> £	<b>2024</b> £
Cash in hand and at bank	<b>3,418,839</b>	2,360,398
<b>Total cash and cash equivalents</b>	<b>3,418,839</b>	2,360,398

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

	<b>At 1 September 2024</b> £	<b>Cash flows</b> £	<b>At 31 August 2025</b> £
Cash at bank and in hand	2,360,398	1,058,441	3,418,839
	<b>2,360,398</b>	<b>1,058,441</b>	<b>3,418,839</b>

**23. Pension commitments**

The Multi 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 South Yorkshire Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

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

**Teachers' Pension Scheme**

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

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

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**23. Pension commitments (continued)**

**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 ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £4,313,057 (2024 - £3,523,209).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Multi Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Multi Academy Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Multi Academy Trust has set out above the information available on the scheme.

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**23. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £1,928,000 (2024 - £1,880,000), of which employer's contributions totalled £1,529,000 (2024 - £1,489,000) and employees' contributions totalled £399,000 (2024 - £391,000). The agreed contribution rates for future years are 16.4 per cent for employers and 5.5 per cent for employees.

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

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](#).

**Principal actuarial assumptions**

	<b>2025</b>	<b>2024</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.30</b>	3.25
Rate of increase for pensions in payment/inflation	<b>2.70</b>	2.65
Discount rate for scheme liabilities	<b>6.10</b>	5.00

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

	<b>2025</b>	<b>2024</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
Males	<b>20.7</b>	20.5
Females	<b>23.6</b>	23.6
Retiring in 20 years		
Males	<b>21.5</b>	21.3
Females	<b>25.0</b>	25.0

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**23. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2025</b> <b>£000</b>	<b>2024</b> <b>£000</b>
Discount rate +0.1%	(393)	(476)
Salary increase +0.1%	15	18
Mortality assumption - 1 year increase	667	759
CPI rate +0.1%	389	467
	<b>=====</b>	<b>=====</b>

**Share of scheme assets**

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

	<b>At 31 August</b> <b>2025</b> <b>£</b>	<b>At 31 August</b> <b>2024</b> <b>£</b>
Equities	<b>13,860,700</b>	11,379,950
Bonds	<b>3,762,190</b>	3,566,850
Property	<b>1,980,100</b>	1,698,500
Cash and other liquid assets	<b>198,010</b>	339,700
<b>Total market value of assets</b>	<b>19,801,000</b>	16,985,000
	<b>=====</b>	<b>=====</b>

The actual return on scheme assets was £633,632 (2024 - £1,613,575).

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

	<b>2025</b> <b>£</b>	<b>2024</b> <b>£</b>
Current service cost	(1,094,000)	(1,113,000)
Interest income	893,000	765,000
Interest cost	(980,000)	(902,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(1,181,000)</b>	(1,250,000)
	<b>=====</b>	<b>=====</b>

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**23. Pension commitments (continued)**

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

	<b>2025</b> £	<b>2024</b> £
<b>At 1 September</b>	<b>18,980,000</b>	15,420,000
Transferred in on existing academies joining the trust	-	1,359,000
Current service cost	1,094,000	1,113,000
Interest cost	980,000	902,000
Employee contributions	399,000	391,000
Actuarial (gains)/losses	(1,725,000)	198,000
Actuarial (gains)/losses not recognised	(2,865,000)	(168,000)
Benefits paid	(206,000)	(235,000)
<b>At 31 August</b>	<b>16,657,000</b>	18,980,000

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

	<b>2025</b> £	<b>2024</b> £
<b>At 1 September</b>	<b>16,985,000</b>	13,001,000
Transferred in on existing academies joining the trust	-	925,000
Interest income	893,000	765,000
Actuarial gains	201,000	649,000
Employer contributions	1,529,000	1,489,000
Employee contributions	399,000	391,000
Benefits paid	(206,000)	(235,000)
<b>At 31 August</b>	<b>19,801,000</b>	16,985,000

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	<b>2025</b> £	<b>2024</b> £
<b><i>Amounts recognised in the balance sheet</i></b>		
Present value of the defined benefit obligations	<b>16,657,000</b>	18,980,000
Fair value of the academy trust's share of scheme assets	<b>(19,801,000)</b>	(16,985,000)
Schemes in surplus not recognised in the balance sheet	<b>3,319,000</b>	454,000
<b><i>Defined benefit pension scheme liability</i></b>		
	<b>175,000</b>	2,449,000
	<b>=====</b>	<b>=====</b>

The net pension surpluses of £876,000 (2024: £389,000) for the Central Trust, £1,111,000 for King Ecgbert School, £477,000 for Newfield School, £318,000 for Mercia School (2024: £65,000), £122,000 for Totley Primary School, £251,000 for Woodlands Primary School and £164,000 for Nether Edge Primary School at 31 August 2025, assessed in accordance with FRS 102, is not recognised in the balance sheet as the academy trusts are unable to recover these surpluses from the pension scheme.

**24. Operating lease commitments**

At 31 August 2025 the Multi Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2025</b> £	<b>2024</b> £
Not later than 1 year	<b>34,487</b>	45,590
Later than 1 year and not later than 5 years	<b>30,100</b>	52,249
	<b>64,587</b>	97,839

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**25. Related party transactions**

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

During the year transactions totalling £918 (2024: £Nil) were paid to Sheffield Theatres Trust for school trips. A Singh, a Member, is a Trustee of Sheffield Theatres Trust. In entering into these transactions, CEO approval was sought and the service provided was deemed as good value for money.

During the year, transactions totalling £3,458 (2024: £13,133) were paid to Veezu Limited for travel costs. A Singh, a Member, is a Director of Veezu Limited. In entering into these transactions, CEO approval was sought and the service provided was deemed as good value for money.

During the year, transactions totalling £Nil (2024: £2,639) were paid to Twinkl Limited for online educational materials. D Argrave, a Trustee until resignation on 5 June 2024, was chief operating officer of Twinkl Limited.

**26. Financial commitments under PFI arrangements**

At 31 August 2025 the trust had future commitments under PFI arrangements as follows:

	<b>2025</b> £	<b>2024</b> £
<b><i>Amounts payable:</i></b>		
Within 1 year	3,091,207	2,984,772
Between 1 and 5 years	12,364,829	11,939,088
After more than 5 years	15,821,308	18,184,992
<b><i>Total</i></b>	<b>31,277,344</b>	<b>33,108,852</b>

The academy trust occupies premises which are subject to private finance initiative (PFI) contracts. The above relates to commitments to operating payments including costs for premises, energy, water, and other ancillary services.

**27. Agency arrangements**

The Multi Academy Trust distributes 16-19 bursary funds to students as an agent for DfE. In the accounting period ending 31 August 2025 the trust received £43,769 (2024: £36,604) and disbursed £45,466 (2024: £34,931) from the fund. As at 31 August 2025, the cumulative unspent 16-19 bursary fund is £nil (2024: £1,697), of which £nil (2024: £nil) relates to undistributed funding that is repayable to DfE.

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**28. 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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they cease to be a member.

**29. Prior year restatement**

During the year, management identified that a sixth form building had not been recognised as a fixed asset in the prior year's financial statements. Although the building had been occupied and used by the School for several years, legal title to the property formally transferred from the local authority to King Ecgbert School in the preceding financial year. In accordance with the accounting framework and the substance of the arrangement, the asset should have been recognised in the year ended 31 August 2024.

As a result, the prior year comparatives have been restated to include the building at its cost of £4,510,000, together with accumulated depreciation of £31,319. This adjustment increases fixed assets and restricted fixed asset funds by the corresponding net amount.

The impact of the restatement on the prior year financial statements is summarised below:

- Fixed assets increased by £4,068,681
- Net assets / total funds increased by £4,068,681

This restatement has no impact on current year results other than the ongoing depreciation charge.