

**THE GRAMMAR SCHOOL OF KING EDWARD VI AT STRATFORD-UPON-AVON**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 AUGUST 2025**

***Company Limited by Guarantee***  
***Registration Number:07696173***  
***(England & Wales)***

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, GOVERNORS AND ADVISORS****Members**

Mr V G Matts  
 Mr D Austin (from 22.01.25)  
 Mr J A Jones (from 22.01.25)  
 Dr D R Derbyshire (from 22.1.25)  
 Prof N Johnson  
 Mr J Blann (to 22.01.25)  
 Mr R Drain (to 22.01.25)  
 Mr M Evans (to 22.01.25)  
 Mrs F Fairbairn (to 22.01.25)  
 Mrs J Gallagher (to 22.01.25)  
 Mr P Maundrill (to 22.01.25)  
 Mr I Pavey (to 22.01.25)  
 Mrs J Short (to 22.01.25)  
 Mr P P Swann (to 22.01.25)

**Governors**

Mr B Carr (Headmaster and Accounting Officer)  
 Mr V G Matts (Chairman)\*  
 Mr J Blann\*  
 Mr R Drain\*  
 Mr M Evans (Deputy Chairman to 12.12.24)\*  
 Mrs F Fairbairn  
 Mrs J Gallagher (Parent Governor)  
 Prof N Johnson (Deputy Chairman from 12.12.24)  
 Mr P Maundrill\*  
 Mr I Pavey (Parent Governor)  
 Mrs J Short  
 Mr PP Swann  
 Mrs Kate Howell (from 12.12.24)

*\* members of the Finance and General Purposes Group (see page 6)*

**Company Secretary**

Mrs N Hume

**Senior Leadership Team****Headmaster**

Mr B Carr

**Second Master**

Mr T M Walton

**Deputy Headmaster**

Mr S McCrink

**Head of Sixth Form**

Miss R Biggs

**Assistant Heads**

Mr C Dunford, Mr S Temple

**School Business Manager**

Mrs N Hume

**Clerk to the Governors**

Mr M D Hawley

**Company Name**

The Grammar School of King Edward VI at Stratford-upon-Avon

**Company Trading Name**

King Edward VI School (K.E.S)

**Company Registered Number**

07696173 (England and Wales)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, GOVERNORS AND ADVISORS**

<b>Principal and Registered Office</b>	Church Street Stratford-upon-Avon Warwickshire CV37 6HB
<b>Independent Auditors</b>	UHY Hacker Young (Birmingham) LLP 9-11 Vittoria Street Birmingham B1 3ND
<b>Bankers</b>	National Westminster Bank plc 31 Rother Street Stratford-upon-Avon CV37 6ZS  Lloyds Bank plc 22 Bridge Street Stratford-upon-Avon CV37 6AG
<b>Solicitors</b>	Harrison Clark Rickerbys LLP Solicitors Ellenborough House Wellington Street Cheltenham GL50 1YD

## GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The Governors present their report and the audited financial statements of the charitable company for the period 1 September 2024 to 31 August 2025. The annual report serves the purposes of both a Governors' report and a Directors' report, including a strategic report, under company law.

The Trust operates as an Academy Trust for pupils aged 11 to 18 serving a catchment area geographically centred on Stratford-upon-Avon, with a pupil capacity of 850. The School is currently oversubscribed with 881 pupils enrolled (based on the 2025 Census).

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Constitution

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

The Governors act as the Governors for the charitable activities of the Grammar School of King Edward VI at Stratford-upon-Avon and are also the Directors of the charitable company for the purposes of company law.

Details of Governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 3.

### 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 he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they cease to be a member. The Academy Trust has opted into the Department of Education's Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Governors from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provides cover up to £10,000,000.

### Method of Recruitment and Appointment or Election of Governors

All Members of the Academy Trust shall be Governors. The following composition complies with articles 45-81. The Full Governing Body consists of:

- **2 Elected Parent Governors** who are nominated and elected by a ballot of all parents to serve an initial four-year term which is renewable. They will however relinquish their role when their child leaves the School.
- **10 Appointed Governors** who serve a four-year term. Three of these Governors at the time of their initial appointment will be parents of existing students. A meeting of the Full Governing Body will select this class of Governors. Each appointee will be proposed and seconded by other Governors and appointed by a majority vote in favour. Academy policy is that they may serve up to a maximum of four continuous terms from the date of their initial appointment (as either a Parent or Appointed Governor).
- **The Headmaster** is ex-officio, Governor. The total number of Governors is 13.

### Policies and Procedures Adopted for the Induction and Training of Governors

All Governors are given the opportunity to attend training sessions. Several sessions were held for Governors covering the main elements of the position, including the legal framework and governor responsibilities. Each year all members of the Governing body are offered updates on relevant issues and changes in legislation etc.

The topics covered are regularly reviewed to ensure that Governors are kept up to date as far as possible. When appointing new Members, the Board will consider the skills and experience mix of existing Members in order to ensure the Board has the necessary skills to contribute fully to the Academy Trust's ongoing development. All new Governors also have the opportunity to undertake National Governor Association training and all Governors receive regular National Governor Association updates.

### Organisational Structure

The Governors are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy Trust using budgets and other data, and making the major decisions about the direction of the Academy Trust, capital expenditure and staff appointments.

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Organisational Structure (cont'd)**

The Full Governing Body (FGB) meets four times in each academic year. Twice in the Michaelmas term, once in the latter half of the Lent Term and once in the latter half of the Summer Term. The FGB has decided that it should be solely responsible for the following matters (which comply with articles 94-97):

- the School Strategic and Development Plans.
- the financial management of the School.
- approving the School budget and annual accounts.
- reviewing School budget monitoring reports from the Finance and General Purposes Group.
- the School income and expenditure, balance sheets and cash flows, having liaised with Governors regarding the strategic financial position and priorities.
- the appointment and review of professional advisors (including auditors).
- personnel (with advice from the Leadership and Management Group)
- the procedure in pecuniary interest matters.
- accepting tenders above an agreed figure proposed by the Finance and General Purposes Group.
- election and removal of Chairman and/or Deputy Chairman.
- setting up of groups and decisions on what should be delegated (within these regulations) and to whom
- the annual review of the following mandatory policies:
  - *School Governance*
  - *Mission Statement*
  - *Safeguarding*
  - *Whistleblowing*

The FGB has also decided that it should be solely responsible for additional matters which are identified in each Governors' Group's Terms of Reference. Whilst the FGB has not delegated responsibility for these matters, the different Governors' Groups are responsible for producing proposals relating to these matters for consideration by the FGB.

- To establish a framework for effective delegation and decision-making.
- To provide regular reports to the FGB.
- To provide a clear audit trail for each decision of the FGB.
- To free the FGB for policy making.
- To provide opportunities for the debate of key issues.
- To provide for the full involvement of all Governors in the decision-making process.
- To strengthen the partnership between Governors and the School.
- To support the Headmaster and the staff.
- To ensure conformity with legislation and (where appropriate) with guidelines through detailed scrutiny of proposals.
- To promote efficient communication between Governors' Groups and with the FGB.

**Governor Groups (Standing)**

The Governors' Groups meet on one or more occasions in the lead up to each termly meeting of the FGB (Meeting 2 of the Michaelmas Term). Every Governor is a member of at least one of the following groups which comply with articles 101-103:

- **Leadership and Management Group** (Five Governors plus the Headmaster)
- **Education Group** (Five Governors plus the Headmaster and Deputy Headmaster)
- **Finance and General Purposes Group** (Five Governors plus the Headmaster and SBM)

The FGB appoints members to each Governor Group. Each Group elects its own Chairman. The Chairman of Governors shall not be Chairman or Deputy Chairman of any Governor Group. Governor Groups act with the authority of the FGB, but each Chairman must provide a detailed report of activities and any recommendations to each FGB meeting.

**Ad Hoc Committees**

- **Disciplinary**

This committee shall be chosen from members of the FGB, excluding the Headmaster and staff members.

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Governor Groups (Standing) (cont'd)****● Appeals**

This committee will hear appeals relating to exclusions in accordance with legislation, guidelines and good practice. This Committee shall include governors appointed by the FGB in accordance with current regulations.

**● Health and Safety**

This is a sub-committee which reports to the Finance and General Purposes Group (See Terms of Reference).

**Link Governors**

All Governors are allocated to departments in the School to act as a Link Governor. The aims of the Link Governor Programme are to:

- enable Governors to know and understand more about the day-to-day work of the School.
- triangulate evidence between Governors, SLT and staff.
- establish another opportunity for Governors and staff to meet and discuss issues concerning the School and its development.
- enable staff to share and celebrate the success of their work.
- be involved, where possible, in the appointment of new teaching staff within subject areas.

**Governor Agreement**

All Governors sign an agreement to adhere to this policy, the Articles of Association and to uphold the Nolan Standards of Public Life. To comply with Article 79 all governors complete an enhanced DBS check at the start of their first term of office.

**Internal Control**

The Academy's system of internal control operates as a continuous process, designed to identify and prioritise risks and to manage them efficiently, effectively, and economically. While this system aims to reduce risk to a reasonable level, it cannot eliminate all risks entirely; as such, the Governors can provide only reasonable, not absolute, assurance of its effectiveness.

The internal control framework has been in place throughout the year from 1 September 2024 to 31 August 2025. During this period, the Governors have regularly reviewed the principal risks facing the Academy, alongside the operational, financial, and compliance controls established to mitigate those risks. The process is subject to ongoing review by the Governors, with internal scrutiny carried out on areas agreed in advance.

**Accounting Officer**

The Headmaster serves as the designated Accounting Officer for the Academy, holding overall responsibility for the day-to-day financial management of the Academy Trust. Responsibility for lower-value expenditures is delegated to specific budget holders, each of whom manages their department's finances within their allocated budgets. This process is overseen by a robust system of financial controls.

The Headmaster is supported in the daily management of the Academy by the Senior Leadership Team, which meets weekly to address emerging issues and to develop strategies for future growth. These strategies are presented to the Headmaster and, where appropriate, to the Governing Body for approval. Each member of the Senior Leadership Team has defined responsibilities to assist the Headmaster in managing aspects of the Academy. Further details can be found in the Reference and Administrative Details on page 3.

**Risk management**

The major risks to which the Academy is exposed are as follows:

- Loss of (or reduction in) funding
- Loss of building or facilities preventing the delivery of education
- Loss of members of staff (either suddenly or gradually over time)
- Loss of reputation
- Lack of safeguarding of students
- Funding of pension deficits under the Local Government Pension Scheme (LGPS).

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Risk management (cont'd)**

The Senior Leadership Team has considered these risks. Policies and procedures have been put into place to minimise these risks, including budget management and forecasting procedures, the procurement of adequate insurance cover, investing in staff training and continuing professional development, and continued local marketing and advertising highlighting the achievement of our students. We also maintain a large number of policies and procedures which protect our staff, students and the Academy, also reducing the risk of safeguarding failures. The pension scheme is reviewed by qualified actuaries on behalf of the Academy. There is currently a surplus on this scheme as disclosed in note 28.

**Arrangements for Setting Pay and Remuneration**

The pay structure for all employees is set with reference to and without variation from the nationally published scales for all staff. In the case of the Senior Leadership team, this is a function of the size of the academy. In the case of teachers this is with reference to the published main and upper pay scales as well as that for TLR allowances. In the case of support staff, pay is referenced to the National Joint Council Scale. Pay progression is subject to satisfactory performance, as determined by annual appraisal. Teaching and Senior Leadership Team pay scales are listed in a Staff Handbook which is published annually.

**Connected Organisations, including Related Party Relationships**

The Governors of The Grammar School of King Edward VI School (established separately under Charity Number 528769) are a related party as they and the School share a common Trustee; refer to note 29 for further details.

**Trade Union Facility Time**

There are no employees who elect to act as union officials during their work, and therefore the time spent on these activities is 0%.

**OBJECTIVES AND ACTIVITIES**

The principal objects of the Academy Trust, as set out in its Articles of Association, are to:

- advance for the public benefit education in the United Kingdom, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum; and
- promote for the benefit of the inhabitants of Stratford-upon-Avon and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship or social and economic circumstances for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

**Objectives, Strategies and Activities**

- This was the thirteenth full year of operation the Grammar School of King Edward VI at Stratford-upon-Avon. Through the implementation of the key objectives in the School Development Plan 2024/25 the School has:
  - Embedded and delivered against a five-year Strategic Plan 2023/28
  - Trained all Assistant Heads of School and Deputy Heads of Sixth Form as Deputy Designated Safeguarding Leads
  - Established a new staff Teaching & Learning Community (TLC) programme
  - Embedded and reviewed the Key Stage 3 Marking and Assessment Policy
  - Implemented Year 5 of the Digital Strategy including new laptops for staff, AI chatbots to support administrative tasks, a Copilot Prompt Library and a series AI Staff CPD sessions
  - Implemented and reviewed Year 2 of the Sixth Form Digital Classroom and Student Laptop Scheme.
  - Began the process to establish a framework for character education including VIA surveys by all year groups, mapping of character education within the Personal Development curriculum, clubs, trips and visits and the establishment of a staff working party
  - Introduced a Diversity Week to raise awareness and celebrate difference within our community
  - Developed mutually beneficial Mathematics Outreach Programme with Bishopton Primary School
  - Implemented the Three Rivers Alliance Action Plan 2024/25 including a joint Staff CPD session, the establishment of an Alliance T&L Leads group, the sharing of best practice relating to the use of AI and the organisation of two joint student events.
  - Completed the installation of an all-weather pitch and the modernisation of the Pavilion at the Manor Road Sports Ground

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Objectives, Strategies and Activities (cont'd)**

- Improvements made to the accommodation via the rolling programme including upgrade of computers in Area 52 and installation of EV chargers
- Identified and exploited opportunities to diversify income including a hire agreement for the all-weather pitch with Stratford Hockey Club
- Appointed and inducted a new School Business Manager
- Conducted an external review of Governance and implemented the recommendations
- Implemented an improved Parent Portal that enables effective use of the most appropriate software platforms for our context.

**Student Achievements and Performance****A Level**

- 86.3% of Students achieved grade A\* - B

**GCSE**

- 90.8% of Students achieved grade 9 to 7

**Music Examinations**

- A student secured a place as a second violinist in the prestigious National Youth Orchestra of Great Britain, for the second year.
- A student won three categories at the West Midlands Brass Bands Association contest and another student came third place in three categories.
- 10 students were selected for the National Youth Choir.
- 24 students achieved grade 6 or above in the Associated Board of the Royal Schools of Music Examinations.

**Duke of Edinburgh Awards**

- 28 students achieved Duke of Edinburgh Gold Award.
- 35 students achieved Duke of Edinburgh Silver Award.
- 51 students achieved Duke of Edinburgh Bronze Award.

**Arkwright Scholarships**

- Arkwright Engineering Scholarships were awarded to 2 students.

**Art**

- A student had two artworks selected for the Coventry Open Exhibition 2025, held at the Herbert Art Gallery.
- A student was selected to attend a workshop with renowned artist Jenny Saville at the National Portrait Gallery

**Athletics**

- Junior Track and Field Cup team qualified for Midlands A-Finals, finishing 7th.
- Year 8 and 9 Super 6 teams won South Warwickshire at County Championships.
- Multiple students were selected to represent Warwickshire at County Championships.

**Biology**

- 44 students achieved an award in the Intermediate Biology Olympiad
- The Year 10 team won the Biology Big Quiz at The University of Birmingham.

**Chemistry**

- 45 students achieved Awards in the Chemistry Olympiad
- Students achieved Awards in the Chemistry Challenge: 1 Gold, 12 Silver and 8 Bronze.

**Chess**

- 4 students completed in the Chess Megafinal with one student qualifying for the National Terrafinal.

**Computer Science**

- The Year 12 team achieved joint 3<sup>rd</sup> place in the Cipher Challenge, a national competition organised by the School of Mathematical Sciences at the University of Southampton.

**Cricket**

- The Under 14s and the Under 15s both took second place at Solihull Sixes Tournament.

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Student Achievements and Performance (cont'd)****Cross Country**

- The Senior Boys team finished 4<sup>th</sup> at the Regional Finals of the ESAA Cross County Cup.
- A student won the ESAA Warwickshire Cross Country Championships and the Under 13s National Cross-Country Championships.

**Cyclocross**

- A Student won the West Midlands Cyclocross League for the 2<sup>nd</sup> Year running.

**Debating**

- The Year 8 Debating Team won the District Round of the Rotary "Youth Speaks" Competition.
- The Senior Debating Team progressed to the second round of the English-Speaking Union School's Mace Competition.

**Drama**

- Twenty students achieved their Bronze Arts Awards and eleven students achieved the Silver Arts Award. Bronze certificates were awarded to 15 students.
- Edward's Boys were named the winner of the 2024 British Shakespeare Association (BSA) Innovation Award for their ground-breaking contribution to Shakespearean performance and education.
- Three students were selected to attend the National Youth Theatre's prestigious Summer School Programme.

**Fencing**

- A student was place in the top 8 at the Under 20 National Championships.
- The School teams won Gold in the Under 18 category, Silver in the Under 15s and Bronze in the Under 13s at the British Schools Team Championships.
- One student was elected to represent Great Britain in the World Fencing Championship in Xuhi, China.
- Three students were selected for the Great Under 17 squad, with one student qualifying to represent Great Britain at the European Championships.

**Golf**

- A student became Midlands Schools' Girls Golf Champion, Warwickshire Ladies County Golf Champion, and qualified for English Schools' National Final and European Faldo Series Tour Final in Dubai.

**Magistrates' Court Mock Trial**

- The Year 9 team won the local heat of the Magistrates' Court Mock Trial competition at Coventry Magistrates' Court and qualified for the Regional Final.

**Mathematics**

- Gold Certificates in the Senior Mathematics Challenge were awarded to 27 students.
- One student qualified for the British Mathematics Olympiad.
- 280 students took part in the Senior Maths Challenge, with 48 students qualifying for the Senior Kangaroo.
- 18 students completed the Mathematical Olympiad for Girls; 12 students achieved a Merit and 1 student achieved Distinction.

**Psychology**

- A student was placed 12th nationally and qualified for the second round of the Brain Bee, the Olympiad event for Psychology. Two other students also qualified for the second round.

**Public Speaking**

- All twenty-seven participating students achieved distinction in the LAMDA Gold Award.

**Robotics**

- A student won the Antweight World Series, a combat robotics competition.

**Rowing**

- Two students won Bronze in J16 2x at West Midlands Junior Championships.
- At the Ball Cup Regatta, 10 crews reach the finals with 3 winning silver medals and 2 winning gold medals
- The Boys Team won J18 2x at Stratford Regatta for the second consecutive year.

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Student Achievements and Performance (cont'd)****Rugby**

- Under 15s qualified for the area final of the National Bowl.
- The 1<sup>st</sup> XV progressed to the semi-finals of the National Bowl.

**School's Challenge**

- A team of four students won the National Schools' Challenge Senior Plate Finals.

**Swimming**

- A student won Silver in 800m Freestyle at the Warwickshire County Swim Championships.

**PUBLIC BENEFIT STATEMENT**

The primary purpose of the Grammar School of King Edward VI at Stratford-Upon-Avon is the advancement of education within the local area. The School's Mission Statement is:

King Edward VI School is committed to being the school of choice for the most able students in our locality by developing and maintaining an educational community in which we:

- provide the context to allow all individuals to achieve success in all aspects of school life;
- create a safe and secure environment in which self-confidence, respect for oneself and for others is valued;
- encourage each individual to fulfil their academic potential by placing particular emphasis on challenge, teamwork, independence, creativity and enjoyment;
- appreciate the value of extra-curricular activities and encourage – equally – wide participation and excellence;
- use open lines of communication and engagement across all interested parties to ensure we are a self-evaluative school, which constantly looks to improve.

We seek to prepare our students for rewarding lives, aware of their obligation to serve the local, national and international communities in a fast-changing world, and to inculcate in them a sense of pride in the unique character of Shakespeare's School.

In accordance with legislation the Academy is an exempt Charity. The Governors confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.

**STRATEGIC REPORT**

The Academy Trust uses several benchmarks or performance indicators to evaluate its financial performance and are committed to introducing positive changes coupled with effective budget management. The financial reports include KPIs which include (but not limited to):

- Staff Cost as a Proportion of Revenue Income
- Spend on Leadership as a Proportion of Revenue Income
- Spend on Premises and Grounds Maintenance as a Proportion of Total Costs
- Average Annual FTE Teaching Staff
- Funded Pupil Numbers
- Pupil to Teacher Ratio
- Staff Cost Per Lesson
- Surplus/(Deficit) as a Proportion of Total Income
- Cumulative Reserves as a Proportion of Total Income

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves carried forward.

On 31 August 2025, the balance of the unrestricted and restricted income reserves was a surplus of £64,000 (2024: £281,000 deficit), after transfers of £88,000 (2024: £9,000) to the restricted fixed asset fund to fund capital expenditure during the year. Further details on the level of reserves held by the Academy Trust are set out in the Reserves Policy section below.

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Going Concern**

The Governors have prepared the financial statements on the going concern basis. However, they acknowledge that a material uncertainty exists regarding The Grammar school of King Edward VI at Stratford-upon-Avon's ability to continue operating as a going concern due to the cumulative GAG deficit of £291,000.

The Governors have carefully reviewed the financial forecasts and considered the potential risks and mitigating factors. The Governors are proactively engaged in assessing opportunities to increase the School's capacity to accommodate four forms of entry and are actively reviewing and refining financial processes to ensure robust governance, transparency, and long-term sustainability. Further information is fully detailed in Note 1 to the financial statements.

**Fundraising**

The Academy requests voluntary donations from parents to help sustain an extensive extracurricular programme, which would otherwise be extremely difficult to sustain considering continuing funding pressures. Additional funds are also generated from on-site pay-and-display parking outside school hours and various Letting arrangements. The Academy also derived modest additional income by virtue of offering the *Easyfundraising* programme through which participants can shop generating cashback for the Academy. Any voluntary contributions and donations given the School are requested in accordance with the Charges and Remissions Policy.

**Promoting the Success of the Academy Trust**

The Governors have acted in the way which they consider, in good faith, promotes the success of the Academy Trust for the benefit of its pupils and their parents, the Department for Education and the Education and Skills Funding Agency as principal funders and regulators, its suppliers and local wider school community as a whole, and in doing so have given regard to (amongst other matters):

*Our educational business relationships and community*

With a highly committed and dedicated workforce, the Academy Trust takes great pride in listening to what our pupils, parents and local community want and continues to provide the level of education outcomes and results that they have come to expect. The Academy Trust continues to evolve and to adapt to the ever-changing educational environment, leading to the continued increase in the awareness of the Academy Trust's overall activities and educational performance. As an educational focused charitable organisation, public benefit is also at the heart of all we do. The details in the "Objectives and Activities" and "Achievements and Performance" section of the Governors' report above provide full details of the impact of our activities and our achievements for the year.

With respect to suppliers, the Academy Trust's policy for the payment of suppliers is to agree to terms of payment in advance in line with normal commercial practices and, provided a supplier performs in accordance with the agreement, to abide by such terms.

The Academy Trust is also committed to contributing towards combating the threat of global warming by using energy efficient measures to reduce CO<sub>2</sub> emissions throughout its buildings, facilities and operations.

*Our stakeholders*

In addition to our pupils, parents, suppliers and wider local community, the Governors also recognise the importance of their relationship with the Department for Education (DfE) as principal funders, regulators and stakeholders. The Governors are committed to the effective engagement with the DfE (and their representatives) are recognise that its success depends on the Governors and senior management's ability to engage with them effectively and to work with them constructively, taking into account their guidance and best practice initiatives, whilst also working in line with the specific requirements of the Academy Trust's funding agreement and the Academy Financial Handbook.

*Our people*

The Academy Trust's key asset is its people. It employs an average of 110 staff, including agency workers, and it is only through the combined effort of this workforce, together with our supporters and volunteers, that we can change the lives of the children under our care. The Academy Trust encourages the involvement of all employees in decision making processes that impact on them directly.

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)***Our Members*

The Governors are committed and openly engaged with our Members through the active involvement of Members as Governors. The Members are actively engaged in understanding our strategy and vision for the future, our culture and ethos, our people and our educational performance and standards.

*Maintaining a reputation for high standards*

The Academy Trust has been in existence for 14 years, and is committed to continual improvement, which it achieves in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. The Academy Trust also continually develops strategies to maintain and grow its pupil base, including looking for new schools and academies to join the Trust, and further improve relationships with our suppliers.

**FINANCIAL REVIEW**

The majority of the Academy Trust's income is received from the Department for Education ('DfE') in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2025 and the associated expenditure of these grants are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the DfE and other organisations / funders and these are shown as restricted fixed asset funds in the Statement of Financial Activities. The balance of the restricted fixed asset fund is reduced by the depreciation charges on the assets acquired using these funds.

For the year ended 31 August 2025, the Academy Trust's total income (excluding capital grants was £6,576,000 (2024: £5,934,000) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £6,152,000 (2024: £6,087,000), resulting in a net surplus before transfer to the fixed assets fund and investment surplus for the year of £424,000 (2024: £153,000 deficit).

The balance of reserves at 31 August 2025, excluding the restricted fixed asset funds and LGPS liability fund was a surplus of £64,000 (2024: £281,000 deficit).

The net book value of fixed assets (excluding investments) at 31 August 2025 were £18,199,000 (2024: £17,955,000). The fixed assets held by the Academy Trust are used exclusively for providing education and associated support services to the pupils of the Academy Trust.

Included within the Academy's balance sheet at year end is a defined benefit pension scheme. The fair value of the pension plan assets at 31 August 2025 is in excess of the present value of the defined benefit obligations at that date, giving rise to a net surplus of £654,000 (2024: £70,000). This surplus is recognised in the financial statements only to the extent that the academy trust can recover this surplus, either through a reduction in future contributions or through a refund to the academy trust. Further details regarding the LGPS at 31 August 2025 are set out in note 28 to the financial statements.

The key financial policies reviewed and adopted during the period included the Financial Procedures Policies and Manual, which lays out the framework for the Academy Trust's financial management, including financial responsibilities of the Board of Governors, Headmaster, managers, budget holders and other staff, as well as the delegated authorities for spending. The other financial policies reviewed and adopted during the period included Charges and Lettings, Asset Management and Insurance.

The financial outturn for the 2024/25 year is summarised by higher-than-expected pay rises for all staff, continuing high levels of utility costs, particularly for electricity, and inflationary pressures in general, all of which were only partially offset by extra income received meaning downward pressure on the School's finances and an eventual deficit being recorded, albeit this was partly due to accounting inconsistencies with the prior year.

**Reserves Policy**

The Trust is responsible for determining the appropriate level of reserves to be carried forward at the end of each financial year. This level is set in accordance with guidance from the DfE regarding the treatment of General Annual Grant (GAG) income and other grants.

As a general principle, the Academy Trust aims to maintain reserves equivalent to 5% of its total income. The Board reviews this level annually. Should deficits cause reserves to fall below the 5% threshold, the following year's budget will include provisions to restore the reserve. In exceptional circumstances, where the shortfall is significant, the Governors may approve a phased restoration over more than one year.

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Reserves Policy (cont'd)**

It is important to note that the School benefits from the support of a separate charitable trust: The Grammar School of King Edward VI at Stratford-upon-Avon (registered charity 528769), whose sole purpose is to support the School. This charitable trust contributes over £400,000 in annual revenue income and provides capital investment as needed. While the trust will continue to support the Academy, the intention is that, over time, as School reserves grow and pupil numbers increase with the expansion of the School, the Academy will be able to sustain a reserve of at least 5% independently.

**Investment Policy**

The School currently maintains an investment portfolio for its prize funds with M&G Investments. This fund sustains the two annual prize giving occasions: Lower School Celebration (LSC) (Years 7 and 8) held in July and Speech Day (Years 10 to 13) held in September. The School maintains a further investment account (The David Biddle Foundation), established following a donation from a former student and teacher on his death, to further students' extracurricular activities at the School. The Governors together with the Finance and General Purposes Group acknowledge the need to determine and review the policy for investing surplus funds and to ensure that they are deposited to maximise interest whilst maintaining a safe and secure School.

**Principal Risks and Uncertainties**

The Governors have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as in relation to teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register. Where significant financial risk remains, the Governors have ensured the Academy Trust has adequate insurance cover in place. The Risk Management Plan is constantly reviewed considering any new information and formally reviewed annually.

The principal risks and uncertainties facing the Academy Trust are as follows:

*Educational*

The continuing success of the Academy Trust is dependent on continuing to attract pupil applicants in sufficient numbers by maintaining the highest educational standards across all key stages. To mitigate this risk, the Governors ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

*Safeguarding and child protection*

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

*Financial*

The Academy Trust has considerable reliance on continued Government funding through the DfE. In the year, approximately 70% of the Academy Trust's income was ultimately Government funded. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in light of continuing changes in the National Funding Formula for schools.

Continuing increases in employment costs, including pension costs associated with both the Teachers' Pension Scheme and the Local Government Pension Schemes, and premises costs will also continue to place significant pressure on the Trust's financial position and its ability to deliver balanced budgets in the future.

The Governors examine the financial health of the Academy Trust formally twice termly, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Governors and Finance and Resources Committee meetings.

*Staffing*

The success of the Academy Trust is reliant on the quality of its staff, so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Principal Risks and Uncertainties (cont'd)***Failures in governance and / or management*

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation. The Governors continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

*Failures in governance and / or management*

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Governors continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

*Fraud and mismanagement of funds*

The Academy Trust engaged Mr Graeme Hornsby as responsible officer (RO) to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

*Estates*

The School takes pride in keeping the site tidy and free of hazards. We have a proactive Estates Team that deals with issues promptly and we take a proactive approach to accidents or incidents as/when they happen. The School has a Health and Safety Committee, chaired by the School Business Manager and attended by the Headmaster and a Governor, that meets termly and reports to the Governors' F&GP Group.

**TRADE UNION FACILITY TIME**

There are no employees who elect to act as union officials during their work, and therefore the time spent on these activities is 0%.

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

Total cost of facility time	£0
Total pay bill	£4,816,101
Percentage of total pay bill spent on facility time	0%

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Academy Trust and its Governors do not act as Custodian Governors of any other charity.

The Academy does however hold Post 16 Bursary Funds on behalf of the DfE, which are distributed to students as required and in line with the terms and conditions of the funds.

**AUDITOR**

Audit Services were provided by UHY Hacker Young who were reappointed as the Academy's auditors.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The Governors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Governors have confirmed that they have taken all the steps that they ought to have taken as Governors to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Governors' Annual Report is approved by order of the Board of Governors and the Strategic Report (included therein) is approved by the Board of Governors in their capacity as the Directors at a meeting on 11 December 2025 and signed on its behalf by:



.....  
VGF Matts, Chair of Governors

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2025****Scope of responsibility**

As Governors, we acknowledge we have overall responsibility for ensuring that The Grammar School of King Edward VI at Stratford-upon-Avon 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 Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Governors has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Grammar School of King Edward VI at Stratford-upon-Avon and the Secretary of State for Education. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Governors' report and in the statement of governors' responsibilities. The Board of Governors has formally met 4 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

<b>Full Governing Body</b>	<b>Meeting attended</b>	<b>Out of a possible</b>
Mr V G Matts	4	4
Mr J Blann	3	4
Mr B Carr	4	4
Mr R Drain	4	4
Mr M Evans	3	4
Mrs F Fairbairn	4	4
Prof. N Johnson	4	4
Mrs J Gallagher	4	4
Miss K Howell	1	1
Mr P Maundrill	3	4
Mr I Pavey	4	4
Mrs J Short	4	4
Mr P P Swann	3	4

The details of the changes in the Board of Governors during the year are provided in the Reference and Administrative Details on page 3.

**Conflict of Interest**

All Governors make an annual declaration of their interests in any external organisations. Any conflicts of interest are declared at meetings and the Governor concerned either does not vote on any decision made, or in the case of large or contentious decisions leaves the meeting during discussions and voting.

**Governance Reviews**

Although the Board of Governors has met less than 6 times during the current year, the Governors are satisfied they have maintained effective financial oversight of the Trust through the separate meetings of the Finance and General Purposes Group.

The Finance and General Purposes Group is a sub-group of the main Board of Governors. Its purpose is to provide proposals relating to the matters identified in its Terms of Reference for the Full Governing Body and to provide detailed scrutiny of relevant proposals. Attendance during the year at meetings was as follows:

<b>Governor</b>	<b>Meeting attended</b>	<b>Out of a possible</b>
Mr P Maundrill	5	7
Mr J Blann	5	7
Mr R Drain	7	7
Prof. N Johnson	2	2
Mr V G Matts	6	7
Mr B Carr	7	7

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****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 the educational and wider social outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved, including the use of benchmarking data where appropriate.

The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- The Academy Trust requires at least three competitive quotations for all purchases exceeding £5,000, ensuring transparency and cost-effectiveness in procurement.
- Utility supplies are sourced through the Eastern Shires Purchasing Organisation (ESPO), a DfE-recommended supplier, resulting in significant annual savings compared to commercial energy providers.
- A robust system for expenditure authorisation and review has been implemented, ensuring that public funds are used efficiently, and resources are directed to areas that most benefit student learning and welfare.
- The School's staffing structure has been reviewed to ensure it remains fit for purpose, with reductions made in areas that do not directly impact teaching and pupil welfare.
- Implementation of digital systems to streamline administrative processes, reducing paper use and administrative overheads.
- Encouraging staff to participate in professional development opportunities that are cost-effective and have a demonstrable impact on teaching quality.
- Maximising the use of school facilities outside of teaching hours to generate additional income for the Academy Trust.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in The Grammar School of King Edward VI at Stratford-upon-Avon 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 Governors 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 Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the 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 Governors.

**The risk and control framework**

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

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****The risk and control framework (cont'd)**

It includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors appointed a Responsible Officer to carry out a programme of internal checks. The appointee's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems, with a particular emphasis on compliance with the ATH, in the context that the Academy is a small SAT and likely to remain so for the foreseeable future.

On an annual basis, the reviewer reports to the Board of Governors through the Finance and General Purposes Group on the operation of the systems of control and on the discharge of the Governors' financial responsibilities. The work of the Responsible Officer was carried out in accordance with the DfE's requirements during the year, and no material control issues were identified as a result of their work.

**Review of effectiveness**

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

- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditors

**Conclusion**

Based on the advice of the Finance and General Purposes Group 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 Governors on 11<sup>th</sup> December 2025 and signed on their behalf by:



.....  
**Mr V G Matts**  
Chair of Governors



.....  
**Mr B Carr**  
Accounting Officer

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

As Accounting Officer of The Grammar School of King Edward VI At Stratford-Upon-Avon, 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 DfE, and the requirements of the Academy Trust Handbook, including responsibilities for estates safety and management. I have also considered my responsibility to notify the Academy Trust Board of governors and the DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management.

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

I confirm that no instances of material irregularity, impropriety or non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Governors and the DfE.



.....  
**B Carr**  
**Accounting Officer**  
**11 December 2025**

**STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2025**

The Governors (who act as Governors of The Grammar School of King Edward VI At Stratford-Upon-Avon and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Department for Education, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in business.

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

The Governors 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 Governors on 11 December 2025 and signed on its behalf by:



.....  
**V G Matts**  
**Chair of Governors**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GRAMMAR SCHOOL OF KING EDWARD VI AT STRATFORD-UPON-AVON FOR THE YEAR ENDED 31 AUGUST 2025****Opinion**

We have audited the financial statements of The Grammar School of King Edward VI At Stratford-Upon-Avon for the year ended 31 August 2025 which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet, the Academy Balance Sheet, the consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

In our opinion the financial statements:

- give a true and fair view of the state of the The Grammar School of King Edward VI At Stratford-Upon-Avon's affairs as at 31 August 2025 and of its incoming resources and application of resources, including income and expenditure, for the year then ended;
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025.

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Academy Trust's use of the going concern basis of accounting in the preparation of the financial statement 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 Grammar School of King Edward VI At Stratford-Upon-Avon'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 Governors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Governors are responsible for the other information contained within the financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GRAMMAR SCHOOL OF KING EDWARD VI AT STRATFORD-UPON-AVON FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Other information (cont'd)**

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report. 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 by the academy trust or returns adequate for our audit have not been received from academies not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Governors**

As explained more fully in the Governors' responsibilities statement set out on page 20, the Governors 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 Governors 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 Governors are responsible for assessing the The Grammar School of King Edward VI At Stratford-Upon-Avon'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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GRAMMAR SCHOOL OF KING EDWARD VI AT STRATFORD-UPON-AVON FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)**

Based on our understanding of the The Grammar School of King Edward VI At Stratford-Upon-Avon and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the The Grammar School of King Edward VI At Stratford-Upon-Avon, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities SORP 2019 and Academies Accounts Direction 2024 to 2025. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the The Grammar School of King Edward VI At Stratford-Upon-Avon's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Department for Education, review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Governors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governors.
- Conclude on the appropriateness of the Governors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GRAMMAR SCHOOL OF KING EDWARD VI AT STRATFORD-UPON-AVON FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Auditor's responsibilities for the audit of the financial statements (cont'd)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**Use of our report**

This report is made solely to the The Grammar School of King Edward VI At Stratford-Upon-Avon'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 The Grammar School of King Edward VI At Stratford-Upon-Avon's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the The Grammar School of King Edward VI At Stratford-Upon-Avon's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the The Grammar School of King Edward VI At Stratford-Upon-Avon's and the The Grammar School of King Edward VI At Stratford-Upon-Avon's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
**Michael Nielsen**  
**Senior Statutory Auditor**  
**UHY Hacker Young (Birmingham) LLP, Statutory Auditor**  
**9-11 Vittoria Street**  
**Birmingham**  
**B1 3ND**

**11 December 2025**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GRAMMAR SCHOOL OF KING EDWARD VI AT STRATFORD-UPON-AVON AND THE SECRETARY OF STATE FOR EDUCATION FOR THE YEAR ENDED 31 AUGUST 2025**

In accordance with the terms of our engagement letter dated 1 July 2025 and further to the requirements of the Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, 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 The Grammar School of King Edward VI At Stratford-Upon-Avon 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 the The Grammar School of King Edward VI At Stratford-Upon-Avon 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 The Grammar School of King Edward VI At Stratford-Upon-Avon 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 The Grammar School of King Edward VI At Stratford-Upon-Avon and the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of The Grammar School of King Edward VI At Stratford-Upon-Avon's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of the The Grammar School of King Edward VI At Stratford-Upon-Avon's funding agreement with the Secretary of State for Education dated 30 October 2024, 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.

**Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants issued by the 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.

Summary of the work undertaken was as follows:

- Analytical review of the Academy Trust's general activities are within the Academy Trusts framework of authorities;
- Consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GRAMMAR SCHOOL OF KING EDWARD VI AT STRATFORD-UPON-AVON AND THE SECRETARY OF STATE FOR EDUCATION FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)****Approach (cont'd)**

- Review of the general control environment for the Academy Trust on financial statements and on regularity;
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the Academy Trust's delegated authorities;
- Formal representations obtained from the Board of Governors and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or Governors;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/finance manager or Governors;
- Review of income received in accordance with the activities permitted within the Academy Trust's charitable objectives.

**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.

UHY Hacker Young (Birmingham) LLP

Reporting Accountant  
UHY Hacker Young (Birmingham) LLP  
9-11 Vittoria Street  
Birmingham  
B1 3ND

11 December 2025

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2025**  
**(Including Income and Expenditure Account)**

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2025	Total 2024
	Note	£'000	£'000	£'000	£'000	£'000
<b>Income from:</b>						
Donations and capital grants	3	169	606	543	1,318	1,839
Charitable activities:						
- Funding for the academy trust's educational operations	4	-	5,503	-	5,503	4,866
Other trading activities	5	271	-	-	271	183
Investment income	6	14	13	-	27	17
<b>Total</b>		<b>454</b>	<b>6,122</b>	<b>543</b>	<b>7,119</b>	<b>6,905</b>
<b>Expenditure on:</b>						
Raising funds	7	-	-	-	-	-
Charitable activities:						
- Academy trust's educational operations	7	124	6,004	387	6,515	6,483
<b>Total</b>		<b>124</b>	<b>6,004</b>	<b>387</b>	<b>6,515</b>	<b>6,483</b>
<b>Net income/(expenditure)</b>		<b>330</b>	<b>118</b>	<b>156</b>	<b>604</b>	<b>422</b>
Transfers between funds	17	(328)	240	88	-	-
<b>Other recognised gains and losses</b>						
Net gains on fixed asset investments		(2)	11	-	9	21
Actuarial gain on defined benefit pension schemes	28	-	560	-	560	90
Asset ceiling adjustment	28	-	(584)	-	(584)	(70)
<b>Net movement in funds</b>		<b>-</b>	<b>345</b>	<b>244</b>	<b>589</b>	<b>463</b>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>	17	<b>37</b>	<b>(318)</b>	<b>17,955</b>	<b>17,674</b>	<b>17,211</b>
<b>Total funds carried forward</b>	17	<b>37</b>	<b>27</b>	<b>18,199</b>	<b>18,263</b>	<b>17,674</b>

All of the The Grammar School Of King Edward VI At Stratford-Upon-Avon's activities derive from acquisitions and continuing operations during the above two financial periods.

**BALANCE SHEET AS AT THE YEAR ENDED 31 AUGUST 2025**

	Note	2025 £'000	2024 £'000
<b>Fixed assets</b>			
Tangible assets	12	18,199	17,955
Fixed asset investment	13	220	211
		<u>18,419</u>	<u>18,166</u>
<b>Current assets</b>			
Debtors	14	501	137
Cash at bank and in hand		314	101
		<u>815</u>	<u>238</u>
<b>Current liabilities</b>			
Creditors: Amounts falling due within one year	15	(967)	(725)
<b>Net current liabilities</b>		<u>(152)</u>	<u>(487)</u>
<b>Total assets less current liabilities</b>		<b>18,267</b>	<b>17,679</b>
Creditors: Amounts falling due after more than one year	16	(4)	(5)
<b>Net assets excluding pension liability</b>		<u>18,263</u>	<u>17,674</u>
Defined benefit pension scheme liability	28	-	-
<b>Total Net Assets</b>		<u><u>18,263</u></u>	<u><u>17,674</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
- Fixed asset fund	17	18,199	17,955
- Restricted income fund	17	27	(318)
- Pension reserve	17	-	-
<b>Total Restricted Funds</b>		<u>18,226</u>	<u>17,637</u>
<b>Unrestricted income fund</b>	17	<u>37</u>	<u>37</u>
<b>Total Unrestricted Funds</b>		<u>37</u>	<u>37</u>
<b>Total Funds</b>		<u><u>18,263</u></u>	<u><u>17,674</u></u>

The financial statements on pages 27 to 50 were approved by the Governors and authorised for issue on 11 December 2025 and signed on their behalf by:



.....  
**V G Matts**  
**Chair**

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

	Notes	2025 £'000	2024 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	275	(19)
Cash flows from investing activities	22	(61)	8
Cash flows from financing activities	23	(1)	(1)
Change in cash and cash equivalents in the reporting period		<u>213</u>	<u>(12)</u>
Cash and cash equivalents at 1 September	24	101	113
Cash and cash equivalents at 31 August	24	<u>314</u>	<u>101</u>

## **1 Statement of Accounting Policies**

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

### **Basis of Preparation**

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

The Grammar School of King Edward VI at Stratford Upon Avon meets the definition of a public benefit entity under FRS 102.

### **Material uncertainty relating to going concern**

The governors 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 governors 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 there are material uncertainties about the Academy Trust's ability to continue as a going concern.

The balance of revenue reserves at 31 August 2025 is a cumulative surplus of £64,000 (2024: £281,000 deficit), which consists of unrestricted funds of £37,000 (2024: £37,000), restricted prize funds of £202,000 (2024: £185,000), Old Edwardians funds of £16,000 (2024: £19,000), school funds of £Nil (2024: £19,000), Nick Collins Fund of £100,000, (2024: £97,000) and a deficit on restricted General Annual Grant fund of £291,000 (2024: £638,000 deficit). As some funds are restricted in their use, the Academy Trust therefore has an overall surplus of revenue funds of £64,000 (2024: £281,000 deficit). The Academy Trust has net current liabilities at 31 August 2025 of £152,000 (2023: £487,000 net current liabilities).

The Governors have prepared the financial statements on a going concern basis. However, they acknowledge that a material uncertainty exists regarding the ability to continue as a going concern due to the cumulative GAG deficit of £291,000 but have already actively implemented changes to address the position.

Looking ahead, the Governors are confident that the reserve position will be in surplus by the end of the academic year 2025/26, and that reserves can be built up to at least 5% in line with the Department for Education's recommended guidance within the next 2–3 years.

The in-year financial position for 2024/25 was very strong, with the increase in funds £589k. The restricted reserves closing balance at the end of year was £27,000 (Prior Year: (£318,000)). The School has made excellent progress in implementing cost-saving measures, including reductions in both Teaching and Support Staff costs, and has increased self-generated income.

The School has fully engaged with the DfE School Resource Management Advisor and has adopted several of their recommendations.

The Governors have carefully reviewed the financial forecasts and considered the potential risks and mitigating factors. They remain proactive in assessing opportunities to increase the School's capacity to accommodate four forms of entry and continue to review and refine financial processes to ensure robust governance, transparency, and long-term sustainability.

## Income

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

- **Grants**

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

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

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

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

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

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.

- **Transfers of leasehold property**

Leasehold property transferred to the Academy from the local authority at little or no consideration will be revalued at fair value in accordance with FRS 102. This value will be recognised as incoming resources in the Statement of Financial Activities and will be included in the appropriate fixed assets category and depreciated over the life of the lease.

### Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

These are costs incurred on the 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 **£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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on leasehold land where the lease is more than 20 years. The principal annual rates used for other assets are:

Leasehold land - gifted from The Trustees of the Grammar School of King Edward VI	Not depreciated
Leasehold buildings - gifted from The Trustees of the Grammar School of King Edward VI	50 years straight line
Furniture and equipment	2 - 10 years straight line
Computer equipment and software	3 years straight line

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.

### Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

### **Financial Instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instrument, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

### **Taxation**

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

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

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

### **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 governors. 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.

### **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.

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 28, 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.

The critical judgements that the Governors have made in the process of applying the Academy Trust's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

Any LGPS surpluses will only be recognised as an asset in the financial statements to the extent that the academy trust can recover this surplus, either through a reduction in future contributions or through a refund to the academy trust.

In assessing whether there have been any indicators of impairment assets, the Governors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

### **Critical areas of judgement**

The critical judgements that the governors have made in the process of applying the Academy Trust's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

In assessing whether there have been any indicators of impairment assets, the governors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

### **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 trust does not have control over the charitable application of the funds. The trust cannot use any of the allocation towards its own administration costs. The funds received and paid and any balances held are disclosed in note 30.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

**2 GENERAL ANNUAL GRANT (GAG)**

Under the funding agreement with the Secretary of State the The Grammar School of King Edward VI At Stratford-Upon-Avon was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2025 (see note 17).

**3 DONATIONS AND CAPITAL GRANTS**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2025 £'000	Total 2024 £'000
Devolved formula capital grant	-	20	20	19
Private sponsorship (capital)	-	523	523	952
Private sponsorship	-	602	602	514
Donations	169	4	173	354
	<b>169</b>	<b>1,149</b>	<b>1,318</b>	<b>1,839</b>

The income from donations and capital grants was £1,318,000 (2024: £1,839,000) of which £169,000 (2024: £257,000) was unrestricted, £606,000 (2024: £611,000) restricted and £543,000 (2024: £971,000) restricted fixed assets.

**4 FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2025 £'000	Total 2024 £'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG) (note 2)	-	2,698	2,698	2,555
Post 16-19 core grant	-	2,316	2,316	2,017
<b>Other DfE/ESFA grants</b>				
Rates relief grant	-	27	27	26
Pupil premium grant	-	17	17	13
Teachers pay grant	-	44	44	44
Teachers pension grant	-	185	185	112
Core schools budget grant	-	177	177	-
National insurance contributions grant	-	30	30	-
Mainstream additional schools grant	-	-	-	86
Other DfE/ESFA grants	-	1	1	5
	-	5,495	5,495	4,858
<b>Other Government grants</b>				
Other local authority grants	-	7	7	8
	-	7	7	8
<b>Other income from the academy trust's educational operations:</b>				
Other grants	-	1	1	-
	-	1	1	-
	-	<b>5,503</b>	<b>5,503</b>	<b>4,866</b>

The income from funding for the Academy Trust's Charitable Activities was £5,503,000 (2024: £4,866,000) of which £Nil (2024: £Nil) was unrestricted and £5,503,000 (2024: £4,866,000) restricted.

**5 OTHER TRADING ACTIVITIES**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2025 £'000	Total 2024 £'000
Hire of facilities	76	-	76	68
Other income	195	-	195	115
	<b>271</b>	<b>-</b>	<b>271</b>	<b>183</b>

The income from the academy trusts' other trading activities was unrestricted for both 2025 and 2024.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

6 INVESTMENT INCOME	Unrestricted	Restricted	Total	Total
	Funds	Funds	2025	2024
	£'000	£'000	£'000	£'000
Other investment income	14	13	27	17
	14	13	27	17
7 EXPENDITURE	Non Pay Expenditure		Total	Total
	Staff Costs	Premises	Other Costs	2025
	£'000	£'000	£'000	£'000
<b>Expenditure on raising funds</b>				
- Direct costs	-	-	-	-
- Allocated support costs	-	-	-	-
	-	-	-	-
<b>Academy's educational operations</b>				
- Direct costs	3,962	-	552	4,514
- Allocated support costs	854	772	375	2,001
	<b>4,816</b>	<b>772</b>	<b>927</b>	<b>6,515</b>
	<b>4,816</b>	<b>772</b>	<b>927</b>	<b>6,515</b>

The expenditure was £6,515,000 (2024: £6,483,000) of which £124,000 (2024: £Nil) was unrestricted, £6,004,000 (2024: £6,077,000) restricted and £387,000 (2024: £406,000) restricted fixed assets.

	2025	2024
	£'000	£'000
<b>Net (income)/expenditure for the year includes:</b>		
Operating leases rentals	25	31
Depreciation	387	406
Fees payable to auditor for:		
- audit	10	10
- other services	3	3

8 CHARITABLE ACTIVITIES	Total	Total
	2025	2024
	£'000	£'000
Direct costs - educational operations	4,514	4,438
Support costs - educational operations	2,001	2,045
	<b>6,515</b>	<b>6,483</b>
	Total	Total
	2025	2024
	£'000	£'000
<b>Analysis of Support Costs</b>		
Support staff costs	854	693
Depreciation	387	406
Technology costs	69	-
Premises costs	385	466
Legal costs - other	30	10
Other support costs	262	456
Governance costs	14	14
	<b>2,001</b>	<b>2,045</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

	Total 2025 £'000	Total 2024 £'000
<b>9 STAFF COSTS</b>		
<b>a Staff costs and employee benefits</b>		
Staff costs during the year were:		
Wages and salaries	3,554	3,334
Social security costs	371	338
Pension costs	881	771
	<u>4,806</u>	<u>4,443</u>
Staff restructuring costs	10	-
	<u><u>4,816</u></u>	<u><u>4,443</u></u>

**b Staff severance contractual and non contractual payments**

The Academy Trust paid 1 severance payment in the year £9,817 (2024: £Nil).

	2025	2024
0 - £25,000	<u>1</u>	<u>-</u>

**c Special staff severance non contractual payments**

Included in staff restructuring costs there is one non statutory/non contractual special severance payment totalling £9,817 (2024: £Nil).

**d Staff numbers**

The average number of persons (including School Leadership Team) employed by the Academy during the year ended 31 August 2025 expressed as whole persons was as follows:

	2025 No	2024 No
<b>Charitable Activities</b>		
Teachers	48	49
Administration and support - including Teaching Assistants	45	54
Management	7	7
	<u>100</u>	<u>110</u>

**e Higher paid staff**

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

	No	No
£60,001 - £70,000	5	4
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
	<u>1</u>	<u>-</u>

**f Key management personnel**

The key management of the academy trust comprise the Governors and the Senior Leadership Team as listed on page 3. 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 £842,196 (2024: £761,486).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

**10 RELATED PARTY TRANSACTIONS – GOVERNORS' REMUNERATION AND EXPENSES**

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The headteacher and other staff Governors receive remuneration in respect of their contracts of employment as headteacher and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Governors. The value of Governor's remuneration and other remuneration was as follows:

	<u>2025</u>	<u>2024</u>
Mr B Carr		
Remuneration	£150,000 - £160,000	£140,000 - £150,000
Employers pension	£40,000 - £45,000	£30,000 - £35,000
Mr S McCrink		
Remuneration	£70,000 - £80,000	£70,000 - £80,000
Employers pension	£20,000 - £25,000	£15,000 - £20,000
Mr B Lanoe		
Remuneration	£50,000 - £55,000	£45,000 - £50,000
Employers pension	£15,000 - £20,000	£10,000 - £15,000
Mrs F Roberts		
Remuneration	£25,000 - £30,000	£25,000 - £30,000
Employers pension	£5,000 - £10,000	£5,000 - £10,000

During the year ended 31 August 2025, travel and subsistence expenses totalling £163 (2024: £Nil) were reimbursed or paid directly to 1 Governor.

Other related party transactions including directors are set out in note 29.

**11 GOVERNORS' 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 academy has joined the DfE's Risk Protection Arrangement. The arrangement provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2025 is included within the total insurance cost.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

## 12 TANGIBLE FIXED ASSETS

	Leasehold Land & Buildings	Furniture & Equipment	Computer Equipment	Assets Under Construction	Total
<b>Cost</b>	£'000	£'000	£'000	£'000	£'000
At 1 September 2024	20,624	611	332	952	22,519
Additions	34	57	28	512	631
Reclassification	1,464	28	(28)	(1,464)	-
Revaluation	-	-	-	-	-
At 31 August 2025	<u>22,122</u>	<u>696</u>	<u>332</u>	<u>-</u>	<u>23,150</u>
<b>Depreciation</b>					
At 1 September 2024	3,870	399	295	-	4,564
Charged in year	330	48	9	-	387
At 31 August 2025	<u>4,200</u>	<u>447</u>	<u>304</u>	<u>-</u>	<u>4,951</u>
<b>Net book value</b>					
At 31 August 2025	<u>17,922</u>	<u>249</u>	<u>28</u>	<u>-</u>	<u>18,199</u>
At 31 August 2024	<u>16,754</u>	<u>212</u>	<u>37</u>	<u>952</u>	<u>17,955</u>
				2025	2024
				£'000	£'000
<b>13 FIXED ASSET INVESTMENT</b>					
<b>Cost or Valuation</b>					
At 1 September				211	190
Gain on revaluation				9	21
At 31 August				<u>220</u>	<u>211</u>
<b>Net book value</b>					
At 31 August 2025					<u>220</u>
At 31 August 2024					<u>211</u>
				2025	2024
				£'000	£'000
<b>14 DEBTORS</b>					
Trade debtors				225	3
VAT recoverable				40	89
Prepayments and accrued income				236	45
				<u>501</u>	<u>137</u>
<b>15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>				2025	2024
				£'000	£'000
Trade creditors				205	47
Other creditors				135	151
Salix loans				1	1
Taxation & social security				94	77
Accruals				255	289
Deferred income				277	160
				<u>967</u>	<u>725</u>
<b>Deferred Income</b>					
Deferred income at 1 September				160	116
Resources deferred in the year				277	160
Amounts recognised as income during the year				(160)	(116)
Deferred income at 31 August				<u>277</u>	<u>160</u>

At the balance sheet date the academy was holding funds received in advance for 2025/26 for trips £215,094 (2024: £89,947), music income £17,430 (2024: £69,586), ampitheatre funds £39,058 (2024: £Nil) and donations/other income £5,678 (2024: Nil).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

16 CREDITORS: AMOUNTS FALLING DUE IN GREATER THAN ONE YEAR	2025	2024
	£'000	£'000
Salix loans	4	5
	<u>4</u>	<u>5</u>

In 2021 the Trust took out a DfE approved, interest free Salix loan with an outstanding balance due after year 4 as at 31 August 2025 of £4,736 (2024: £5,788) payable over 8 years.

## 17 FUNDS

The income funds of the academy applied for specific purposes are as follows:

	Balance at 1 September 2024 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Balance at Losses & 31 August Transfers £'000	2025 £'000
<b>Restricted general funds</b>					
General annual grant (GAG) (note i)	(638)	2,698	(2,611)	260	(291)
Post 16 core funding (note i)	-	2,316	(2,316)	-	-
Rates relief grant (note ii)	-	27	(27)	-	-
Pupil premium grant (note iii)	-	17	(17)	-	-
Core schools budget grant (note iv)	-	177	(177)	-	-
National insurance grant (note iv)	-	30	(30)	-	-
Teachers pension (note iv)	-	185	(185)	-	-
Teachers pay grant (note iv)	-	44	(44)	-	-
Other DfE / ESFA grants - (note iv)	-	1	(1)	-	-
Future careers - WCC (note v)	-	2	(2)	-	-
Local authority - SEN (note v)	-	5	(5)	-	-
Other revenue grant	-	1	(1)	-	-
Private sector sponsorship (note vi)	-	602	(602)	-	-
Nick Collins Fund (note vii)	97	3	-	-	100
Old Edwardian's fund (note vii)	19	1	(4)	-	16
School Fund (note vii)	19	-	-	(19)	-
Prize funds (note vii)	185	13	(6)	10	202
<b>Total general funds</b>	<u>(318)</u>	<u>6,122</u>	<u>(6,028)</u>	<u>251</u>	<u>27</u>
<b>Restricted fixed asset funds</b>					
ESFA capital grants (note viii)	823	20	(56)	-	787
Fixed assets donation (note viii)	15,978	-	(309)	-	15,669
Unrestricted funds transfer (note x)	74	-	(5)	88	157
Voluntary capital donations (note xi)	1,080	523	(17)	-	1,586
<b>Total fixed asset funds</b>	<u>17,955</u>	<u>543</u>	<u>(387)</u>	<u>88</u>	<u>18,199</u>
<b>Restricted pension scheme liability</b>					
Pension reserve (note xii)	-	-	24	(24)	-
	-	-	24	(24)	-
<b>Total restricted funds</b>	<u>17,637</u>	<u>6,665</u>	<u>(6,391)</u>	<u>315</u>	<u>18,226</u>
<b>Unrestricted funds</b>					
Biddle designated fund (note xiii)	37	-	-	-	37
PAD Fund (note xiii)	-	115	(124)	9	-
Unrestricted funds (note xiii)	-	339	-	(339)	-
<b>Total unrestricted funds</b>	<u>37</u>	<u>454</u>	<u>(124)</u>	<u>(330)</u>	<u>37</u>
<b>Total funds</b>	<u>17,674</u>	<u>7,119</u>	<u>(6,515)</u>	<u>(15)</u>	<u>18,263</u>

## **17 FUNDS (cont'd)**

The academy trust is carrying a net surplus of £64,000 on restricted general funds (excluding pension reserve) plus unrestricted funds. However, the General Annual Grant (GAG) fund closed the year with a deficit of £291,000. The academy trust is taking the following action to return the GAG fund to surplus

Overall, the financial position has improved significantly, reflecting the swift and proactive steps taken by the School to strengthen its finances. The School currently holds a surplus of £64,000 within restricted general funds (excluding the pension reserve) plus unrestricted funds. However, the Board of Governors acknowledges that the General Annual Grant (GAG) fund closed the year with a deficit of £291,000 and is actively implementing measures to eliminate this shortfall and restore the fund to a surplus position within the next 12 months. The Board continues to work closely with the School to build and maintain an adequate level of reserves in line with the School's Reserves Policy, ensuring long-term financial stability while supporting strategic priorities. To achieve this, the School has introduced a range of initiatives, including cost reductions in both staffing and non-pay expenditure, alongside actively pursuing opportunities to maximise income streams. Looking ahead, the Board's five-year Strategic Plan includes a key objective to grow the School through the addition of an extra form of entry by September 2027, which will secure greater financial stability over the long term.

### **Notes**

- i) General Annual Grant must be used for the normal running costs of the School. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it would carry forward at 31 August 2025. (see note 2)
- ii) Funding from the DfE for business rates costs
- iii) Pupil premium grants have been used to support pupils with learning or behavioural issues by providing teaching and teaching assistant support.
- iv) Grants received from the DfE to provide core and staff funding needed to deliver the national curriculum and help schools cover the increases in staff costs.
- vi) Teachers pay, teachers pension and free school meal supplementary grants have been used to improve skills for employment and behaviour in school.
- v) Local authority grants received for special educational needs funding and future careers funding.
- vi) Private sector sponsorship is used on the educational activities of the School.
- vii) The School Fund and other restricted funds support educational activities and projects that enhance learning and development in line with the restrictions of the donations.
- viii) Devolved formula capital and CIF grant has been used for a new replacement building and a new boiler.
- ix) Restricted fixed assets were funded by government grants, a transfer from General Annual Grant (GAG) and by WCC donating Academy land and buildings on a 125 year lease at a pepper corn
- x) An unrestricted funds transfer of £88,000 (2024: £9,000) has been used to contribute to the restricted fixed asset fund.
- xi) Trustee capital donations are used to purchase tangible fixed assets .
- xii) The pension reserve represents the deficit on the Local Government Pension Scheme (see note 28).
- xiii) Unrestricted funds have been used on activities to generate funds.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

## 17 FUNDS (cont'd)

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

	Balance at 1 September 2023	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2024 £'000
<b>Restricted general funds</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
General annual grant (GAG) (note i)	(385)	2,555	(3,244)	436	(638)
Post 16 core funding (note i)	-	2,017	(2,017)	-	-
Rates relief grant (note ii)	-	26	(26)	-	-
Pupil premium grant (note iii)	-	13	(13)	-	-
Mainstream schools additional grant (note iv)	-	86	(86)	-	-
Teachers pension (note iv)	-	112	(112)	-	-
Teachers pay grant (note iv)	-	44	(44)	-	-
Other DfE / ESFA grants - (note iv)	-	5	(5)	-	-
Future careers - WCC (note v)	-	8	(8)	-	-
Private sector sponsorship (note vi)	-	514	(514)	-	-
Nick Collins Fund (note vii)	-	97	-	-	97
Old Edwardian's fund (note vii)	26	-	(7)	-	19
School Fund (note vii)	19	-	-	-	19
Prize funds (note vii)	168	10	(11)	18	185
<b>Total general funds</b>	<b>(172)</b>	<b>5,487</b>	<b>(6,087)</b>	<b>454</b>	<b>(318)</b>
<b>Restricted fixed asset funds</b>					
ESFA capital grants (note viii)	827	19	(23)	-	823
Fixed assets donation (note viii)	16,313	-	(335)	-	15,978
Unrestricted funds transfer (note x)	96	-	(31)	9	74
Voluntary capital donations (note xi)	145	952	(17)	-	1,080
<b>Total fixed asset funds</b>	<b>17,381</b>	<b>971</b>	<b>(406)</b>	<b>9</b>	<b>17,955</b>
<b>Restricted pension scheme liability</b>					
Pension reserve (note xii)	(30)	-	10	20	-
	(30)	-	10	20	-
<b>Total restricted funds</b>	<b>17,179</b>	<b>6,458</b>	<b>(6,483)</b>	<b>483</b>	<b>17,637</b>
<b>Unrestricted funds</b>					
Biddle designated fund (note xiii)	32	2	-	3	37
Unrestricted funds (note xiii)	-	445	-	(445)	-
<b>Total unrestricted funds</b>	<b>32</b>	<b>447</b>	<b>-</b>	<b>(442)</b>	<b>37</b>
<b>Total funds</b>	<b>17,211</b>	<b>6,905</b>	<b>(6,483)</b>	<b>41</b>	<b>17,674</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

**18 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31 August 2025 are represented by:

	Unrestricted	Pension	General	Fixed	
	Restricted	Restricted	Restricted	Assets	
	Funds	Funds	Funds	Restricted	Total
	£'000	£'000	£'000	Funds	£'000
				£'000	
Tangible fixed assets	-	-	-	18,199	18,199
Fixed asset investments	32	-	188	-	220
Current assets	5	-	810	-	815
Current liabilities	-	-	(967)	-	(967)
Non current liabilities	-	-	(4)	-	(4)
Pension scheme liability	-	-	-	-	-
	<b>37</b>	<b>-</b>	<b>27</b>	<b>18,199</b>	<b>18,263</b>

Fund balances at 31 August 2024 are represented by:

	Unrestricted	Pension	General	Fixed	
	Restricted	Restricted	Restricted	Assets	
	Funds	Funds	Funds	Restricted	Total
	£'000	£'000	£'000	Funds	£'000
				£'000	
Tangible fixed assets	-	-	-	17,955	17,955
Fixed asset investments	34	-	177	-	211
Current assets	3	-	235	-	238
Current liabilities	-	-	(725)	-	(725)
Non current liabilities	-	-	(5)	-	(5)
Pension scheme liability	-	-	-	-	-
	<b>37</b>	<b>-</b>	<b>(318)</b>	<b>17,955</b>	<b>17,674</b>

**19 CAPITAL COMMITMENTS**

Contracted for, but not provided in the financial statements

	2025	2024
	£'000	£'000
	<b>49</b>	<b>449</b>

**20 LONG TERM COMMITMENTS INCLUDING OPERATING LEASES*****Operating leases***

At 31 August 2025 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2025	2024
	Other	Other
	£'000	£'000
Amounts due within one year	14	16
Amounts due between one and five years	-	6
	<b>14</b>	<b>22</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

**21 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2025	2024
	£'000	£'000
Net income for the reporting period (as per the statement of financial activities)	604	422
Adjusted for:		
Depreciation (note 12)	387	406
Capital grants from DfE and other capital income	(543)	(971)
Interest receivable	(27)	(17)
Defined benefit pension scheme cost less contributions payable (note 28)	(20)	(11)
Defined benefit pension scheme finance cost (note 28)	(4)	1
Increase in debtors	(364)	(42)
Increase in creditors	242	193
<b>Net cash provided by/(used in) operating activities</b>	<b>275</b>	<b>(19)</b>

**22 CASH FLOWS FROM INVESTING ACTIVITIES**

	2025	2024
	£'000	£'000
Interest received	27	17
Purchase of tangible fixed assets	(631)	(980)
Capital grants from DfE/ESFA, sponsors and others	543	971
<b>Net cash (used in)/provided by investing activities</b>	<b>(61)</b>	<b>8</b>

**23 CASH FLOWS FROM FINANCING ACTIVITIES**

	2025	2024
	£'000	£'000
Repayments of borrowing	(1)	(1)
Cash inflows from new borrowing	-	-
<b>Net cash used in financing activities</b>	<b>(1)</b>	<b>(1)</b>

**24 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	At 31 Aug	At 31 Aug
	2025	2024
	£'000	£'000
Cash in hand and at bank	314	101
<b>Total cash and cash equivalents</b>	<b>314</b>	<b>101</b>

**25 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 Sept	Cash	At 31 Aug
	2024	Flows	2025
	£'000	£'000	£'000
Cash at bank	101	213	314
	<b>101</b>	<b>213</b>	<b>314</b>
Loans within one year	(1)	-	(1)
Loans greater than one year	(5)	1	(4)
	<b>95</b>	<b>214</b>	<b>309</b>

## **26 CONTINGENT LIABILITIES**

During the period of the funding agreement between the The Grammar School of King Edward VI At Stratford-Upon-Avon and the Secretary of State, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the The Grammar School of King Edward VI At Stratford-Upon-Avon is required either to reinvest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the The Grammar School of King Edward VI At Stratford-Upon-Avon serving notice, the The Grammar School of King Edward VI At Stratford-Upon-Avon is obliged to repay to the Secretary of State sums determined by reference to:

- a) the value at that time of the The Grammar School of King Edward VI At Stratford-Upon-Avon's sites and premises and other assets held for the purpose of the The Grammar School of King Edward VI At Stratford-Upon-Avon; and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

## **27 MEMBER LIABILITY**

Each member of the The Grammar School of King Edward VI At Stratford-Upon-Avon undertakes to contribute to its assets in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

## **28 PENSION AND SIMILAR OBLIGATIONS**

The Grammar School of King Edward VI At Stratford-Upon-Avon'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 Pension Fund. Both are defined multi employer benefit schemes.

As described in note 1 the LGPS obligation relates to the employees of the The Grammar School of King Edward VI At Stratford-Upon-Avon, who were employees at the date of incorporation of the Academy Trust, and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust's at the balance sheet date.

The total pension cost to the Academy during the year ended 31 August 2025 was £881,000 (2024: £771,000) of which £724,000 (2024: £633,000) relates to the TPS and £157,000 (2024: £138,000)

The pension costs are assessed in accordance with the advice of independent qualified actuaries. 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.

Contributions amounting to £100,676 were payable to the schemes at 31 August 2025 (2024: £77,840) and are included within other creditors.

## **28 PENSION AND SIMILAR OBLIGATIONS (cont'd)**

### **Teachers' Pension Scheme**

#### **Introduction**

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

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

#### **Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

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

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

The employer's costs paid to TPS in the period amounted to £724,000 (2024: £633,000).

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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

**28 PENSION AND SIMILAR OBLIGATIONS (cont'd)****Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with the assets held in a separate trustee administered funds. The total contributions made for the year ended 31 August 2025 was £229,000 (2024: £188,000) of which employers contributions totalled £181,000 (2024: £148,000) and employees contributions totalled £48,000 (2024: £40,000).

The agreed contributions for future years is an average of 23.1% (2024: 23.1%) for employers and a minimum of 5.5% to 8.5% (2024: 5.5% to 8.5%) for employees.

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

**Principal Actuarial Assumptions**

The major assumptions used by the actuary were:

	At 31 August 2025	At 31 August 2024
	% per annum	% per annum
Discount rate	6.1%	5.0%
Salary increases	3.7%	3.7%
Pension increase	2.7%	2.7%

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	At 31 August 2025	At 31 August 2024
	Approx Change to Employers Liability £'000	Approx Change to Employers Liability £'000
Discount rate reduced by 0.1% per annum	46	53
Salary increase rate increased by 0.1%	2	2
Assumed life increased by 1 year	100	109
Pension increase rate increased by 0.1%	46	52

The mortality assumptions used were as follows:

	At 31 August 2025	At 31 August 2024
	years	years
Longevity at age 65		
- Men	19.8	19.6
- Women	25.2	25.1
Longevity at age 65		
- Men	22.1	21.8
- Women	25.9	25.9

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

**28 PENSION AND SIMILAR OBLIGATIONS (cont'd)**

The Grammar School of King Edward VI At Stratford-Upon-Avon's share of the assets in the scheme were:

	Fair value at 31 August 2025	Fair value at 31 August 2024
	£'000	£'000
Equity instruments	1,449	1,365
Debt instruments	1,039	836
Property	598	557
Cash and other liquid assets	63	28
<b>Total market value of assets</b>	<u>3,149</u>	<u>2,786</u>
Present value of scheme liabilities:		
- Funded	3,149	2,786
- Unfunded	-	-
<b>Total liabilities</b>	<u>3,149</u>	<u>2,786</u>
<b>Deficit in the scheme</b>	<u>-</u>	<u>-</u>

The actual return on the scheme assets in the year was a surplus of £191,000 (2024: £218,000).

**Amounts recognised in the Statement of Financial Activities:**

	2025	2024
	£'000	£'000
Current service cost	161	137
Interest income	(143)	(131)
Interest cost	139	132
<b>Total amount recognised in the SoFA</b>	<u>157</u>	<u>138</u>

	2025	2024
	£'000	£'000
<b>Changes in deficit during the year:</b>		
Balance at 1 September	-	30
Movement in year:		
- Employer service cost (net of employee contributions)	161	137
- Employer contributions	(181)	(148)
- Expected return on scheme assets	(143)	(131)
- Interest cost	139	132
- Asset ceiling	584	70
- Actuarial gains	(560)	(90)
<b>Deficit in the scheme at 31 August</b>	<u>-</u>	<u>-</u>

	2025	2024
	£'000	£'000
<b>Changes in the present value of defined benefit obligations were as follows:</b>		
Balance at 1 September	2,786	2,488
Current service cost	161	137
Interest cost	139	132
Contributions by scheme participants	48	40
Benefits paid	(57)	(78)
Actuarial gains	(512)	(3)
Asset ceiling	584	70
<b>Scheme liabilities at 31 August</b>	<u>3,149</u>	<u>2,786</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025 (cont'd)

**28 PENSION AND SIMILAR OBLIGATIONS (cont'd)**

<b>Changes in the fair value of the share of scheme assets:</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Balance at 1 September	2,786	2,458
Expected return on scheme assets	143	131
Actuarial gains	48	87
Contributions by employer	181	148
Benefits paid	(57)	(78)
Contributions by scheme participants	48	40
<b>Fair value of scheme assets at 31 August</b>	<b><u>3,149</u></b>	<b><u>2,786</u></b>

The estimated value of employer contributions for the year ended 31 August 2026 is £181,000 (2025: £148,000).

The fair value of the pension plan assets at 31 August 2025 is in excess of the present value of the defined benefit obligations at that date, giving rise to a net surplus of £654,000 (2024: £70,000). This surplus is recognised in the financial statements only to the extent that the academy trust can recover this surplus, either through a reduction in future contributions or through a refund to the academy trust.

The academy trust is not able to determine that future contributions will be reduced and it is not possible for the academy trust to receive a refund from the scheme, as the specific conditions for this have not been met. Therefore an asset ceiling is in place such that the surplus of £654,000 (2024: £70,000) is not recognised as an asset at 31 August 2025 and the net asset/liability recognised in the financial statements is capped at £Nil.

**29 RELATED PARTY TRANSACTIONS**

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

The Governors of The Grammar School of King Edward VI School (established separately under Charity Number 528769) are a related party as they and the Academy Trust share common Trustees. Mr V G F Matts, Mr D Austin and Mr R Drain who act as both Trustees of the Charity and as Governors or Members of the Academy Trust. The charity owns the freehold of the land and buildings for the sole use of the Academy Trust in perpetuity. This was recognised in the 2013 financial statements at a valuation of £17,784,000. Depreciation of £273,420 (2024: £273,420) has been charged in the current year. In addition, the academy received donations of £1,125,000 in 2024/25 (2024: £1,466,000) and £202,000 was outstanding at 31 August 2025 (2024: £Nil).

Mr B Lanoe is a Chairman of Stratford Upon Avon Hockey Club. The academy received income of £15,064 for pitch hire in 2024/25 (2024: £Nil) and £2,224 was outstanding at 31 August 2025 (2024:

In entering into the transactions the trust has complied with the requirements of the Academy Trust Handbook 2024.

**30 AGENCY ARRANGEMENTS**

The academy trust distributes 16-19 bursary funds to students as an agent for the DfE. In the accounting period ending 31 August 2025 the trust received £25,074 (2024: £20,876) and disbursed £18,134 (2024: £9,890) from the fund. An amount of £25,579 (2024: £18,639) is included in other creditors relating to the undistributed funds that is repayable to the DfE.

**31 EVENTS AFTER THE END OF THE REPORTING PERIOD**

There are no material adjusting or non adjusting events arising after the balance sheet date.