

REGISTERED COMPANY NUMBER: 07558466 (England and Wales)

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025
FOR
QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM
(A COMPANY LIMITED BY GUARANTEE)

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063
Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

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FOR THE YEAR ENDED 31 AUGUST 2025

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2025

| | |
|-----------------|---|
| MEMBERS: | D R Harwood P Lock P J Lee |
| TRUSTEES | T E Rose Vice-Chair S D Rowlands N A Amfo * L A Brunger A J Church * S R Elderkin (resigned 19.6.25) T A Harris (resigned 26.1.25) S C Holmes T A Jack I Rawlings Chair * A D Shepherd R A Spicer Chair (resigned 27.3.25) * Y G Wills M K Ellis * A J McIlroy Headteacher and Accounting Officer (appointed 1.9.24) * G Osbourne (appointed 30.9.24) |

* members of the finance and personnel committee

| | |
|----------------------------------|---|
| COMPANY SECRETARY | S M C O'Flaherty |
| SENIOR LEADERSHIP TEAM: | C Wakefield (Deputy Headteacher) (appointed 1.9.24) A J McIlroy (Headteacher) (appointed 1.9.24) S Davison (Head of Finance and Premises) M A Thornhill (Assistant Head Teacher) M Leake (Assistant Head Teacher) P Larter (Assistant Head Teacher) S M C O'Flaherty (Operations Manager) |
| REGISTERED OFFICE | Queen Elizabeth's Grammar School Abbey Place Faversham ME13 7BQ |
| REGISTERED COMPANY NUMBER | 07558466 (England and Wales) |

QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2025

AUDITORS

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063
Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

SOLICITORS

Brachers LLP, Somerfield House, 59
London Road, Maidstone, ME16 8JH

BANKERS

Lloyds Bank PLC, 49 High Street,
Canterbury, CT1 2SE

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2024 to 31 August 2025. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates an academy for students aged 11-18 serving a catchment centred around Faversham, Kent. It has a student capacity of 1,150 and had a roll of 1,159 in the school census in October 2025.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the trust, per our Articles of Association, is '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 the school and offering a broad and balanced curriculum.

Queen Elizabeth's Grammar School is a popular, outstanding and innovative school which aims to provide an education for life for all students within a caring, supportive community. We offer an enjoyable, successful and enriching experience aimed to stimulate and engage each and every student.

The need for students to receive a good education has never been as important as it is today. As new careers and technologies emerge and the competition for jobs increases, there are few jobs for life and students in the 21st century need flexibility, self-discipline, confidence and above all, excellent academic qualifications.

Working towards high standards is central to the school ethos, which expects every student to do their very best, to achieve well in their academic studies and to participate fully in extra-curricular activities.

Upon leaving Queen Elizabeth's Grammar School our students are responsible citizens who have the confidence and flexibility to make a positive contribution to a global society.

Our Ethos:

- To provide high quality teaching across a wide range of academic disciplines, allowing for student choice and specialization
- To develop supportive, responsible and productive relationships both within the school and across the community
- To provide excellent extra-curricular opportunities for all students, encouraging them to participate in a wide range of activities within and beyond the classroom
- To instil a sense of enjoyment and fun in all our learners

Queen Elizabeth's Grammar School is a learning community which aims to prepare our students for their lives in an ever-changing world. We expect students to think critically and creatively, coupled with a strong sense of community and responsibility. Upon leaving Queen Elizabeth's Grammar School, our students should be responsible citizens who have the confidence to make a positive contribution to a society where everyone matters.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

Significant activities

There were four core objectives to the 2024-25 School Improvement Plan (SIP).

Our SIP reflects the needs of all members of our whole school community. The core purpose of our SIP is to achieve the best possible outcomes for every learner - in all aspects of their lives and to maintain a supportive, productive and happy working culture and environment that allows all members of our school community to flourish. The objectives for the next 3 years are:

- To Achieve Outstanding Student Attainment at all Key Stages
- To Promote and Develop Student Aspiration
- To Ensure Exceptional Well-being, Equity and Inclusion
- To Focus upon the future Development and Direction of Queen Elizabeth's

Our 4 core objectives were addressed through our School Improvement Planning for the next 3 years and these core objectives under-pinned everything that we did, alongside a consistency of approach across the whole school. Additionally our development priorities helped us achieve the main objectives and our actions addressed these. Some priorities are ongoing across the 3 years and some new priorities will be introduced. Some of our priorities for 2024-2025 consolidated and developed priorities from 2023-2024.

Public Benefit

The Board confirms that it has complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Board considers how planned activities will contribute to the aims and objectives they have set. The principle public benefit of the Trust is the advancement of education within the local community. We also undertake a number of charitable fund-raising activities throughout the year, which the school actively encourages the students to participate in.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

Queen Elizabeth's Grammar School was established in 1576 and became a co-educational school on the current site in 1967. In its eleventh year as an Academy, the school has continued to succeed in terms of the student experience, academic performance and popularity. The total number of students has risen from 870 in 2011 to 1,085 at the start of the 2024 academic year. Each year group from Year 7 to 11 is full and waiting lists are in operation. There are 263 students in the sixth form. For the start of the 2024 academic year, Queen Elizabeth's was once again one of the most oversubscribed schools in East Kent, with over 500 applicants for the 180 available places in Year 7, 210 of which were first choice grammar assessed applications.

Queen Elizabeth's Grammar School was inspected in 2023 when it was judged Good or Outstanding in every category by Ofsted with an Overall effectiveness of Good.

At Queen Elizabeth we are pleased to report that the examination results awarded in 2025 were very strong. Examination results improved significantly at GCSE, with GCSE passes at grades 9-7 at 45% - the highest in many years. We are also pleased to report that Sixth Form students have also performed extremely well at A Level with an overall 99% pass rate. A pleasing 8% of all exam entries resulted in the award of the top A* grade and 33% of all results were A/A* grades. 61% of all grades were at A* to B and 83% of grades were A* to C. The ALPS report confirms that students are performing well in terms of progress, with Queen Elizabeth's in the top 10% of schools in the country for progress. The vast majority of students were successful in securing the university place, apprenticeship or further training place of their choice. We enjoyed a great deal of success with applications to competitive university courses and a high proportion of our students secured places to study at Russell group universities.

Key financial performance indicators

Staff costs as a percentage of total income less capital funding

| | 2025 | 2024 |
|--|--------------|--------------|
| | % | % |
| Teaching and educational support staff | 68.24 | 66.66 |
| Other academy support staff | <u>15.17</u> | <u>14.93</u> |
| Total staff | 83.41 | 81.59 |

Staff costs as a percentage of GAG income

| | 2025 | 2024 |
|--|--------------|--------------|
| | % | % |
| Teaching and educational support staff | 82.63 | 81.28 |
| Other academy support staff | <u>18.36</u> | <u>18.20</u> |
| Total staff | 100.99 | 99.48 |

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

ACHIEVEMENTS AND PERFORMANCE

Going concern

The academy trust has forecast a return to surpluses of approximately £85k over the next three years. The trust will attempt to not spend anything on capital items. With free reserves of £65K there should be enough in reserves to cover the small loss for this year. The trust has started to make cost reductions to improve our reserves. The board expects to be able to make savings in the next three years to be able to balance this position and to replenish the reserves back to much more normal levels. From 2026/27, the board also expects the trust to return to a surplus position as the new forms of entry are fully funded by the DFE. In 2024/25 we made savings that would have improved our position but these were reduced due to the NI increases that were not fully funded. After making this assessment the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

Financial position

On conversion on 1st April 2011, all of the fixed assets of the former foundation school were transferred to the new Academy Trust, and are shown as restricted fixed asset funds. The balance sheet restricted fixed asset fund is reduced by depreciation charges over the expected useful life of the assets concerned, as explained in Note 2 to the Financial Statements.

The combined General Restricted Fund and Unrestricted Fund show an operating deficit, excluding defined benefit pension reserve and fixed asset funds, of £(206,016) (2024: deficit of £(244,807)).

Reserves at 31 August 2025 excluding fixed asset and pension reserves were £108,731 (2024: £342,473).

Principal funding sources

Most of the Trust's income is obtained from the Department for Education, via the Education and Skills Funding Agency, in the form of its General Annual Grant (GAG), the use of which is restricted to particular purposes, i.e. the objects of the Academy Trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the statement of financial activities.

Investment policy and objectives

There are no material investments held by Queen Elizabeth's Grammar School Trust Faversham. The school is fortunate however to be in possession of its Charter which dates from the early years of Queen Elizabeth I's reign.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

FINANCIAL REVIEW

Reserves policy

Trustees review the reserve levels of Queen Elizabeth's Grammar School Trust Faversham annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Board of Trustees consider that free reserves of £450,000 should be sufficient to ensure the Trust can react to its changing environment without impacting the delivery of its educational objects. Free reserves are currently £65,368 (2024: £253,217). Cost savings have been identified as detailed in the going concern section of this report to contribute to increases in retained reserves.

The Trust's current level of unrestricted free reserves is £65,368 (2024: £253,127). General restricted reserves, excluding pension liabilities, stand at £43,363 (2024: £89,256) meaning there are total available reserves of £108,731 (2024: £342,473). The current restricted fixed asset fund is £16,487,807 (2024: £15,670,884) with the vast majority of the total representing the value of land, buildings and other assets.

The trust is retaining capital funds as it has a number of planned capital projects. Unspent capital monies held in the capital fund amount to £961,785 (2024: £267,673). The net book value of fixed assets as at 31 August 2025 is £15,526,022 (2024: £15,403,212).

The trustees plan to spend £88,000 to install new Netball/Tennis Courts after the New Classroom Block has been completed. This will be funded by the Local Authority using section 106 funds. There will be no impact on reserves.

Total restricted general funds of £43,363 (2024: £89,256) is made up of unspent Pupil Premium funding £35,246 (2024: £45,351), some smaller grants of £8,117 (2024: £8,117), Catch up funding £nil (2024: £35,788), GAG of £nil (2024: £nil) and the pension deficit of £nil (2024: £nil). The level of pension contributions has been taken into account when preparing the Trust's budgets for the year ending 31 August 2025.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

FINANCIAL REVIEW

Financial and risk management objectives and policies

The Trustees have assessed the major risks to which the academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academy, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational area (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimize risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The school takes a very comprehensive approach to managing risk. The leadership group and governors of the school have created and closely monitor the Risk Register, which identifies risks across the school operation and details how these risks are mitigated on a day-to-day and year-on-year basis across the school. Actions which arise from the risk register, are closely followed up and actions implemented as a priority when identified.

The Finance and Personnel Committee meets at least three times a year formally to assess, manage and review the school's approach to managing risk. The Risk Register is also looked at on at least 12 occasions a year by the leadership group and two of the Governor sub committees. This helps keep the risk register up-to-date and keeps the management risk of risk proportional.

Principal risks and uncertainties

The principal risk to Queen Elizabeth's Grammar School Trust Faversham is the maintenance of student numbers as funding is directly related to the number of students on roll. The number on roll is calculated in October of each year and forms the basis by which the funding to be received the following September is calculated.

Fundraising

Students, parents and staff managed to fundraise over £5k for the 2024/2025 year.

| | Total |
|--------------------------|------------------|
| BBC Children in Need | £3,085.65 |
| Young Minds | £845.89 |
| SANDS | £788.33 |
| Faversham Umbrella | £450.68 |
| Abbey Physic Garden | £450.68 |
| Read for Good | £89.44 |
| Macmillan Coffee Morning | £87.96 |
| Kent Wildlife Trust | £82.00 |
| Total | £5,880.63 |

The Academy Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

PLANS FOR FUTURE PERIODS

Queen Elizabeth's Grammar School is a forward looking, successful and dynamic school with high aspirations for every member of the school community. Looking ahead, the key priorities for the future of the school are:

- To continue to develop the quality of teaching, learning and assessment in order to maximise student attainment, with a particular focus on improving outcomes at Key Stage 4
 - To further develop our culture of high aspiration, ensuring that every student has the best opportunities to achieve their personal career ambitions, with a focus of encouraging participation in additional activities outside the classroom.
 - For the school to develop beyond its boundaries, by working closely with other schools and taking a leading role in creating additional high-quality provision across the community
 - To develop the school alumni association, to encourage greater participation from former members of the community, including supporting school initiatives
- To continue to develop and improve the school's facilities by improving the quality of learning environments, enabling broader opportunities for all students and the wider community

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

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

The Trustees of Queen Elizabeth's Grammar School Trust Faversham are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Queen Elizabeth's Grammar School Trust Faversham.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance, purchased at Queen Elizabeth's Grammar School Trust Faversham's expense, to cover the liability which by virtue of any rule of law would otherwise attach to the Academy's Trustees in respect to any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy. The cover under this insurance will not extend to any claim arising from any act or omission which trustees knew to be a breach of trust or breach of duty which was committed by them in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the trustees in their capacity within Queen Elizabeth's Grammar School Trust Faversham.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Method of Recruitment and Appointment or Election of Trustees

Queen Elizabeth's Grammar School Trust Faversham shall recruit, elect or appoint the following Trustees as detailed within its Articles of Association (Article number 46):

- Up to 5 Members, one of whom must be a Foundation Trustee
- Up to 20 Trustees may be appointed by the Members appointed under Article 50 which will include:
- Any Staff Trustees, if appointed under Article 50A
- Any Academy Trustees appointed under Article 51 or Article 52
- The Head Teacher
- A minimum of 2 Parent Trustees appointed under Articles 53-56
- Any Additional Trustees, if appointed under Articles 61, 61A or 67A
- Any Further Trustees, if appointed under Article 62 or 67A

Up to 2 Trustees, if appointed by the Secretary of State in accordance with the terms of any relevant Funding Agreements following the provisions of a notice by the Company to terminate the relevant Funding Agreement.

The Trustees regularly undertake a skills audit to ascertain whether when advertising to recruit a new Trustee a specific skill set would be desirable. These will then be detailed in any advertisement as a preference, although this would not deter the appointment of an individual if they were deemed to be the preferred candidate and willing to undertake the relevant training.

Policies and Procedures Adopted for the Induction and Training of new trustees

The training and induction provided for new trustees includes one to one meeting with the following people: the Trustee responsible for training; the Trustee responsible for providing induction training to new Trustees; the Head Teacher and the Operations Manager.

New Trustees also have the opportunity to visit the school for a day in order to meet staff and students. The Governor Services Team at The Education People provides external bespoke training, alongside regular updates on practice, legislation and guidance. In addition, the trustees have access to on-line training at the NGA Learning Link.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents through GovernorHub, which keeps them informed. Trustee Training is managed, monitored and reported upon throughout the year by the Training and Development Trustee.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Queen Elizabeth's Grammar School Trust Faversham has a leadership structure which currently consists of 3 members; the Board of Trustees which consists of 13 trustees alongside the Senior Leadership Team which includes 6 members of staff in addition to the Head Teacher who is included with the trustees; the Head Teacher attends all meetings. The purpose of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The Head Teacher is the Accounting Officer.

The members are responsible for agreeing the constitution of the Board of Trustees; appointing the school's Accountants and Auditors and, with the chair of Trustees, signing off the financial statements of the company. The Board of Trustees are responsible inter alia for the setting of general policy, approving and monitoring the annual school improvement plan, approving and monitoring the annual budget and financial plan, approving the statutory accounts required by the Department for Education; setting, approving and monitoring the curriculum; receiving and responding to Ofsted Inspection Reports; approving and monitoring staff appointments and staff terminations; monitoring the use and maintenance of premises including the use of Capital Expenditure and making major decisions about the direction of the Trust.

The Senior Leadership Team (SLT) consists of the Head Teacher, the Deputy Head Teacher, three Assistant Head Teachers and the Operations Manager. The Head of Finance and Premises is attached to the Leadership Team. The Head Teacher delegates responsibility through the SLT. Each member of the team is responsible for a number of curriculum areas via the Faculty Structure, alongside pastoral care, special educational needs, child protection and other extra-curricular matters. The Head of Finance and Premises and the Operations Manager have responsibility for non-academic matters including premises, personnel, health and safety, support staff and administration. The Head of Finance and Premises has responsibility for all areas relating to revenue and expenditure.

The Senior Leadership Team is responsible for drafting, presenting to Trustees and subsequent implementation of improvement plans, policies and procedures approved by the Trustees and reporting back to them on their progress. The Head Teacher, Faculty Leaders, Managers and Head of Finance and Premises are responsible for the authorisation of spending within agreed budgets. Spending control is devolved to budget holders, which must be authorised in line with the Finance Policy. The Head Teacher approves the budget allocations annually prior to their recommendation to Trustees.

The Head Teacher is responsible for the appointment of staff and adjustments to staff contracts. However, the termination of staff contracts is a matter for Trustee approval. All staffing matters are reported to trustees through the Finance and Personnel Committee and Full board meetings.

Arrangements for setting pay and remuneration of key management personnel

All pay awards are set in conjunction with the School's Pay Policy which is reviewed on an annual basis.

Pay awards for all staff and members of the Senior Leadership Team are determined by the Board of Trustees via the Pay Committee. The Head Teacher's annual review is carried out by a group of experienced Trustees (including the Chair), with the assistance of an external independent consultant.

Benchmarking in relation to senior leadership pay bands is carried out every two years and takes into account the pay bands for similar positions not only in Kent (information collated by the Kent Grammar School Association) but also in comparison to national pay.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trade union facility time

This information is published in accordance with the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017 because the academy trust had a full-time equivalent employee number of more than 49 throughout the entirety of any seven of the months within the year ended 31 August 2025.

Relevant union officials

| Number of employees who were relevant union officials during the relevant period | Full-time equivalent employee number |
|--|--------------------------------------|
| Nil | Nil |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | Nil |
| 1-50% | Nil |
| 51-99% | Nil |
| 100% | Nil |

Percentage of pay bill spent on facility time

| | £ |
|-----------------------------|-----------|
| Total cost of facility time | Nil |
| Total pay bill | 6,281,371 |

Percentage of the total pay bill spent on facility time calculated as:

$$(\text{total cost of facility time} \div \text{total pay bill}) \times 100 \quad 0\%$$

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:

$$(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100 \quad 0\%$$

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related Parties and other Connected Charities and Organisations

As part of the Articles of Association and Master Funding Agreement when becoming an Academy, Queen Elizabeth's Grammar School Trust Faversham signed an agreement with St Mary's of Charity Primary School to allow them shared use of the school playing fields.

The school works closely with parents and has a well-established Parent/Teacher/Friends Association which operates in order to raise funds for resources and other requirements the school may have.

The school operates as a charity in its own right and has a foundation in its name (Queen Elizabeth's School Faversham), which has been set up to benefit students whose families are in financial hardship.

The Trustees are aware of the DfE's guidance in relation to related party transactions and conflicts of interest. This is evidenced by the Trustees and senior leadership team completing a related party form and declarations of interest on GovernorHub and notifying the company secretary of any changes during the year. At meetings, declarations are made before the commencement of the agenda for any new related parties which should be drawn to light. The trust also has a robust procurement system in place over purchasing, with the use of supplier lists and segregation of duties to prevent management override and potential related party transactions occurring without disclosure internally and to the DfE.

FUNDS HELD AS CUSTODIAN FOR OTHERS

During the period from 1 September 2024 to 31 August 2025 Queen Elizabeth's Grammar School Trust Faversham did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

AUDITORS

In so far as the Trustees are aware:

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

The report of trustees, incorporating a strategic report, was approved by the board of trustees, as the company directors, on 11 December 2025 and signed on the board's behalf by:

Ian Rawlings

.....
I Rawlings - Trustee

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Queen Elizabeth's Grammar School Trust Faversham 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 the DfE's Governance guide.

The Board of Trustees has delegated the day to day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Queen Elizabeth's Grammar School Trust Faversham 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 STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

GOVERNANCE

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The full Board of Trustees formally met on six scheduled occasions during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

| Trustee | Meetings attended | Out of a possible |
|---|--------------------------|--------------------------|
| A McIlroy, Headteacher and Accounting Officer | 6 | 6 |
| N Amfo | 4 | 6 |
| L Brunger | 4 | 6 |
| A Church | 6 | 6 |
| M Ellis | 6 | 6 |
| S Holmes | 6 | 6 |
| T Jack | 5 | 6 |
| G Osborne | 4 | 6 |
| I Rawlings, Chair (from 27-03-2025) | 6 | 6 |
| T Rose, Vice-Chair | 6 | 6 |
| S Rowlands | 3 | 6 |
| A Shepherd | 6 | 6 |
| Y Wills | 5 | 6 |
| S Elderkin (resigned 19-06-2025) | 4 | 5 |
| T Harris (term of office ended 26-01-2025) | 2 | 2 |
| R Spicer (resigned 27-03-2025) | 4 | 4 |

There were two resignations and one term of office ended during the academic year 2024-25.

The full Board meets regularly, six times a year. There are sometimes extraordinary meetings. In addition, there are 4 meetings of the Finance & Personnel Committee, which includes Audit and Risk and 3 each of the committees; Curriculum, Community and Premises and Health & Safety.

The Trustees scrutinise the work of the school regularly and provide a strong level of challenge to the Senior Leadership Team (SLT). They know the school well; a programme of Trustee links with each area of the school provides a structure for frequent visits.

The Board of Trustees completes the NGA annual self-review which is coordinated by the Training and Development Trustee. All Trustees complete the NGA Skills Audit to ensure that there is a broad range of skills on the Board of Trustees.

The SLT report to each of the Trustee committees in relation to their area of focus. The reports and the data provided are reviewed at each meeting. The data provided in the reports is verified as part of the programme of visits undertaken by Trustees.

The Finance & Personnel Committee is a sub-committee of the main Board of Trustees. Membership comprises of at least 6 Trustees to include the Headteacher and Chair. The committee is quorate with 3 of its members present including the Headteacher or their nominated deputy. Its purpose is to oversee all matters with a financial impact (which includes Human Resources) and to ensure the efficient, economical and effective management of the Trust's resources and expenditure, including funds, capital assets, resources and staff. The Finance & Personnel Committee then reports to the full Governing Body.

The table below refers to the attendance of the Finance & Personnel Committee during the year.

QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

| Trustee | Meetings attended | Out of a possible |
|--|------------------------------|------------------------------|
| M Ellis (Chair) | 4 | 4 |
| I Rawlings | 0 | 1 |
| A McIlroy (Headteacher & Accounting Officer) | 4 | 4 |
| A Church | 4 | 4 |
| R Spicer (resigned 27-03-2025) | 2 | 3 |
| N Amfo | 1 | 4 |

The Trustees are aware of the DfE's guidance in relation to related party transactions and conflicts of interest. This is evidenced by the Trustees and senior leadership team completing a related party form and declarations of interest on GovernorHub and notifying the company secretary of any changes during the year. At meetings, declarations are made before the commencement of the agenda for any new related parties which should be drawn to light. The trust also has a robust procurement system in place over purchasing, with the use of supplier lists and segregation of duties to prevent management override and potential related party transactions occurring without disclosure internally and to the DfE.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to 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 during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money in various ways as detailed below. Throughout the school there is a culture of obtaining good value for money. Each department works tirelessly to help the school save money without affecting student outcomes.

This year the school began a continuous rolling program of refurbishment in the older parts of the school. This is to bring them in line with the newer buildings. Each of the refurbishment projects are sent to tender and also priced internally. Some of these projects are completed using the Premises personnel as doing the works internally is often better value for money and finished to a higher standard. Funds have also been set aside to increase environmental projects to reduce our carbon footprint and also the cost of the resources. Our Solar installation has seen a 30% return on cost of the panels in a year.

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 Queen Elizabeth's Grammar School Trust Faversham for the period 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 academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 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.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and monthly financial reports which are regularly reviewed and agreed by the Board of Trustees;
- Regular reviews by the Finance & Personnel Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and from September 2020 appointed UHY Hacker Young as their internal auditor. The internal auditors' role includes giving advice on finance and other matters and performing a range of checks on the academy trust's financial and other systems. In particular the checks carried out in the current period included:

- Testing on CIF bids and loans;
- Testing on Fraud, Theft & Bribery

Once per year, the auditor provides a report to the Board of Trustees, through the Finance & Personnel Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The Board of Trustees confirms that the review by the internal auditor has been fully delivered in line with the DfE's requirements and all recommendations have been implemented.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Head Teacher 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 work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Personnel Committee (includes Audit and Risk) and ensures that continuous review and improvement of the system is in place.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

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 on 11 December 2025 and signed on its behalf by:

Ian Rawlings

.....
I Rawlings - Trustee

Amelia McIlroy

.....
A J McIlroy - Accounting Officer

QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2025

As accounting officer of Queen Elizabeth's Grammar School Trust Faversham, 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 the Department for Education, and the requirements of the Academy Trust Handbook, including responsibilities for estates safety and management. I have also considered my responsibility to notify The Golden Thread Alliance Board of Trustees and the Department for Education of material irregularity, impropriety and non-compliance with terms and condition of all funding, including for estates safety and management.

I confirm that I, and Queen Elizabeth's Grammar School Trust Faversham's Board of Trustees, are able to identify any material irregular or improper use of all funds by the 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 the Department for Education.

Amelia McIlroy

.....
A J McIlroy - Accounting Officer

Date: 11 December 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2025

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 judgements 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 Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 11 December 2025 and signed on its behalf by:

Ian Rawlings

.....
I Rawlings - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM

Opinion

We have audited the financial statements of Queen Elizabeth's Grammar School Trust Faversham (the 'academy trust') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, the financial reporting standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Accounts Direction 2024 to 2025 issued by the Department for Education (DfE).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2024 to 2025.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy 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.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the report of the trustees (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM

Our responsibilities for the audit of the financial statements

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner 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 academy trust through discussions with directors and our experience of the sector;
- 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 academy trust, including, but not limited to, the Companies Act 2006, the Charities SORP 2019, the Academy Trust Handbook 2024 and UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- 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 academy trust'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;
- reviewing the reports produced via the academy trust's internal scrutiny function;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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 set out in note 2 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 statements disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulators such as the DfE.

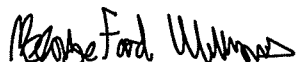
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM

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

Use of our report

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



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Building 1063
Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

Date: 11 December 2025

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM
AND THE SECRETARY OF STATE FOR EDUCATION

In accordance with the terms of our engagement letter dated 3 December 2024 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, 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 Queen Elizabeth's Grammar School Trust Faversham during the period 1 September 2024 to 31 August 2025 have not been applied to the purposes intended by Parliament and that the financial transactions do not conform to the authorities which govern them.

This report is made solely to Queen Elizabeth's Grammar School Trust Faversham 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 Queen Elizabeth's Grammar School Trust Faversham 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 Queen Elizabeth's Grammar School Trust Faversham and the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the accounting officer of Queen Elizabeth's Grammar School Trust Faversham and the reporting accountant

The accounting officer is responsible, under the requirements of Queen Elizabeth's Grammar School Trust Faversham's funding agreement with the Secretary of State for Education and the Academy Trust Handbook 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. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2024 to 31 August 2025 have not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM
AND THE SECRETARY OF STATE FOR EDUCATION

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by DfE, which requires a limited assurance engagement as set out in our engagement letter.

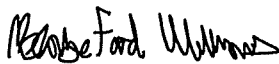
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion. Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure. The work undertaken to draw to our conclusion includes:

- Review of the internal control environment which is designed to ensure compliance with regulations;
- Review of the work and reports of the internal reviewer during the period;
- Review of governance arrangements and procedures and related compliance with the requirements of the Academy Trust Handbook, including the distribution of management accounts and quantity of meetings.
- Analytical procedures regarding declaration of potential conflicts of interest by key staff and the governing body;
- Review of fixed asset transactions against the requirements of the funding agreement between Queen Elizabeth's Grammar School Trust Faversham and the Secretary of State and the Academy Trust Handbook;
- Testing of grants and other income for application in accordance with the terms and requirements attached;
- Review of the academy trust's activities to check they are in line with the Academies Framework and the academy trust's charitable objectives;
- Review of bank statements and financial transactions for indications of any items which may be improper;
- Review of bank accounts to check that they are operated within the terms of the academy trust's governing document and borrowing limits imposed by the funding agreement are not exceeded;
- Testing of expenditure, including expense claims for signs of transactions for personal benefit;
- Review of any extra-contractual payments made to staff;
- Review of procurement activity during the period.

Conclusion

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



McCabe Ford Williams
Chartered Accountants
Reporting Accountant
Building 1063
Cornforth Drive
Kent Science Park
Sittingbourne
Kent
ME9 8PX

Date: 11 December 2025

QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM

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

| | | | | | 31.8.25 | 31.8.24 |
|---|-------|---------------------------|-------------------------------------|--|---------------------|---------------------|
| | Notes | Unrestricted fund £ | Restricted General funds £ | Restricted Fixed Asset funds £ | Total funds £ | Total funds £ |
| INCOME AND ENDOWMENTS FROM | | | | | | |
| Donations and capital grants | 3 | 54,633 | - | 1,240,069 | 1,294,702 | 3,308,253 |
| Charitable activities | | | | | | |
| Funding for the academy's educational operations | 4 | 493,210 | 6,957,383 | - | 7,450,593 | 6,872,069 |
| Other trading activities | 5 | 18,940 | - | - | 18,940 | 18,300 |
| Investment income | 6 | 6,855 | - | - | 6,855 | 11,113 |
| Total | | <u>573,638</u> | <u>6,957,383</u> | <u>1,240,069</u> | <u>8,771,090</u> | <u>10,209,735</u> |
| EXPENDITURE ON | | | | | | |
| Charitable activities | | | | | | |
| Academy's educational operations | 8 | 460,708 | 7,203,329 | 450,872 | 8,114,909 | 7,453,477 |
| Total | | <u>460,708</u> | <u>7,203,329</u> | <u>450,872</u> | <u>8,114,909</u> | <u>7,453,477</u> |
| NET INCOME/(EXPENDITURE) | | 112,930 | (245,946) | 789,197 | 656,181 | 2,756,258 |
| Transfers between funds | 19 | (300,779) | 273,053 | 27,726 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial gains/(losses) on defined benefit schemes | | - | (73,000) | - | (73,000) | (88,000) |
| Net movement in funds | | (187,849) | (45,893) | 816,923 | 583,181 | 2,668,258 |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | | 253,217 | 89,256 | 15,670,884 | 16,013,357 | 13,345,099 |
| TOTAL FUNDS CARRIED FORWARD | | <u>65,368</u> | <u>43,363</u> | <u>16,487,807</u> | <u>16,596,538</u> | <u>16,013,357</u> |

The notes form part of these financial statements

QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM (REGISTERED NUMBER: 07558466)

BALANCE SHEET
31 AUGUST 2025

| | Notes | 31.8.25 £ | 31.8.24 £ |
|--|-------|-------------------|-------------------|
| FIXED ASSETS | | | |
| Tangible assets | 13 | 15,526,022 | 15,403,212 |
| CURRENT ASSETS | | | |
| Stocks | 14 | 15,330 | 32,577 |
| Debtors | 15 | 1,189,492 | 769,309 |
| Cash at bank | | <u>447,310</u> | <u>561,487</u> |
| | | 1,652,132 | 1,363,373 |
| CREDITORS | | | |
| Amounts falling due within one year | 16 | (581,616) | (753,228) |
| | | <u>1,070,516</u> | <u>610,145</u> |
| NET CURRENT ASSETS | | | |
| | | 16,596,538 | 16,013,357 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | |
| | | <u>16,596,538</u> | <u>16,013,357</u> |
| NET ASSETS | | | |
| | | <u>16,596,538</u> | <u>16,013,357</u> |

The notes form part of these financial statements

QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM (REGISTERED NUMBER: 07558466)

BALANCE SHEET - continued
31 AUGUST 2025

FUNDS

19

Restricted funds:

Fixed asset funds

16,487,807 15,670,884

Restricted income funds

43,363 89,256

16,531,170 15,760,140

Unrestricted funds:

General fund

65,368 253,217

TOTAL FUNDS

16,596,538 16,013,357

The financial statements were approved by the Board of Trustees and authorised for issue on 11 December 2025 and were signed on its behalf by:

Ian Rawlings

.....
I Rawlings - Trustee

Amelia McIlroy

.....
A J McIlroy - Accounting Officer

The notes form part of these financial statements

QUEEN ELIZABETH'S GRAMMAR SCHOOL TRUST
FAVERSHAM

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

| | Notes | 31.8.25 £ | 31.8.24 £ |
|---|-------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | <u>(166,960)</u> | <u>(445,363)</u> |
| Net cash provided by/(used in) operating activities | | <u>(166,960)</u> | <u>(445,363)</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (574,414) | (3,171,153) |
| Capital grants from DfE/EFA | | 411,042 | 50,778 |
| Capital grants from Local Authority | | 209,300 | 2,947,484 |
| Interest received | | <u>6,855</u> | <u>11,113</u> |
| Net cash used in investing activities | | <u>52,783</u> | <u>(161,778)</u> |
| | | <hr/> | <hr/> |
| Change in cash and cash equivalents in the reporting period | | (114,177) | (607,141) |
| Cash and cash equivalents at the beginning of the reporting period | | <u>561,487</u> | <u>1,168,628</u> |
| Cash and cash equivalents at the end of the reporting period | | <u><u>447,310</u></u> | <u><u>561,487</u></u> |

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025

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

| | 31.8.25 | 31.8.24 |
|---|------------------|------------------|
| | £ | £ |
| Net income for the reporting period (as per the Statement of Financial Activities) | 656,181 | 2,756,258 |
| Adjustments for: | | |
| Depreciation charges | 450,872 | 379,475 |
| Capital grants from DfE/ESFA | (411,042) | (50,778) |
| Loss on disposal of fixed assets | 732 | - |
| Interest received | (6,855) | (11,113) |
| Defined benefit pension admin expenses | 4,000 | 3,000 |
| Defined benefit pension finance cost | (7,000) | (18,000) |
| Capital grants from Local Authority | (209,300) | (2,947,484) |
| Decrease in stocks | 17,247 | 37,576 |
| Increase in debtors | (420,183) | (458,741) |
| Decrease in creditors | (171,612) | (62,556) |
| Difference between pension charge and cash contributions | <u>(70,000)</u> | <u>(73,000)</u> |
| Net cash provided by/(used in) operations | <u>(166,960)</u> | <u>(445,363)</u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1.9.24 | Cash flow | At 31.8.25 |
|--------------------------|----------------|------------------|----------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank and in hand | <u>561,487</u> | <u>(114,177)</u> | <u>447,310</u> |
| | <u>561,487</u> | <u>(114,177)</u> | <u>447,310</u> |
| Total | <u>561,487</u> | <u>(114,177)</u> | <u>447,310</u> |

The notes form part of these financial statements

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

1. GENERAL INFORMATION

Queen Elizabeth's Grammar School Trust Faversham is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Queen Elizabeth's Grammar School, Abbey Place, Faversham, ME13 7BQ. The principal activity of the academy trust is to provide a secondary education for students that satisfies the requirements of the Education Act 2022.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2024 to 2025 issued by the DfE, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling which is rounded to the nearest pound.

Queen Elizabeth's Grammar School Trust Faversham meets the definition of a public benefit entity under FRS 102.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

2. ACCOUNTING POLICIES - continued

Critical accounting estimates and areas of judgement

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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. In addition, where a pension asset has been calculated an asset ceiling has been applied on the assumption that the Trust does not have an unconditional right to a refund. In addition, the Trust cannot cease contributions due to current and potential future funding commitments and the Board consider that there is a minimum funding requirement in the LGPS.

The net book value of freehold property, included within fixed assets, is based on assumptions in relation to the useful life of property and the residual value of the assets. The element of freehold property which relates to land is deemed not to have a finite life and is not depreciated. The element of freehold property which does not relate to land is depreciated on a straight line basis of 50 years, and it is assumed that the asset has no residual value. Any changes in these assumptions will have an impact on the carrying amount of fixed assets.

Critical areas of judgement

The trustees do not consider there to be any critical areas of judgement, other than those relating to estimation above, which have a significant effect on the amounts recognised in the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

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

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

Donations

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

Other income

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

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

2. ACCOUNTING POLICIES - continued

Donated goods, facilities and services

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

The value of donated services provided to the academy trust is recognised at fair value in the period in which the donated services are receivable as income from donations, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities.

Donated fixed assets

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

Expenditure

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

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

| | |
|----------------------|-----------------------------------|
| Freehold property | 2% - straight line over 50 years |
| Leasehold property | 2% - straight line over 50 years |
| Toilet refurbishment | 5% - straight line over 20 years |
| Sand pit | 20% - straight line over 5 years |
| Fixtures & fittings | 10% - straight line over 10 years |
| Motor vehicles | 10% - straight line over 10 years |
| Computer equipment | 33% - straight line over 3 years |

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 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.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks include laptops sold to students and resources used by the academy trust in delivering education.

Taxation

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

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

2. ACCOUNTING POLICIES - continued

Taxation

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

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 and Kent County Council.

Liabilities

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

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the DfE. Payments received from the DfE and subsequent disbursements to students are excluded from the Statement of Financial Activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 24.

Leased assets

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

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on 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.

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

2. ACCOUNTING POLICIES - continued

Pensions benefits

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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.

Provisions

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

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

3. DONATIONS AND CAPITAL GRANTS

| | | |
|-----------|------------------|------------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Donations | 58,558 | 19,422 |
| Grants | <u>1,236,144</u> | <u>3,288,831</u> |
| | <u>1,294,702</u> | <u>3,308,253</u> |

Included within donations are restricted funds of £3,925 (2024: £6,110). Unrestricted donations totalled £54,633 (2024: £13,312).

Included within CIF Funding below is £1,016,053 relating to the Fire Door project and a negative value of £12,540 for funding which had been over accrued in the previous year due to an underspend on the Fire Alarm project.

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

3. DONATIONS AND CAPITAL GRANTS - continued

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

| | 31.8.25 | 31.8.24 |
|----------------------|------------------|------------------|
| | £ | £ |
| Devolved capital | 23,330 | 22,635 |
| CIF Funding | 1,003,514 | 316,606 |
| KCC Capital Grant | 209,300 | 2,947,484 |
| Other Capital Grants | - | 2,106 |
| | <u>1,236,144</u> | <u>3,288,831</u> |

4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

| | Unrestricted funds £ | Restricted funds £ | 31.8.25 Total funds £ | 31.8.24 Total funds £ |
|---|----------------------------|--------------------------|--------------------------------|--------------------------------|
| DfE/ESFA grants | | | | |
| General Annual Grant(GAG) | - | 4,752,836 | 4,752,836 | 4,350,708 |
| Other DfE/EFSA grants | - | 403,576 | 403,576 | 439,440 |
| Teachers Pension | - | 181,620 | 181,620 | 97,724 |
| Academies Programme Funding | - | 1,298,745 | 1,298,745 | 1,309,401 |
| Core Schools Budget Grant | - | 168,175 | 168,175 | - |
| | <u>-</u> | <u>6,804,952</u> | <u>6,804,952</u> | <u>6,197,273</u> |
| Other Government grants | | | | |
| Local Authority Grants | - | 152,431 | 152,431 | 188,590 |
| Other Revenue Grants | - | - | - | 7,074 |
| | <u>-</u> | <u>152,431</u> | <u>152,431</u> | <u>195,664</u> |
| Other income from the academy trust's educational operations | <u>493,210</u> | <u>-</u> | <u>493,210</u> | <u>479,132</u> |
| | <u>493,210</u> | <u>6,957,383</u> | <u>7,450,593</u> | <u>6,872,069</u> |

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

5. OTHER TRADING ACTIVITIES

| | | |
|--------------------|---------------|---------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Hire of facilities | <u>18,940</u> | <u>18,300</u> |

6. INVESTMENT INCOME

| | | |
|--------------------------|--------------|---------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Deposit account interest | <u>6,855</u> | <u>11,113</u> |

7. EXPENDITURE

| | | | | |
|---|------------------|---------------------|------------------|------------------|
| | | | 31.8.25 | 31.8.24 |
| | | Non-pay expenditure | | |
| | Staff costs | Premises | Other costs | Total |
| | £ | £ | £ | £ |
| Charitable activities | | | | |
| Academy's educational operations | | | | |
| Direct costs | 5,139,236 | - | 788,842 | 5,928,078 |
| Allocated support costs | <u>1,142,135</u> | <u>702,330</u> | <u>342,366</u> | <u>2,071,755</u> |
| | <u>6,281,371</u> | <u>702,330</u> | <u>1,131,208</u> | <u>7,453,477</u> |

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

| | | |
|-------------------------------------|------------|----------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Auditors' remuneration | 14,350 | 13,650 |
| Auditors' remn - non-audit | 3,880 | 5,100 |
| Internal audit services | 4,800 | 118 |
| Depreciation - owned assets | 450,872 | 379,475 |
| Other operating leases | 7,152 | 7,584 |
| Deficit on disposal of fixed assets | <u>732</u> | <u>-</u> |

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

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds £ | Restricted funds £ | 31.8.25 Total funds £ | 31.8.24 Total funds £ |
|---------------|----------------------------|--------------------------|--------------------------------|--------------------------------|
| Direct costs | 453,592 | 5,474,486 | 5,928,078 | 5,381,722 |
| Support costs | <u>7,116</u> | <u>2,179,715</u> | <u>2,186,831</u> | <u>2,071,755</u> |
| | <u>460,708</u> | <u>7,654,201</u> | <u>8,114,909</u> | <u>7,453,477</u> |

| | 31.8.25 Total £ | 31.8.24 Total £ |
|----------------------------------|-----------------------|-----------------------|
| Analysis of support costs | | |
| Support staff costs | 1,142,135 | 1,030,293 |
| Depreciation | 79,954 | 78,475 |
| Technology costs | 20,361 | 37,428 |
| Premises costs | 702,330 | 737,586 |
| Other support costs | 219,021 | 169,105 |
| Governance costs | <u>23,030</u> | <u>18,868</u> |
| Total support costs | <u>2,186,831</u> | <u>2,071,755</u> |

9. STAFF COSTS

| | 31.8.25 £ | 31.8.24 £ |
|--|------------------|------------------|
| Wages and salaries | 4,597,498 | 4,233,242 |
| Social security costs | 509,985 | 427,187 |
| Operating costs of defined benefit pension schemes | 1,131,876 | 942,220 |
| Apprenticeship levy | <u>8,010</u> | <u>6,280</u> |
| | 6,247,369 | 5,608,929 |
| Supply teacher costs | 31,766 | 28,244 |
| Compensation payments | <u>2,236</u> | <u>-</u> |
| | <u>6,281,371</u> | <u>5,637,173</u> |

Non statutory/non-contractual staff severance payments

The academy trust paid 1 (2024: Nil) severance payment in the year, disclosed in the following bands:

| | 31.8.25 | 31.8.24 |
|--------------|---------|---------|
| £0 - £25,000 | 1 | - |

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

9. STAFF COSTS - continued

Included in compensation payments are special severance payments totalling £1,718 (2024: £Nil). This is formed of one individual payment.

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

| | 31.8.25 | 31.8.24 |
|----------------------------|------------|------------|
| Teachers | 67 | 58 |
| Administration and support | 65 | 69 |
| Management | <u>7</u> | <u>7</u> |
| | <u>139</u> | <u>134</u> |

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

| | 31.8.25 | 31.8.24 |
|---------------------|-----------|----------|
| £60,001 - £70,000 | 6 | 3 |
| £70,001 - £80,000 | 3 | 2 |
| £90,001 - £100,000 | 1 | 1 |
| £100,001 - £110,000 | 1 | - |
| £130,001 - £140,000 | <u>-</u> | <u>1</u> |
| | <u>11</u> | <u>7</u> |

Key management personnel

The key management personnel of the academy trust comprise the Trustees and senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £882,544 (2024: £881,897).

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

A J McIlroy (Head Teacher and Trustee):

Remuneration £105,001 - £110,000 (2024: £Nil)

Employer's pension contributions paid £30,001 - £35,000 (2024: £Nil)

L A Brunger (Staff Trustee):

Remuneration £50,001 - £55,000 (2024: £45,001 - £50,000)

Employer's pension contributions paid £10,001 - £15,000 (2024: £10,001 - £15,000)

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

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES - continued

T A Harris (Staff Trustee - Resigned 26.1.25):
Remuneration £5,001 - £10,000 (2024: £20,001 - £25,000)
Employer's pension contributions paid £1 - £5,000 (2024: £5,001 - £10,000)

D M Anderson (Head Teacher and Trustee - Resigned 31.8.24):
Remuneration £Nil (2024: £130,001 - £135,000)
Employer's pension contributions paid £Nil (2024: £30,001 - £35,000)

During the year ended 31 August 2025, no expenses were reimbursed or paid directly to trustees (2024: £NIL).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2025 was included within the total insurance cost.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted fund £ | Restricted General funds £ | Restricted Fixed Asset funds £ | Total funds £ |
|---|---------------------------|-------------------------------------|--|---------------------|
| INCOME AND ENDOWMENTS FROM | | | | |
| Donations and capital grants | 13,312 | 2,411 | 3,292,530 | 3,308,253 |
| Charitable activities | | | | |
| Funding for the academy's educational operations | 468,605 | 6,403,464 | - | 6,872,069 |
| Other trading activities | 18,300 | - | - | 18,300 |
| Investment income | 11,113 | - | - | 11,113 |
| Total | <u>511,330</u> | <u>6,405,875</u> | <u>3,292,530</u> | <u>10,209,735</u> |
| EXPENDITURE ON | | | | |
| Charitable activities | | | | |
| Academy's educational operations | 452,053 | 6,621,959 | 379,465 | 7,453,477 |
| Total | <u>452,053</u> | <u>6,621,959</u> | <u>379,465</u> | <u>7,453,477</u> |
| NET INCOME/(EXPENDITURE) | 59,277 | (216,084) | 2,913,065 | 2,756,258 |
| Transfers between funds | (422,037) | 300,143 | 121,894 | - |
| Other recognised gains/(losses) | | | | |
| Actuarial gains/(losses) on defined benefit schemes | - | (88,000) | - | (88,000) |

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | Unrestricted fund £ | Restricted General funds £ | Restricted Fixed Asset funds £ | Total funds £ |
|------------------------------------|---------------------------|-------------------------------------|--|---------------------|
| Net movement in funds | (362,760) | (3,941) | 3,034,959 | 2,668,258 |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | 615,977 | 93,197 | 12,635,925 | 13,345,099 |
| TOTAL FUNDS CARRIED FORWARD | <u>253,217</u> | <u>89,256</u> | <u>15,670,884</u> | <u>16,013,357</u> |

13. TANGIBLE FIXED ASSETS

| | Freehold property £ | Long leasehold £ | Plant and machinery £ | Fixtures and fittings £ |
|------------------------|---------------------------|------------------------|-----------------------------|----------------------------------|
| COST | | | | |
| At 1 September 2024 | 2,277,795 | 12,029,166 | 9,728 | 436,360 |
| Additions | - | 19,323 | - | 43,011 |
| Disposals | - | - | - | (8,679) |
| Reclassification | - | 3,427,639 | - | - |
| At 31 August 2025 | <u>2,277,795</u> | <u>15,476,128</u> | <u>9,728</u> | <u>470,692</u> |
| DEPRECIATION | | | | |
| At 1 September 2024 | 399,040 | 2,256,037 | 1,948 | 135,877 |
| Charge for year | 45,682 | 325,968 | 973 | 43,065 |
| Eliminated on disposal | - | - | - | (7,947) |
| At 31 August 2025 | <u>444,722</u> | <u>2,582,005</u> | <u>2,921</u> | <u>170,995</u> |
| NET BOOK VALUE | | | | |
| At 31 August 2025 | <u>1,833,073</u> | <u>12,894,123</u> | <u>6,807</u> | <u>299,697</u> |
| At 31 August 2024 | <u>1,878,755</u> | <u>9,773,129</u> | <u>7,780</u> | <u>300,483</u> |

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

13. TANGIBLE FIXED ASSETS - continued

| | Motor vehicles £ | Computer equipment £ | Assets under construction £ | Totals £ |
|------------------------|------------------------|----------------------------|--------------------------------------|-------------------|
| COST | | | | |
| At 1 September 2024 | 37,297 | 255,164 | 3,359,639 | 18,405,149 |
| Additions | - | 26,642 | 485,438 | 574,414 |
| Disposals | - | (33,219) | - | (41,898) |
| Reclassification | - | - | (3,427,639) | - |
| At 31 August 2025 | <u>37,297</u> | <u>248,587</u> | <u>417,438</u> | <u>18,937,665</u> |
| DEPRECIATION | | | | |
| At 1 September 2024 | 30,391 | 178,644 | - | 3,001,937 |
| Charge for year | 4,995 | 30,189 | - | 450,872 |
| Eliminated on disposal | - | (33,219) | - | (41,166) |
| At 31 August 2025 | <u>35,386</u> | <u>175,614</u> | <u>-</u> | <u>3,411,643</u> |
| NET BOOK VALUE | | | | |
| At 31 August 2025 | <u>1,911</u> | <u>72,973</u> | <u>417,438</u> | <u>15,526,022</u> |
| At 31 August 2024 | <u>6,906</u> | <u>76,520</u> | <u>3,359,639</u> | <u>15,403,212</u> |

Included in cost or valuation of land and buildings is freehold land of £132,400 (2024 - £132,400) which is not depreciated.

Assets under construction consists of the ongoing costs of two CIF projects and other capital projects funded by KCC and out of reserves that were not completed by the year end of 31 August 2025.

14. STOCKS

| | | |
|--------|---------------|---------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Stocks | <u>15,330</u> | <u>32,577</u> |

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

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | | |
|--------------------------------|------------------|----------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Trade debtors | 10,981 | 987 |
| Other debtors | 6,605 | 9,569 |
| VAT | 42,156 | 169,510 |
| Prepayments and accrued income | <u>1,129,750</u> | <u>589,243</u> |
| | <u>1,189,492</u> | <u>769,309</u> |

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | | |
|--|------------------|------------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Trade creditors | 203,160 | 534,415 |
| Social security and other taxes | 119,672 | 793 |
| Other creditors | 43,301 | 40,598 |
| Accruals and deferred income | <u>215,483</u> | <u>177,422</u> |
| | <u>581,616</u> | <u>753,228</u> |
| Deferred Income at 1 September | 113,323 | 123,475 |
| Resources deferred in the period | 169,591 | 113,323 |
| Amounts released from previous periods | <u>(113,323)</u> | <u>(123,475)</u> |
| Deferred income at 31 August | <u>169,591</u> | <u>113,323</u> |

Deferred income at 31 August 2025 represents £169,591 (2024: £113,323) of school trip income collected before the year end and paid over to agents after the year end.

17. 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 are ceased to be a member.

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | | | Restricted | 31.8.25 |
|---------------------|---------------|---------------|-------------------|-------------------|
| | Unrestricted | Restricted | Fixed | |
| | fund | General | Asset | Total |
| | £ | funds | funds | funds |
| | £ | £ | £ | £ |
| Fixed assets | - | - | 15,526,022 | 15,526,022 |
| Current assets | 240,155 | 356,805 | 1,055,172 | 1,652,132 |
| Current liabilities | (174,787) | (313,442) | (93,387) | (581,616) |
| | <u>65,368</u> | <u>43,363</u> | <u>16,487,807</u> | <u>16,596,538</u> |

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

| | | | Restricted | 31.8.24 |
|---------------------|----------------|---------------|-------------------|-------------------|
| | Unrestricted | Restricted | Fixed | |
| | fund | General | Asset | Total |
| | £ | funds | funds | funds |
| | £ | £ | £ | £ |
| Fixed assets | - | - | 15,403,212 | 15,403,212 |
| Current assets | 363,299 | 282,988 | 717,086 | 1,363,373 |
| Current liabilities | (110,082) | (193,732) | (449,414) | (753,228) |
| | <u>253,217</u> | <u>89,256</u> | <u>15,670,884</u> | <u>16,013,357</u> |

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

19. MOVEMENT IN FUNDS

| | At 1.9.24 £ | Net movement in funds £ | Transfers between funds £ | At 31.8.25 £ |
|-------------------------------------|-------------------|----------------------------------|------------------------------------|--------------------|
| Restricted general funds | | | | |
| General Annual Grant (GAG) | - | (273,053) | 273,053 | - |
| Other DfE/ESFA grants | 45,351 | (10,105) | - | 35,246 |
| Other restricted funds | 8,117 | - | - | 8,117 |
| Catch up premium | 35,788 | (35,788) | - | - |
| | <u>89,256</u> | <u>(318,946)</u> | <u>273,053</u> | <u>43,363</u> |
| Restricted fixed asset funds | | | | |
| Other capital grants & donations | 9,069 | 3,925 | (2,605) | 10,389 |
| DfE/ESFA capital grants | 258,604 | 1,026,844 | (334,052) | 951,396 |
| Assets held for depreciation | 15,403,211 | (450,872) | 573,683 | 15,526,022 |
| KCC Capital Fund | - | 209,300 | (209,300) | - |
| | <u>15,670,884</u> | <u>789,197</u> | <u>27,726</u> | <u>16,487,807</u> |
| Total restricted funds | <u>15,760,140</u> | <u>470,251</u> | <u>300,779</u> | <u>16,531,170</u> |
| Unrestricted fund | | | | |
| General fund | 253,217 | 112,930 | (300,779) | 65,368 |
| TOTAL FUNDS | <u>16,013,357</u> | <u>583,181</u> | <u>-</u> | <u>16,596,538</u> |

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

19. MOVEMENT IN FUNDS - continued

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

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|-------------------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Restricted general funds | | | | |
| General Annual Grant (GAG) | 4,752,836 | (5,025,889) | - | (273,053) |
| Other DfE/ESFA grants | 403,576 | (413,681) | - | (10,105) |
| Other government grants | 152,431 | (152,431) | - | - |
| Pension reserve | - | 73,000 | (73,000) | - |
| Teachers' Pension Grant | 181,620 | (181,620) | - | - |
| Catch up premium | - | (35,788) | - | (35,788) |
| Academies Programme Funding | 1,298,745 | (1,298,745) | - | - |
| Core Schools Budget Grant | 168,175 | (168,175) | - | - |
| | <u>6,957,383</u> | <u>(7,203,329)</u> | <u>(73,000)</u> | <u>(318,946)</u> |
| Restricted fixed asset funds | | | | |
| Other capital grants & donations | 3,925 | - | - | 3,925 |
| DfE/ESFA capital grants | 1,026,844 | - | - | 1,026,844 |
| Assets held for depreciation | - | (450,872) | - | (450,872) |
| KCC Capital Fund | 209,300 | - | - | 209,300 |
| | <u>1,240,069</u> | <u>(450,872)</u> | <u>-</u> | <u>789,197</u> |
| Total restricted funds | <u>8,197,452</u> | <u>(7,654,201)</u> | <u>(73,000)</u> | <u>470,251</u> |
| Unrestricted fund | | | | |
| General fund | 573,638 | (460,708) | - | 112,930 |
| TOTAL FUNDS | <u>8,771,090</u> | <u>(8,114,909)</u> | <u>(73,000)</u> | <u>583,181</u> |

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

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1.9.23 £ | Net movement in funds £ | Transfers between funds £ | At 31.8.24 £ |
|-------------------------------------|-------------------|----------------------------------|------------------------------------|--------------------|
| Restricted general funds | | | | |
| General Annual Grant (GAG) | - | (300,143) | 300,143 | - |
| Other DfE/ESFA grants | 51,498 | (6,147) | - | 45,351 |
| Other restricted funds | 8,043 | 74 | - | 8,117 |
| Catch up premium | 33,656 | 2,132 | - | 35,788 |
| | <u>93,197</u> | <u>(304,084)</u> | <u>300,143</u> | <u>89,256</u> |
| Restricted fixed asset funds | | | | |
| Other capital grants & donations | 3,264 | 5,805 | - | 9,069 |
| DfE/ESFA capital grants | 21,129 | 339,241 | (101,766) | 258,604 |
| Assets held for depreciation | 12,611,532 | (379,465) | 3,171,144 | 15,403,211 |
| KCC Capital Fund | - | 2,947,484 | (2,947,484) | - |
| | <u>12,635,925</u> | <u>2,913,065</u> | <u>121,894</u> | <u>15,670,884</u> |
| Total restricted funds | <u>12,729,122</u> | <u>2,608,981</u> | <u>422,037</u> | <u>15,760,140</u> |
| Unrestricted fund | | | | |
| General fund | 615,977 | 59,277 | (422,037) | 253,217 |
| TOTAL FUNDS | <u>13,345,099</u> | <u>2,668,258</u> | <u>-</u> | <u>16,013,357</u> |

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

19. MOVEMENT IN FUNDS - continued

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

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|-------------------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| Restricted general funds | | | | |
| General Annual Grant (GAG) | 4,347,708 | (4,647,851) | - | (300,143) |
| Other DfE/ESFA grants | 441,204 | (447,351) | - | (6,147) |
| Other government grants | 188,590 | (188,590) | - | - |
| Other restricted funds | 2,411 | (2,337) | - | 74 |
| Pension reserve | - | 88,000 | (88,000) | - |
| Teachers' Pension Grant | 97,724 | (97,724) | - | - |
| Catch up premium | 18,837 | (16,705) | - | 2,132 |
| Academies Programme Funding | 1,309,401 | (1,309,401) | - | - |
| | <u>6,405,875</u> | <u>(6,621,959)</u> | <u>(88,000)</u> | <u>(304,084)</u> |
| Restricted fixed asset funds | | | | |
| Other capital grants & donations | 5,805 | - | - | 5,805 |
| DfE/ESFA capital grants | 339,241 | - | - | 339,241 |
| Assets held for depreciation | - | (379,465) | - | (379,465) |
| KCC Capital Fund | 2,947,484 | - | - | 2,947,484 |
| | <u>3,292,530</u> | <u>(379,465)</u> | <u>-</u> | <u>2,913,065</u> |
| Total restricted funds | <u>9,698,405</u> | <u>(7,001,424)</u> | <u>(88,000)</u> | <u>2,608,981</u> |
| Unrestricted fund | | | | |
| General fund | 511,330 | (452,053) | - | 59,277 |
| TOTAL FUNDS | <u>10,209,735</u> | <u>(7,453,477)</u> | <u>(88,000)</u> | <u>2,668,258</u> |

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

General Annual Grant (GAG)

Funds must be used for the normal running costs of the academy trust. The academy trust is allowed to carry forward funds in accordance with the Academy Trust Handbook, which is reviewed annually. Under the funding agreement with the Secretary of State for Education, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2025.

Other restricted general funds

Funding is provided by government grants in addition to the GAG which must be used for the provision of education for special needs purposes and other specified activities.

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

19. MOVEMENT IN FUNDS - continued

Restricted fixed asset funds

Funding is provided by way of government grants, private grants and donations or capital expenditure from the restricted GAG fund or unrestricted funds in order to acquire specified fixed assets for use by the academy trust in achieving its educational objectives.

Unrestricted funds

Unrestricted funds can be used for any purpose at the discretion of the academy trust.

Transfers between funds

A transfer of £272,321 was made from unrestricted funds to GAG to cover the deficit on GAG.

A transfer of £51,953 was made from unrestricted funds to the restricted fixed asset fund to cover the purchase of fixed assets during the period under review which were not funded by capital income.

A transfer of £41,240 was made from restricted fixed asset funds to unrestricted funds for KCC Capital Funding awarded in the year to fund fixed asset additions that were previously funded by the Trust out of reserves.

A transfer of £12,540 was made from unrestricted funds to restricted fixed asset funds for funding which had been over accrued in the previous year due to an underspend on the Fire Alarm project. A second transfer of £5,205 was made for CIF Funding that has yet to be received for the Fire Alarm project where additions have been funded by the Trust out of reserves.

A transfer of £732 was made from restricted fixed asset funds to GAG for the loss on disposal of fixed assets during the period.

20. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Kent County Council. 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 to the period ended 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 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.

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

20. PENSION AND SIMILAR OBLIGATIONS - 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 and subsequent consultation 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 was implemented on 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 period amounted to £915,170 (2024 - £742,948).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the 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 academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £380,655 (2024: £351,212), of which employer's contributions totalled £288,217 (2024: £265,432) and employees' contributions totalled £92,438 (2024: £85,780). The agreed contribution rates for future years are 22.50 per cent for employers and 5.50 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust 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.

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

20. PENSION AND SIMILAR OBLIGATIONS - continued

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

| | Defined benefit pension plans | |
|--|----------------------------------|--------------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Current service cost | 219,000 | 191,000 |
| Net interest from net defined benefit asset/liability | (7,000) | (18,000) |
| Past service cost | - | - |
| Administration expenses | 4,000 | 3,000 |
| | <u>216,000</u> | <u>176,000</u> |
| Actual return on plan assets | <u>214,000</u> | <u>195,000</u> |

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

| | Defined benefit pension plans | |
|---|----------------------------------|------------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Opening defined benefit obligation | 3,871,000 | 3,400,000 |
| Current service cost | 219,000 | 191,000 |
| Contributions by scheme participants | 81,000 | 74,000 |
| Interest cost | 197,000 | 180,000 |
| Benefits paid | (95,000) | (72,000) |
| Remeasurements: | | |
| Actuarial (gains)/losses from changes in demographic assumptions | 72,000 | (8,000) |
| Actuarial (gains)/losses from changes in financial assumptions | (943,000) | 121,000 |
| Experience loss/(gain) on obligation | 32,000 | (15,000) |
| | <u>3,434,000</u> | <u>3,871,000</u> |

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

20. PENSION AND SIMILAR OBLIGATIONS - continued

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

| | Defined benefit pension plans | |
|---|----------------------------------|------------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Opening fair value of scheme assets | 4,143,000 | 3,595,000 |
| Contributions by employer | 289,000 | 264,000 |
| Contributions by scheme participants | 81,000 | 74,000 |
| Expected return | 218,000 | 198,000 |
| Administration expenses | (4,000) | (3,000) |
| Benefits paid | (95,000) | (72,000) |
| Return on plan assets (excluding interest income) | 85,000 | 87,000 |
| | <u>4,717,000</u> | <u>4,143,000</u> |

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

| | Defined benefit pension plans | |
|--|----------------------------------|-----------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Actuarial gains/(losses) from changes in demographic assumptions | (72,000) | 8,000 |
| Actuarial gains/(losses) from changes in financial assumptions | 943,000 | (121,000) |
| Experience loss/(gain) on obligation | (32,000) | 15,000 |
| Return on plan assets (excluding interest income) | 85,000 | 87,000 |
| Asset ceiling restriction | <u>(997,000)</u> | <u>(77,000)</u> |
| | <u>(73,000)</u> | <u>(88,000)</u> |

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

20. PENSION AND SIMILAR OBLIGATIONS - continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

| | Defined benefit pension plans | |
|----------------------|----------------------------------|------------------|
| | 31.8.25 | 31.8.24 |
| | £ | £ |
| Equities | 2,823,000 | 2,365,000 |
| Gilts | 249,000 | 289,000 |
| Other Bonds | 681,000 | 602,000 |
| Property | 374,000 | 383,000 |
| Absolute return fund | 236,000 | 210,000 |
| Cash | 134,000 | 101,000 |
| Infrastructure | 220,000 | 193,000 |
| | <u>4,717,000</u> | <u>4,143,000</u> |

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

| | 31.8.25 | 31.8.24 |
|--------------------------|---------|---------|
| Discount rate | 6.05% | 5.10% |
| Future salary increases | 3.55% | 3.80% |
| Future pension increases | 2.55% | 2.80% |

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

| | | |
|----------------------|------|------|
| Retiring today | | |
| Males | 21.4 | 20.7 |
| Females | 23.7 | 23.3 |
| Retiring in 20 years | | |
| Males | 23 | 22 |
| Females | 25.4 | 24.7 |

Sensitivity analysis (impact on liability)

| | 31.8.25 | 31.8.24 |
|--|-----------|-----------|
| | £ | £ |
| Discount rate +0.1% | 3,373,000 | 3,795,000 |
| Discount rate -0.1% | 3,497,000 | 3,949,000 |
| Mortality assumption - 1 year increase | 3,519,000 | 3,987,000 |
| Mortality assumption - 1 year decrease | 3,351,000 | 3,758,000 |
| CPI rate +0.1% | 3,440,000 | 3,943,000 |
| CPI rate -0.1% | 3,428,000 | 3,801,000 |

The amounts recognised in the Balance Sheet are as follows:

Defined benefit pension plans

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

20. PENSION AND SIMILAR OBLIGATIONS - continued

| | 31.8.25 | 31.8.24 |
|------------------------------------|--------------------|------------------|
| | £ | £ |
| Present value of funded obligation | (3,434,000) | (3,871,000) |
| Fair value of plan assets | <u>4,717,000</u> | <u>4,143,000</u> |
| Surplus / (Deficit) | 1,283,000 | 272,000 |
| Impact of Asset Ceiling | <u>(1,283,000)</u> | <u>(272,000)</u> |
| Net Asset/(Liability) | <u>-</u> | <u>-</u> |

21. CAPITAL COMMITMENTS

| | 31.8.25 | 31.8.24 |
|---|------------------|----------------|
| | £ | £ |
| Contracted but not provided for in the financial statements | <u>1,006,312</u> | <u>546,622</u> |

22. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

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

| | 31.8.25 | 31.8.24 |
|----------------------------|--------------|---------------|
| | £ | £ |
| Within one year | 5,927 | 8,131 |
| Between one and five years | <u>-</u> | <u>5,927</u> |
| | <u>5,927</u> | <u>14,058</u> |

23. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations and people in which the trustees have an interest. The following related party transactions took place in the financial period.

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

23. RELATED PARTY DISCLOSURES - continued

Mr A McIlroy is the spouse of Mrs A McIlroy, a member of key management personnel and Accounting Officer (from 1 September 2025) and a trustee. The total cost of employment of Mr McIlroy for the year ended 31 August 2025 was in the range £85,000 - £90,000 (2024: £75,000 - £80,000).

Ms S Jackson has a relationship with Mr M Leake, a member of key management personnel. The total cost of employment of Ms S Jackson for the year ended 31 August 2025 was in the range £Nil - £5,000 (2024: £Nil - £5,000).

Mr D Davison is the son of Mr S Davison, a member of key management personnel. The total cost of employment of Mr D Davison for the year ended 31 August 2025 was in the range £Nil - £5,000 (2024: £Nil - £5,000).

Ms C Jack is the daughter of Ms T Jack, a trustee. The total cost of employment of Ms C Jack for the year ended 31 August 2025 was in the range £Nil - £5,000 (2024: £Nil).

Ms J Elderkin is the daughter of Mr S Elderkin, a trustee. The total cost of employment of Ms J Elderkin for the year ended 31 August 2025 was £Nil (2024: £Nil - £5,000).

The trustees and senior leadership team were not involved in the decision-making process regarding appointment of the above staff relations. These staff are paid within the normal pay scale for their roles and they receive no special treatment as a result of their relationships with trustees and the senior leadership team.

All transactions involving such organisations and people are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying DfE of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

There have been donations received for future capital works on the school theatre and contributions for prizes from the Queen Elizabeth's school foundation, of which Mr A Shepherd, Ms Y Wills and Ms A Church are also trustees. For the year ended 31 August 2025 these donations totalled £4,276 (2024: £6,575).

24. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for DfE. In the accounting period ending 31 August 2025 the academy trust received £35,640 and disbursed £29,830 from the fund. As at 31 August 2025, the cumulative unspent 16-19 bursary fund is £41,493, of which £5,853 relates to undistributed funding that is repayable to DfE. Comparatives for the accounting period ending 31 August 2024 are £39,181 received, £25,030 disbursed, total cumulative unspent fund of £35,683 of which £Nil was repayable to DfE.