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Company Registration Number: 07644208 (England & Wales)

ALBAN CITY FREE SCHOOL LIMITED

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

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ALBAN CITY FREE SCHOOL LIMITED
(A Company Limited by Guarantee)

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ALBAN CITY FREE SCHOOL LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	P A Willoughby (resigned 20 October 2025) R Brown L H Crawley J M Graham M Hooper L S Jubb K L Leahy (resigned 24 October 2024) G Martin S Trend (resigned 24 October 2024) S Wright (appointed 24 October 2024) M Lovett (appointed 20 October 2025)
Trustees	P A Willoughby H Baylis (appointed 10 October 2024)[2] C Carter (resigned 1 December 2024)[1] G Collins (appointed 9 December 2024)[1] R Crick[2] I Gregory (appointed 9 December 2024) E Hodgkinson K L Leahy (resigned 8 July 2025) M Lovett, Chair of Trustees (appointed 9 December 2024) K Moseley (appointed 20 January 2025) B O'Sullivan[1] E Phillips (appointed 10 October 2024)[2] G Stray, Headteacher and Accounting Officer[1] S Trend (resigned 7 October 2025) S Wright[2] [1] Staff Trustee [2] Parent Trustee
Company registered number	07644208
Company name	Alban City Free School Limited
Principal and registered office	7 Hatfield Road St Albans Hertfordshire AL1 3RR
Senior management team	G Stray, Headteacher C Carter, Deputy Headteacher L Aitbenmoussa, Assistant Headteacher K Dumont, Phase 1 Leader P Stapleton, Business Manager

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Independent auditors	Hillier Hopkins LLP Chartered Accountants Statutory Auditor Radius House 51 Clarendon Road Watford Hertfordshire WD17 1HP
Bankers	Lloyds Bank PO Box 1000 BX1 1T
Solicitors	Debenhams Ottaway 107 St Peter's Street St Albans AL1 3EW

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ALBAN CITY FREE SCHOOL LIMITED
(A Company Limited by Guarantee)

HEADTEACHER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The Headteacher presents her statement for the year.

Alban City School opened In September 2012 under the Free School agenda and has been supported fully by the Local Authority. The school opened with two Reception classes and reached full capacity in September 2018 with 2 classes from Reception up to Year 6.

The mission statement for our school is "Children, their happiness, well-being and high achievement are the heartbeat of our school." We aim to be an inclusive school where all parents, whatever their circumstances and needs, feel able to entrust their children to us, confident that we will support and guide them to achieve their very best educationally, socially and physically in an environment that puts children's needs at the top of the agenda.

We believe that children are at the heart of any great school. Their happiness and well-being is the key to their future success and will be embedded in a community that gives all children a sense of belonging and worth.

A School Development Plan has been written and sets the strategic direction and focus of the school. Funding has been targeted to ensure that the priorities in the School Development Plan are appropriately resourced.

The latest school inspection by Ofsted was in June 2023. The inspection was ungraded and confirmed that the school is still a good school. The report identified one area for improvement which was addressed in the 2023/24 school development plan and continued to be addressed in the 2024/25 academic year.

Statutory assessments took place in July 2025. The school's results at KS2 exceeded the national and local authority averages in all areas.

A Senior Management Team consisting of the Headteacher, Deputy Headteacher, Assistant Headteacher, Phase 1 Leader and Business Manager is in place and oversees the strategic development of the school. The school's finances are kept under close review and whilst healthy reserves have been built up over the past years, the further tightening of funding in future will mean that the school will need to continue to be prudent with its expenditure and explore ways to generate additional income.

Alban City School continues to provide its children with a well-rounded education and we are proud of the contribution we make to the community of St Albans.

.....G Stray.....
G Stray
Headteacher

Date: 8 DECEMBER 2025

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

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

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association is the primary governing document of the Academy Trust.

The Trustees of Alban City Free School Limited are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Alban City School.

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

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

c. Trustees' indemnities

From 1 September 2014 the company has opted in to the Department of Education's Risk Protection Arrangement. This is a voluntary arrangement for academies and free schools as an alternative to insurance through which the cost of risks that materialise will be covered by government funds.

d. Method of recruitment and appointment or election of Trustees

When the company was formed, the members became the first Trustees of the school. Since then, further Trustees have been appointed who bring different expertise to the governing body.

Alban City School's governing body now comprises of 12 Trustees including two staff Trustees, four parent Trustees and the Headteacher. The Articles of Association require that there be a minimum of 3 Trustees. The term is 4 years although the Trustees can resign at any time during this period.

Parent Trustees are elected by the parents of current pupils of Alban City School. Staff Trustees are elected by the staff currently employed by Alban City School.

With regards to the appointment of community Trustees, the Board of Trustees will ensure that consideration is given to the skills mix of the Trustees so that they can be contribute fully ensure the school's development.

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Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

Alban City School subscribes to Hertfordshire Trustee Services who run the Trustee induction courses and new Trustees details are provided to Hertfordshire Trustee Services so that they can receive the induction pack and the training courses details.

f. Organisational structure

At the first Board of Trustees meeting of 2024/25 the Board of Trustees agreed to disband the Pupil Achievement and Resource committees that had been operating in previous years and for all Trustees to attend two full meetings per term. This was to enable all Trustees to understand and contribute to discussions on all matters, both relating to Pupil Achievement and Resources. A new committee, Audit and Risk, was established in accordance with the Academy Trust Handbook, with appropriate Terms of Reference.

At the first full Board of Trustees meeting in the autumn term the Trustees elect the Chair and Vice Chair of the full governing body.

The day to day running of the school is delegated to the Headteacher who is the Accounting Officer as required by the Funding Agreement with the Department of Education. The responsibilities of the Accounting Officer are defined in the Statement of Internal Control on Page 13.

g. Arrangements for setting pay and remuneration of key management personnel

Pay for key management personnel is set in accordance with the school's Pay Policy which follows the standard policy for Hertfordshire schools. The pay for the Headteacher is set following an annual appraisal by a sub committee of the Board of Trustees in conjunction with an independent schools advisor. The pay for other key management personnel is set by the Headteacher with approval from the full governing body.

h. Related parties and other connected charities and organisations

There are no connected organisations.

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

Objectives and activities

a. Objects and aims

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

The Trustees believe that children are at the heart of any great school. Their happiness and well-being is the key to their future success and will be embedded in a community that gives all children a sense of belonging and worth.

Alban City School's aims are:

- To encourage children to be curious and caring about the world around them, and to be courteous and tolerant in their relationships with each other and with the adults they meet
- To teach children to learn to value others by being valued themselves, regardless of race, gender, disability, creed or culture
- To promote a sense of belonging in children and their families and work in partnership with parents to cultivate a positive and enthusiastic attitude to learning
- To help children to develop social skills and personal qualities such as honesty, kindness and self-discipline

The Trustees intend the school to become truly reflective, responding to the diverse needs of its children and community, never compromising on giving its children the best possible experiences in their continuing education, so that they can leave with a strong sense of self-worth and their place in society, pride in their abilities, articulate and educationally well prepared to be successful in their future lives.

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Objectives and activities (continued)

b. Objectives, strategies and activities

As stated in the School Development Plan for 2024-25, Alban City School had the following objectives for the academic year:

Quality of Education

- Consistency in the quality of teaching expectations and understanding of children's needs
- To develop more diversity and representation in the curriculum and school environment
- To improve the quality of children's spelling by the end of KS2

Behaviour and attitudes

- Foster greater understanding of neurodiversity throughout the school community

Personal Development

- Develop the quality of play, interactions and physical activity at lunchtimes

Leadership and Management

- Improve the impact of leaders' monitoring on the quality of education
- Develop the quality and impact of CPD for teachers

Quality of education in Early Years Foundation Stage

- Develop quality of continuous and enhanced provision

c. Public benefit

Alban City School receives the majority of its income from the Department for Education to provide educational services to children and to ensure a broad and balanced curriculum. The Trustees of Alban City School are satisfied that they meet the public benefit criteria as required by section 17 of the Charities Act 2011.

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Strategic report

Achievements and performance

a. Key performance indicators

The governors monitor several Key Performance Indicators, both financial and operational. The key financial KPIs are as follows:

	2025	2024	2023	2022	2021
Total staff cost (% of total expenditure)	75%	72%	71%	72%	74%
Teaching staff cost (% total expenditure)	45%	47%	48%	41%	46%
Supply staff cost (% total expenditure)	0.8%	0.1%	0.6%	3.7%	2.1%
Expenditure on energy (% of total expenditure)	1.1%	1.2%	1.7%	1.1%	0.8%
Net income (% of total income)	-9.5%	-12.8%	-13.3	1.8%	-18.1%
Pupil teacher ratio	22.5	22.3	22.7	20.3	21.1
Number of pupils in October census	385	382	389	378	389

As funding is based on pupil numbers in the prior year this is a key performance indicator. From September 2018 the school has had 14 classes with a Published Admission Number (PAN) of 420. The total number of pupils recorded in the school census in October 2025 was 385.

The Trustees are kept aware of employee matters particularly with respect to any staff leavers. The school places importance on staff retention and development in order to maintain the highest standards of teaching and learning.

b. Going concern

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

Financial review

The Trustees of Alban City School have made it a priority to ensure high standards are maintained in the children's attainments and the environment they are taught in but at the same time ensuring the budget and any proposals for additional expenditure are rigorously evaluated.

The school's financial position for the year ended 31 August 2025 demonstrates total income of £2,792,816 with a deficit at 31 August 2025 of £261,447. The main source of income was from the General Annual Grant provided by the Department for Education. These funds have been used for running the day to day operations of the school. The deficit has been funded by reserves built up in previous years.

The deficit for the year has been mainly due to high staff wages caused by the higher number of teachers on the Upper Pay Scale plus the costs of maternity and supply cover incurred in the year. In addition energy costs have remained high, although partially offset by the solar panels which were installed in January 2024. The SLT and Trustees have closely monitored these costs with the aim of making decisions which will lead to the school achieving a breakeven position in 2025-26.

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a. Reserves policy

Alban City School aims to carry forward resources from the restricted and unrestricted fund to cover the medium and long term needs for renewal and replacement of major capital projects and unforeseen contingencies. The Department for Education has not set a limit to the amounts which can be carried forward.

The Trustees have determined that the minimum level of free reserves should be £180,000 which represents approximately one month of the payroll run during the year ended 31 August 2025. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The school's level of free reserves at 31 August 2025 was £254,040.

b. Investment policy

The Trustees of Alban City School are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds.

The Trustees' management of cash flow should ensure that there are always sufficient funds in the main bank account to cover operational costs. Banks must be selected from the FCA Approved List included in the Financial Services Compensation Scheme (FSCS).

Trustees will seek to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate. If longer term arrangements were required then alternative investment opportunities would be sought, however the providers would be selected from the FCA Approved List included in the Financial Services Compensation Scheme (FSCS). The level of deposits with any one provider is restricted to the amount guaranteed by the FSCS.

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c. Principal risks and uncertainties

Trustees have identified the following areas affecting the school's risk and uncertainties at Alban City School:

- Safeguarding and child protection risks

  Governors continue to ensure that high standards are maintained in selecting staff. The school has a child protection policy and provides training and support in order to protect the vulnerable young children in its care.

- Reputational Risk

  The success of the school depends on maintaining high educational standards in order to attract sufficient number of pupils to the school. Governors are focused in monitoring and reviewing the achievement and success of the children.

- Failure in governance/management

  Governors continue to review and ensure that measures are in place to mitigate this risk.

- Significant changes in staff

  Governors have a policy in place to develop existing staff as well as continue to review and monitor arrangements for any new staff which may be required.

- Financial Risk

  The main financial risk to Alban City School is cash flow. The governing body monitors cash flow to ensure that the school has sufficient funds available to meet it debts as they fall due. The governors have assessed the credit risk but as the school's main income is from the Department for Education they feel that this is not an issue as funds are received when due. The school development plan is followed closely to ensure that staffing is sustainable and the upkeep of the site is maintained.

During the year the school has paid contributions for some non-teaching staff into the Local Government Pension Scheme, which is a defined benefit pension scheme. At the year end the school has recognised its share of the Local Government Pension Scheme's assets and liabilities in accordance with Financial Reporting Standard 102.

Fundraising

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Plans for future periods

The objectives for future years at Alban City School are:

- To ensure that the priorities set in the School Development Plan are achieved.
- To ensure that all children reach their full potential.
- For Trustees to ensure the school continues to develop in line with the vision of the school.

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Funds held as custodian on behalf of others

The school does not hold any funds as Custodian Trustee.

Disclosure of information to auditors

In so far as the Trustees are aware:

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

Alban City School has appointed Hillier Hopkins LLP as auditor.

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

M S Lovett

.....

M Lovett
Chair of Trustees

Date: 8 DECEMBER 2025

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Alban City Free School Limited and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

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GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
P A Willoughby	6	6
H Baylis	6	6
C Carter	1	1
G Collins	5	5
R Crick	4	6
I Gregory	4	5
E Hodgkinson	6	6
K L Leahy	5	6
M Lovett, Chair of Trustees	5	5
K Moseley	3	4
B O'Sullivan	5	6
E Phillips	4	5
G Stray, Headteacher and Accounting Officer	5	6
S Trend	3	6
S Wright	5	6

The Academies Financial Handbook sets out that the Board of Trustees and its committees must meet regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements. It states that full Board of Trustees meetings must take place at least 3 times a year and larger trusts should consider meeting more frequently. It also states that management accounts should be shared with the chair of governors monthly and considered by the full governing body when it meets. During the year, the management accounts have been shared with all governors at their 6 meetings which has ensured effective oversight of funds.

The Board of Trustees carries out a periodic self evaluation to ensure that it is operating effectively. A log is kept of all training undertaken by governors so that needs can be identified and addressed as required.

The audit and risk committee is a sub-committee of the main board of trustees. Its purpose is to monitor and review the work of the internal and external auditors, and oversee the risk management of the school.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
K Moseley	2	2
E Phillips	1	2
S Trend	2	2

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the Alban City Free School delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The accounting officer considers how the school's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for Alban City Free School has delivered improved value for money during the year by:

- increasing the specialist support to children with additional needs so that they can progress in line with other children
- maintaining the working hours of specialist teachers for music, languages and PE
- increasing income generation by bringing the wraparound care in house, and expanding the number of places
- using capital donations from parents and the PTA to improve the school playground with a multi use sports surface, artificial grass area and new play equipment and shelters.

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 School 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 Alban City Free School for the year ended 31 August 2025 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which Alban City Free School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing Alban City Free School's significant risks that has been in place for the year ending 31 August 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has appointed Herts for Learning Ltd as an independent internal auditor whose role is to advise on financial matters and perform a range of checks on the school's financial systems.

On a termly basis, the internal auditor report to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

During the year the internal auditor carried out 3 termly reviews and did not report any significant control issues.

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GOVERNANCE STATEMENT (CONTINUED)

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 work of the internal auditor;
- the work of the managers within the Alban City Free School who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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

Conclusion

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

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

.....
M Lovett
Chair of Trustees

Date: 8 DECEMBER 2025

.....
G Stray
Accounting Officer

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ALBAN CITY FREE SCHOOL LIMITED
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2024.

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

.....
G Stray
Accounting Officer

Date: 8 DECEMBER 2025

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

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

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

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

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

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

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

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

.....

M Lovett
Chair of Trustees

Date: 8 DECEMBER 2025

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ALBAN CITY FREE SCHOOL LIMITED

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

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Responsibilities of trustees

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

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

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

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

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;

- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;

- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies
  and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations;

- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

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As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the academy trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2024 to 2025 and relevant tax legislation.

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

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

Use of our report

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

DocuSigned by:
Samuel Hodson
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Samuel Hodson BSc ACA (Senior Statutory Auditor)
for and on behalf of
Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date: 09-12-2025 | 14:35 GMT

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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ALBAN CITY FREE SCHOOL LIMITED AND THE SECRETARY OF STATE FOR EDUCATION

In accordance with the terms of our engagement letter dated 7 June 2022 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Alban City Free School Limited during the year 1 September 2024 to 31 August 2025 have not been applied to the purposes identified by Parliament and that the financial transactions do not conform to the authorities which govern them.

This report is made solely to Alban City Free School Limited 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 Alban City Free School Limited 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 Alban City Free School Limited and the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Alban City Free School Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Alban City Free School Limited's funding agreement with the Secretary of State for Education dated 30 March 2012 and the Academy Trust Handbook, extant from 1 September 2024, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ALBAN CITY FREE SCHOOL LIMITED AND THE SECRETARY OF STATE FOR EDUCATION (CONTINUED)

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by DfE. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material misstatement and irregularity across the Academy Trust's activities;
- Testing and review of areas identified through risk assessment including enquiry, observation, inspection and review of supporting evidence;
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime;
- Consideration of evidence obtained through the work performed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

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

Signed by:
Hillier Hopkins LLP
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Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
Radius House
51 Clarendon Road
Watford
Hertfordshire
WD17 1HP

Date: 09-12-2025 | 14:34 GMT

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ALBAN CITY FREE SCHOOL LIMITED
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:						
Donations and capital grants	4	**29,582**	**-**	**57,232**	**86,814**	*57,043*
Other trading activities	6	**351,792**	**-**	**-**	**351,792**	*40,937*
Investments	7	**25,929**	**27,000**	**-**	**52,929**	*33,572*
Charitable activities	5	**119,217**	**2,182,064**	**-**	**2,301,281**	*2,190,949*
Total income		**526,520**	**2,209,064**	**57,232**	**2,792,816**	*2,322,501*
Expenditure on:						
Raising funds		**195,008**	**-**	**-**	**195,008**	*10,413*
Charitable activities		**104,552**	**2,444,092**	**251,611**	**2,800,255**	*2,562,687*
Total expenditure	8	**299,560**	**2,444,092**	**251,611**	**2,995,263**	*2,573,100*
Net income/ (expenditure)		**226,960**	**(235,028)**	**(194,379)**	**(202,447)**	*(250,599)*
Transfers between funds	18	**(322,951)**	**294,028**	**28,923**	**-**	*-*
Net movement in funds before other recognised gains/(losses)		**(95,991)**	**59,000**	**(165,456)**	**(202,447)**	*(250,599)*
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	**-**	**278,000**	**-**	**278,000**	*39,000*
Pension surplus not recognised	24	**-**	**(337,000)**	**-**	**(337,000)**	*(84,000)*
Net movement in funds		**(95,991)**	**-**	**(165,456)**	**(261,447)**	*(295,599)*

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

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Reconciliation of funds:						
Total funds brought forward		**350,031**	**-**	**6,306,731**	**6,656,762**	*6,952,361*
Net movement in funds		**(95,991)**	**-**	**(165,456)**	**(261,447)**	*(295,599)*
Total funds carried forward		**254,040**	**-**	**6,141,275**	**6,395,315**	*6,656,762*

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 30 to 56 form part of these financial statements.

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ALBAN CITY FREE SCHOOL LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07644208

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note		2025 £		*2024 £*
Fixed assets					
Tangible assets	14		**6,141,275**		*6,306,731*
			6,141,275		*6,306,731*
Current assets					
Stocks	15	**241**		*309*	
Debtors	16	**66,686**		*72,004*	
Cash at bank and in hand		**408,213**		*497,239*	
		475,140		*569,552*	
Current liabilities					
Creditors: amounts falling due within one year	17	**(221,100)**		*(219,521)*	
Net current assets			**254,040**		*350,031*
Total assets less current liabilities			**6,395,315**		*6,656,762*
Total net assets			**6,395,315**		*6,656,762*
Funds of the Academy Trust					
Restricted funds:					
Fixed asset funds	18	**6,141,275**		*6,306,731*	
Total restricted funds	18		**6,141,275**		*6,306,731*
Unrestricted income funds	18		**254,040**		*350,031*
Total funds			**6,395,315**		*6,656,762*

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BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2025

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 25 to 56 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....

M Lovett
Chair of Trustees

Date: 8 DECEMBER 2025

The notes on pages 30 to 56 form part of these financial statements.

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ALBAN CITY FREE SCHOOL LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	*2024 £*
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	**(86,032)**	*42,347*
Cash flows from investing activities	21	**(2,994)**	*(16,664)*
Change in cash and cash equivalents in the year		**(89,026)**	*25,683*
Cash and cash equivalents at the beginning of the year		**497,239**	*471,556*
Cash and cash equivalents at the end of the year	22, 23	**408,213**	*497,239*

The notes on pages 30 to 56 form part of these financial statements

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1. General information

Alban City Free School Limited is a private company limited by guarantee and incorporated in England and Wales. The registered office and principal place of business is 7 Hatfield Road, St Albans, Hertfordshire, AL1 3RR.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

Alban City Free School Limited meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

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

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2. Accounting policies (continued)

2.3 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.

- **Legacies**
  The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Academy Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Academy Trust, can be reliably measured.

- **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 year is deducted from income and recognised as a liability.

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

- **Donations**
  Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other income**
  Other income, including the hire of facilities, is recognised in the year 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 'Stocks' 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'.

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2. Accounting policies (continued)

2.3 Income (continued)

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

2.4 Expenditure

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

- **Expenditure on raising funds**
  This includes all expenditure incurred by the 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.

2.5 Interest receivable

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

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2. Accounting policies (continued)

2.6 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 20 years straight line
Long-term leasehold land	- 125 years straight line
Furniture and equipment	- 5 years straight line
Computer equipment	- 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 and reclassified to freehold or leasehold land and buildings.

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.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

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2. Accounting policies (continued)

2.10 Liabilities

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

2.11 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. 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.

2.12 Pensions

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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2. Accounting policies (continued)

2.12 Pensions (continued)

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

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

2.13 Fund accounting

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

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

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

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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.

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3. Critical accounting estimates and areas of judgment (continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 asset on 31 August 2025 was £1.558,000. Note 24 includes details of the effects of changes in the key assumptions on the liability. As the present value of the defined benefit obligation at the reporting date is less than the fair value of the fair value of the plan assets, the plan has a notional surplus. As the Trustees do not consider that the Academy Trust will be able to recover the surplus either through reduced contributions in the future or through reduced refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

4. Income from donations and capital grants

	Unrestricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Donations	29,582	-	**29,582**	*45,237*
Capital grants	-	8,383	**8,383**	*8,382*
Capital donations	-	48,849	**48,849**	*3,424*
	29,582	57,232	**86,814**	*57,043*
Total 2024	*45,237*	*11,806*	*57,043*	

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5. Funding for the Academy Trust's charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Educational activities				
DfE grants				
General Annual Grant (GAG)	-	1,781,722	**1,781,722**	*1,713,316*
Other DfE grants				
UIFSM	-	70,588	**70,588**	*61,530*
Pupil Premium	-	60,237	**60,237**	*64,678*
Other	-	174,260	**174,260**	*134,741*
	-	2,086,807	**2,086,807**	*1,974,265*
Other Government grants				
Local authority grants	-	92,275	**92,275**	*75,161*
Other	-	2,982	**2,982**	*2,470*
	-	95,257	**95,257**	*77,631*
Other income from the Academy's educational activities	119,217	-	**119,217**	*132,927*
COVID-19 additional funding (DfE)				
Recovery Premium	-	-	-	*6,126*
	-	-	-	*6,126*
Total 2025	119,217	2,182,064	**2,301,281**	*2,190,949*
Total 2024	*132,927*	*2,058,022*	*2,190,949*	

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6. Income from other trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Hire of facilities	36,437	**36,437**	*38,109*
Supply teacher insurance claim	6,624	**6,624**	*720*
Wraparound care	301,477	**301,477**	*-*
Other income	7,254	**7,254**	*2,108*
	351,792	**351,792**	*40,937*
Total 2024	*40,937*	*40,937*	

7. Investment income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Short term deposits	25,929	-	**25,929**	*12,572*
Pension income	-	27,000	**27,000**	*21,000*
	25,929	27,000	**52,929**	*33,572*
Total 2024	*12,572*	*21,000*	*33,572*	

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8. Expenditure

	Staff Costs 2025 £	Premises 2025 £	Other 2025 £	Total 2025 £	*Total 2024 £*
Expenditure on fundraising trading activities:					
Direct costs	168,863	-	26,145	**195,008**	*10,413*
Educational activities:					
Direct costs	1,833,263	-	121,822	**1,955,085**	*1,741,413*
Allocated support costs	238,978	376,544	229,648	**845,170**	*821,274*
	2,241,104	376,544	377,615	**2,995,263**	*2,573,100*
Total 2024	*1,843,947*	*372,113*	*357,040*	*2,573,100*	

9. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	*Total funds 2024 £*
Educational activities	1,955,085	845,170	**2,800,255**	*2,562,687*
Total 2024	*1,741,413*	*821,274*	*2,562,687*	

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2025 £	Total funds 2025 £	*Total funds 2024 £*
Staff costs	238,979	**238,979**	*228,563*
Depreciation	251,611	**251,611**	*248,226*
Technology costs	26,476	**26,476**	*25,367*
Premises costs	124,933	**124,933**	*123,887*
Other support costs	185,770	**185,770**	*177,528*
Legal costs	-	**-**	*1,534*
Governance costs	17,401	**17,401**	*16,169*
	845,170	**845,170**	*821,274*
Total 2024	*821,274*	*821,274*	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2025 £	*2024 £*
Operating lease rentals	**1,541**	*1,541*
Depreciation of tangible fixed assets	**251,611**	*248,226*
Fees paid to auditors for:		
- audit	**13,450**	*8,300*
- other services	**2,950**	*2,700*

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11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2025 £	*2024 £*
Wages and salaries	**1,649,031**	*1,398,793*
Social security costs	**177,474**	*133,988*
Pension costs	**391,616**	*307,766*
	2,218,121	*1,840,547*
Agency staff costs	**22,983**	*3,400*
	2,241,104	*1,843,947*

b. Staff numbers

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

	2025 No.	*2024 No.*
Teachers	**23**	*23*
Administration and support	**25**	*26*
	48	*49*

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11. Staff (continued)

c. Higher paid staff

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

	2025 No.	*2024* *No.*
In the band £90,001 - £100,000	-	*1*
In the band £100,001 - £110,000	1	-

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £520,788 *(2024 - £406,362)*.

12. Trustees' remuneration and expenses

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

		2025 £	*2024* *£*
B O'Sullivan (appointed 20 September 2023)	Remuneration	**25,000 - 30,000**	*25,000 - 30,000*
	Pension contributions paid	**5,000 - 10,000**	*5,000 - 10,000*
G Collins (appointed 9 December 2024)	Remuneration	**50,000 - 55,000**	
	Pension contributions paid	**10,000 - 15,000**	
G Stray, Headteacher and Accounting Officer	Remuneration	**90,000 - 95,000**	*85,000 - 90,000*
	Pension contributions paid	**25,000 - 30,000**	*20,000 - 25,000*
C Carter (resigned 1 December 2024)	Remuneration		*45,000 - 50,000*
	Pension contributions paid		*10,000 - 15,000*

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

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13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2025 was £9,650 *(2024 - £8,924)*. The cost of this insurance is included in the total insurance cost.

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2024	**7,074,957**	**264,131**	**166,565**	**7,505,653**
Additions	**79,257**	**1,468**	**5,430**	**86,155**
Disposals	**-**	**(1,097)**	**(16,246)**	**(17,343)**
At 31 August 2025	**7,154,214**	**264,502**	**155,749**	**7,574,465**
Depreciation				
At 1 September 2024	**847,849**	**192,819**	**158,254**	**1,198,922**
Charge for the year	**224,804**	**19,788**	**7,019**	**251,611**
On disposals	**-**	**(1,097)**	**(16,246)**	**(17,343)**
At 31 August 2025	**1,072,653**	**211,510**	**149,027**	**1,433,190**
Net book value				
At 31 August 2025	**6,081,561**	**52,992**	**6,722**	**6,141,275**
At 31 August 2024	*6,227,108*	*71,312*	*8,311*	*6,306,731*

15. Stocks

	2025 £	*2024 £*
Clothing	**241**	*309*

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16. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	**1,488**	*1,223*
Other debtors	**11,262**	*28,749*
Prepayments and accrued income	**53,936**	*42,032*
	66,686	*72,004*

17. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	**-**	*21,435*
Other taxation and social security	**41,978**	*27,328*
Other creditors	**48,270**	*38,030*
Accruals and deferred income	**130,852**	*132,728*
	221,100	*219,521*

	2025 £	2024 £
Deferred income at 1 September 2024	**100,376**	*46,760*
Resources deferred during the year	**112,659**	*100,376*
Amounts released from previous periods	**(100,376)**	*(46,760)*
	112,659	*100,376*

At the balance sheet date, the Academy was holding funds received in advance for free school meals, rates relief, capital grants, high needs funding and wraparound childcare relating to the 2025/26 financial period.

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18. Statement of funds

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds						
General Funds	350,031	526,520	(299,560)	(322,951)	-	254,040
Restricted general funds						
General Annual Grant (GAG)	-	1,781,722	(2,075,750)	294,028	-	-
UIFSM	-	70,588	(70,588)	-	-	-
Pupil Premium	-	60,237	(60,237)	-	-	-
Other DfE/ESFA grants	-	174,260	(174,260)	-	-	-
Local authority grants	-	92,275	(92,275)	-	-	-
Other government grants	-	2,982	(2,982)	-	-	-
Pension reserve	-	27,000	32,000	-	(59,000)	-
	-	2,209,064	(2,444,092)	294,028	(59,000)	-

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18. Statement of funds (continued)

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Restricted fixed asset funds						
DfE/ESFA capital grants	367,116	8,383	(24,807)	-	-	350,692
Donated land and building	5,756,504	-	(201,854)	-	-	5,554,650
Capital expenditure from GAG	167,269	-	(19,479)	28,923	-	176,713
Donated assets	574	-	(574)	-	-	-
Capital donation from PTA	15,268	48,849	(4,897)	-	-	59,220
	6,306,731	57,232	(251,611)	28,923	-	6,141,275
Total Restricted funds	6,306,731	2,266,296	(2,695,703)	322,951	(59,000)	6,141,275
Total funds	6,656,762	2,792,816	(2,995,263)	-	(59,000)	6,395,315

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18. Statement of funds (continued)

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

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives of the free school at the discretion of the Trustees.

Restricted fixed assets 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 of Education.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2025.
Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2023 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2024* £
Unrestricted funds						
General Funds	*438,446*	*231,673*	*(122,499)*	*(197,589)*	-	*350,031*
Restricted general funds						
General Annual Grant (GAG)	-	*1,713,316*	*(1,881,669)*	*168,353*	-	-
UIFSM	-	*61,530*	*(61,530)*	-	-	-
Pupil Premium	-	*64,678*	*(64,678)*	-	-	-
Other DfE/ESFA grants	-	*134,741*	*(134,741)*	-	-	-
Local authority grants	-	*75,161*	*(75,161)*	-	-	-
Other government grants	-	*2,470*	*(2,470)*	-	-	-
Catch-up premium	-	*6,126*	*(6,126)*	-	-	-
Pension reserve	-	*21,000*	*24,000*	-	*(45,000)*	-
	-	*2,079,022*	*(2,202,375)*	*168,353*	*(45,000)*	-

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18. Statement of funds (continued)

	Balance at 1 September 2023 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2024* £
Restricted fixed asset funds						
DfE/ESFA capital grants	*378,682*	*8,382*	*(19,948)*	-	-	*367,116*
Donated land and building	*5,949,649*	-	*(193,145)*	-	-	*5,756,504*
Capital expenditure from GAG	*166,811*	-	*(28,778)*	*29,236*	-	*167,269*
Donated assets	*3,773*	-	*(3,199)*	-	-	*574*
Capital donation from PTA	*15,000*	*3,424*	*(3,156)*	-	-	*15,268*
	6,513,915	*11,806*	*(248,226)*	*29,236*	-	*6,306,731*
Total Restricted funds	*6,513,915*	*2,090,828*	*(2,450,601)*	*197,589*	*(45,000)*	*6,306,731*
Total funds	*6,952,361*	*2,322,501*	*(2,573,100)*	-	*(45,000)*	*6,656,762*

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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	6,141,275	**6,141,275**
Current assets	475,140	-	**475,140**
Creditors due within one year	(221,100)	-	**(221,100)**
Total	254,040	6,141,275	**6,395,315**

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Restricted fixed asset funds 2024 £*	*Total funds 2024 £*
Tangible fixed assets	-	*6,306,731*	*6,306,731*
Current assets	*569,552*	-	*569,552*
Creditors due within one year	*(219,521)*	-	*(219,521)*
Total	*350,031*	*6,306,731*	*6,656,762*

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20. Reconciliation of net expenditure to net cash flow from operating activities

	2025 £	*2024* *£*
Net expenditure for the year (as per Statement of Financial Activities)	**(202,447)**	*(250,599)*
Adjustments for:		
Depreciation	**251,611**	*248,226*
Capital grants from DfE and other capital income	**(57,232)**	*(11,806)*
Interest receivable	**(25,929)**	*(12,572)*
Defined benefit pension scheme cost less contributions payable	**(59,000)**	*(45,000)*
Decrease in stocks	**68**	*124*
Decrease in debtors	**5,318**	*64,035*
Increase in creditors	**1,579**	*49,939*
Net cash (used in)/provided by operating activities	**(86,032)**	*42,347*

21. Cash flows from investing activities

	2025 £	*2024* *£*
Dividends, interest and rents from investments	**25,929**	*12,572*
Purchase of tangible fixed assets	**(86,155)**	*(41,042)*
Capital grants from DfE Group	**8,383**	*8,382*
Capital funding received from sponsors and others	**48,849**	*3,424*
Net cash used in investing activities	**(2,994)**	*(16,664)*

22. Analysis of cash and cash equivalents

	2025 £	*2024* *£*
Cash in hand and at bank	**408,213**	*497,239*

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23. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	**497,239**	**(89,026)**	**408,213**

24. Pension commitments

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

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

Contributions amounting to £48,270 were payable to the schemes at 31 August 2025 *(2024 - £38,030)* and are included within creditors.

Teachers' Pension Scheme

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

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

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24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

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

The employer's pension costs paid to TPS in the year amounted to £281,289 *(2024 - £196,266)*.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £176,000 *(2024 - £129,000)*, of which employer's contributions totalled £139,000 *(2024 - £102,000)* and employees' contributions totalled £37,000 *(2024 - £27,000)*. The agreed contribution rates for future years are 19.6 per cent for employers and 5.5% to 12.5% per cent for employees.

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

Disclosed in this note are the values of the pension scheme as detailed in the Academy's independent actuarial report which stated that the Academy's pension fund was in a net asset position at the year end. Despite this, no surplus has been recognised on the basis that the asset has not led to a reduction in future contributions or a refund. As such, the carrying value in respect of the pension scheme in the balance sheet is £nil.

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24. Pension commitments (continued)

Principal actuarial assumptions

	2025 %	*2024 %*
Rate of increase in salaries	**3.60**	*3.15*
Rate of increase for pensions in payment/inflation	**2.60**	*2.65*
Discount rate for scheme liabilities	**6.15**	*5.00*

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

	2025 Years	*2024 Years*
Retiring today		
Males	**22.6**	*21.5*
Females	**24.5**	*23.2*
Retiring in 20 years		
Males	**24.2**	*21.5*
Females	**26.2**	*25.5*

Sensitivity analysis

	2025 £000	*2024 £000*
Discount rate +0.1%	**(17)**	*(23)*
Mortality assumption - 1 year increase	**15**	*33*
Pension increase rate +0.1%	**18**	*24*

Share of scheme assets

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24. Pension commitments (continued)

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

	At 31 August 2025 £	*At 31 August 2024 £*
Equities	**932,000**	*750,000*
Gilts	**353,000**	*349,000*
Property	**231,000**	*155,000*
Cash and other liquid assets	**42,000**	*39,000*
Asset ceiling cap	**(810,000)**	*(473,000)*
Total market value of assets	**748,000**	*820,000*

The actual return on scheme assets was £91,000 *(2024 - £101,000)*.

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

	2025 £	*2024 £*
Current service cost	**(107,000)**	*(78,000)*
Interest income	**69,000**	*59,000*
Interest cost	**(42,000)**	*(38,000)*
Total amount recognised in the Statement of Financial Activities	**(80,000)**	*(57,000)*

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

	2025 £	*2024 £*
At 1 September	**820,000**	*678,000*
Current service cost	**107,000**	*78,000*
Interest cost	**42,000**	*38,000*
Employee contributions	**37,000**	*27,000*
Actuarial (gains)/losses	**(256,000)**	*3,000*
Benefits paid	**(2,000)**	*(4,000)*
At 31 August	**748,000**	*820,000*

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24. Pension commitments (continued)

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

	2025 £	*2024 £*
At 1 September	**820,000**	*678,000*
Interest income	**69,000**	*59,000*
Actuarial gains	**22,000**	*42,000*
Employer contributions	**139,000**	*102,000*
Employee contributions	**37,000**	*27,000*
Benefits paid	**(2,000)**	*(4,000)*
Asset ceiling cap	**(337,000)**	*(84,000)*
At 31 August	**748,000**	*820,000*

Included in the actuarial gains/ (losses) within the scheme assets table is £810,000 of notional surplus not recognised as explained in note 3.

25. Operating lease commitments

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

	2025 £	*2024 £*
Not later than 1 year	**385**	*385*

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

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27. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. 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.

No related party transactions took place the year other than certain Trustees' remuneration already disclosed in note 12.