Company registration number 02059659 (England and Wales)

Charity registration number 518076 (England and Wales)

LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P Buss A Khan R J Stattersfield	
Head Teacher	A Allman	
Country of incorporation	United Kingdom (England and Wales)	02059659
Charity registration	England and Wales	518076
Registered office	Lucton School Leominster Herefordshire HR6 9PN	
Auditor	Affinia (Crawley) Ground Floor 1 - 7 Station Road Crawley West Sussex RH10 1HT	
Bankers	Lloyds Tsb Bank Plc Ariel House 2138 Coventry Road Sheldon B26 3JW	

LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

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LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the school's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

To promote and provide for advancement of education of children in the United Kingdom and elsewhere, such education to be designed to give a sound religious and moral basis to all pupils.

Beyond the teaching of traditional academic subjects and some vocational qualifications, pupils are expected to develop in the broadest educational sense, preparing them for adult life in an ever-changing world. In addition to academic and co-curricular excellence, the school seeks to provide awareness of technological advancement and environmental issues, thereby equipping pupils for an increasingly global setting s they transition on adulthood.

The strategies employed to achieve the charity's aims and objectives and to support long-term goals are to:

- Provide excellent teaching through the recruitment and retention of high-quality classroom practitioners at all age ranges
- Adopt and promote high standards of behaviour amongst the pupils.
- Inculcate a culture of integration between local and overseas students.
- Enhance the nursery provision to provide healthy numbers entering the school at the age 4/5.
- Invest in the staff and support self-improvement by providing inset training and funding external courses.
- Improve the facilities on offer at the school.
- Conserve and improve the building of the school.
- Introduce the benefits of the school to as wide an audience as possible, including overseas markets and those in the UK who might not be able to afford an independent school education.

Either directly, or through certain members of staff, the school holds membership of the association of Governing Bodies of Independent Schools (AGBIS), the Independent School Council (ISC), The Independent Schools Association (ISA),The Boarding Schools Association (BSA), The Independent Schools Bursars' Association (ISBA) and through the Head of the Prep School, the Independent Association of Prep Schools (IAPS), thus providing access to many support and CPD opportunities for staff, Collectively, these organisations provide immense support, from courses to policy guidance and a whole raft of advice and assistance.

Success is measured through external academic results, places secured at universities and other higher education institutions, alongside other less metric aspects, particularly well-being,

Public benefit is achieved through the provision of subsidised and full place awards to pupils otherwise unable to attend the school, alongside provision of the assets of the school for local primary schools and the wider local community, primarily achieved through sports facilities.

The Directors of the Company present their annual report for the year ended 31st August 2021, together with the financial statements for the year, which have been prepared in accordance with Company Law and in compliance with Charities SORP (FRS 102).

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the school should undertake.

Achievements and performance

The School has made significant steps in the financial year to get itself on a firm financial footing. The School has achieved this by increasing income via pupil recruitment and other income streams closely related to education but also cutting some overheads.

Financial review

The school received income during the year of £3,973,844 (2024: £3,302,154), which was all unrestricted. Expenses totaled £4,124,768 (2024: £4,231,392), which resulted in a net loss for the year of £150,924 (2024: £929,238).

The unrestricted funds of the school are negative at £2,991,721 (2024: £2,804,797) with restricted funds standing at positive £11,077 (2024: £11,077).

Going concern

The trustees are satisfied that the schools' operating cash flows, external finance facilities and agreement with Alpha Schools are sufficient to meet the schools day to day working capital requirements.

Reserves policy

The reserves policy is to sustain funding between reserves held and bank debt to ensure the ongoing activities of the charity.

Major risks

The board of trustees is responsible for the management of the risks faced by the group. Detailed considerations of risk are delegated to the Senior Management of the school. Risks are identified, assessed and controls established throughout the year.

The trustees have a risk management strategy which comprises:
- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The Senior Management Team ensures that the school compiles with all relevant legislation. This process Is also monitored by the trustees through termly reports provided by the Head Teacher and the Bursar, as well as through individual Trustees taking responsibility for certain key areas. Trustee sub-committees also ensure that the areas within their remit maintain full compliance

The most significant risks Identified are as follows;
1. The ongoing impact of the global pandemic in both educational and financial terms.
2. Fee affordability, particularly for parents based in the local catchment area.
3. The ability to attract pupils from overseas whilst travel restrictions continue to be imposed.
4 Continuing financial pressure being applied through central government policy and loss of charitable business rate reductions.

Through the risk management processes established for the school, and the group, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary.

Plans for future periods

Alpha Schools working with the Head have the following plans in place:

- Alpha have already invested £3,789,561 of its own money into the School to keep it open. This shows huge commitment and belief to the School.
- By resetting Lucton's cost base and natural wastage, as well as the redundancy of administrative roles (now covered by the Alpha central support team), steps have already been made in improving Lucton and developing financial stability.
- In order to improve Lucton's income, it is necessary to consider a multi-faceted approach that utilises the existing assets and strengths of the school.

With these In mind, Alpha's aims for Lucton are:
1. To Increase pupil numbers in classes:
2. To improve the school's FFE (Full Time Fee Equivalent) percentage
3. To improve boarding numbers, by doubling these in three year period

Structure, governance and management

Lucton Pierrepont School Educational Trust Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 11 July 1986, revised in 2013 and on November 29th 2021. It is a registered charity with the Charity Commission.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

P Buss
A Khan
R J Stattersfield
The Reverend Prebendary M J Kneen (Resigned 7 November 2025)

Recruitment and appointment of trustees

The appointment of the trustees is managed by the board to maintain a strong and effective blend of professional and lay skills to ensure robust and informed governance. From November 29th 2021, when the school became part of the Alpha Schools Group, Trustee numbers were reduced from nine to five, with three Alpha nominated Governors joining two retained existing Lucton School Governors to form the new board.

The Chairman or a nominated substitute will be the trustees' representatives with AGBIS, the Association of Governing Bodies of Independent Schools, and will be responsible for keeping up to date with best practice and cascading the knowledge down to fellow trustees.

Organisational structure

The full board meets termly and there are three sub-committees, one covering Education, one covers Well Being & HR and the third is The Resources Committee, which includes all financial matters. The trustees appoint a Headteacher and Bursar to manage the day-to-day operations of the school. To facilitate effective operations, the Headteacher has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and academic performance related activity. Trustees of the school are also Directors of the subsidiary entities.

Auditor

In accordance with the company's articles, a resolution proposing that Affinia (Crawley) be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Small companies' exemptions have been applied when preparing this Director's Report.

The trustees report was approved by the Board of Trustees.



P Buss
Trustee

4 November 2026

LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees, who are also the directors of Lucton Pierrepont School Educational Trust for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the school and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the school will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the school 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 school and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

Disclaimer of Opinion

We were engaged to audit the financial statements of Lucton Pierrepont Education Trust (the Charitable Company), which comprise the statement of financial activities, the balance sheet and the Cash flow statements as at 31 August 2025, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the Charitable Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements

Basis for Disclaimer of Opinion

The financial statements for the period to 31 August 2025 include a disclaimer of opinion.

The basis of disclaimer of opinion is due to the issues and difficulty in obtaining sufficient audit evidence in relation to assets, liabilities, revenue and expenditure in the financial statements for the period. This issue has arisen due to the availability of supporting documentation ahead of urgent deadlines.

To this extent, as the auditor, we cannot confirm whether the financial statements are free of material misstatement.

Material Uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that at 31 August 2025 the Charitable Company had net liabilities of £2,980,644 and made a deficit for the year then ended of £150,924. As stated in note 1, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included confirming that banking facilities remained in place for at least 12 months from the date of signing the financial statements and receiving confirmations from a connected party that they would continue to support the charitable company in paying all of its debts as they fall due.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The 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 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.

Matters on which we are required to report by exception

Arising from the limitation on our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether sufficient accounting records had been kept.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the financial statements are not in agreement with the accounting records.

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the school for the purpose 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 school's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We have made enquiries of management, and directors, regarding the procedures relating to identifying, evaluating and complying with

1. laws and regulations and whether they were aware of any instances of non-compliance;
2. detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
3. the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

Discussion among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential significant risks for fraud in the following areas:

1. Management override of the controls in place

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures planned included, but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside of the normal course of business.

2. Revenue recognition

Audit procedures planned included, but were not limited to performing walk through tests to identify the control procedures in place and once an understanding of the pupil fee income recognition process was obtained, substantive procedures to be carried out.

3. Going concern

Another significant risk identified by the audit engagement team was going concern, as a result of falling pupil numbers and rising costs.. In order to test that the accounts being prepared on the going concern basis was correct the following testing was planned: Obtain and review cashflow forecasts and budgets for a period through to July 2025; Obtain and review management accounts for future periods up to the date of signing of the accounts to review against budgets and identify any further funding issues; review correspondence with the bank regarding their willingness to continue providing banking facilities; Obtaining a letter of support, up to date management accounts and year end accounts from Alpha Schools to confirm their willingness and ability to continue to support the School.

4. Laws and regulations

The audit engagement team identified laws and regulations as a significant risk. In order to test that the financial statements were not materially misstated through fraud or error arising from a breach of laws and regulations, the following testing procedures were planned; A review of any recent results issued by ISI (Independent Schools Inspectorate); review of correspondence from legal advisors, to look for evidence of breaches; review of board minutes to identify any breaches in laws and regulations.

5. Valuation of property

The audit engagement team also identified the valuation of property as a significant risk. In order to test that the valuation of property per the accounts is valued reasonably, the following procedures were planned; a visit to the school premises to analyse indications of impairment; review documentation to any professional valuation undertaken; analyse property market to identify any potential indications of impairment of the school property.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Affinia (Crawley)
Chartered Accountants
Ground Floor
1 - 7 Station Road
Crawley
West Sussex
RH10 1HT

4 November 2026
Date

Affinia (Crawley) is eligible for appointment as auditor of the school by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2025

Current financial year	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Income from:					
Charitable activities					-
Fees	**3**	3,566,936	-	3,566,936	3,001,363
Other educational income	**3**	327,011	-	327,011	269,902
Other trading activities	**4**	79,897	-	79,897	30,889
Total income		3,973,844	-	3,973,844	3,302,154
Expenditure on:					
Raising funds	**5**	5,862	-	5,862	11,500
Charitable activities	**6**	4,118,906	-	4,118,906	4,219,892
Total expenditure		4,124,768	-	4,124,768	4,231,392
Net expenditure and movement in funds		(150,924)	-	(150,924)	(929,238)
Reconciliation of funds:					
Fund balances at 1 September 2024		(2,840,797)	11,077	(2,829,720)	(1,900,482)
Fund balances at 31 August 2025		(2,991,721)	11,077	(2,980,644)	(2,829,720)

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2025

Prior financial year	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:				
Charitable activities				-
Fees	**3**	3,001,363	-	3,001,363
Other educational income	**3**	269,902	-	269,902
Other trading activities	**4**	30,889	-	30,889
Total income		3,302,154	-	3,302,154
Expenditure on:				
Raising funds	**5**	11,500	-	11,500
Charitable activities	**6**	4,219,892	-	4,219,892
Total expenditure		4,231,392	-	4,231,392
Net income and movement in funds		(929,238)	-	(929,238)
Reconciliation of funds:				
Fund balances at 1 September 2023		(1,911,559)	11,077	(1,900,482)
Fund balances at 31 August 2024		(2,840,797)	11,077	(2,829,720)

LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**12**		3,149,057		3,179,758
Investments	**13**		166,743		166,743
			3,315,800		3,346,501
Current assets					
Debtors	**14**	924,647		904,432	
Cash at bank and in hand		202,190		344,526	
		1,126,837		1,248,958	
Creditors: amounts falling due within one year	**16**	(7,423,281)		(6,489,846)	
Net current liabilities			(6,296,444)		(5,240,888)
Total assets less current liabilities			(2,980,644)		(1,894,387)
Creditors: amounts falling due after more than one year	**17**		-		(935,333)
Net liabilities			(2,980,644)		(2,829,720)
The funds of the school					
Restricted income funds	**19**		11,077		11,077
Unrestricted funds	**20**		(2,991,721)		(2,840,797)
			(2,980,644)		(2,829,720)

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 4 November 2026

P Buss
Trustee

LUCTON PIERREPONT SCHOOL EDUCATIONAL TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from operations	**25**		14,522		875,028
Investing activities					
Purchase of tangible fixed assets		(30,815)		(6,119)	
Net cash used in investing activities			(30,815)		(6,119)
Financing activities					
Repayment of bank loans		(126,043)		(57,020)	
Net cash used in financing activities			(126,043)		(57,020)
Net (decrease)/increase in cash and cash equivalents			(142,336)		811,889
Cash and cash equivalents at beginning of year			344,526		(467,363)
Cash and cash equivalents at end of year			202,190		344,526

1 Accounting policies

Charity information

Lucton Pierrepont School Educational Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Lucton School, Lucton, Leominster, Herefordshire, HR6 9PNLucton School, Leominster, Herefordshire, HR6 9PN.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the school's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The school is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the school. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties at fair value. The principal accounting policies adopted are set out below.

Basis of consolidation

These accounts are for Lucton Pierrepont School Educational Trust and do not include the results of its subsidiaries on the basis that the subsidiaries have not traded during the year and are not material to the group.

1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the school will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern.

With funding requirements reaching levels beyond that which the bank would support, Trustees acted proactively to safeguard the long-term future of the school, commencing negotiations with alternative funders. Bank support has been extended to allow due process, an approach rewarded by intervention of Alpha Schools, a national education group, providing greater certainty for the school and its lenders. Alpha Schools have agreed to continue supporting the school for the foreseeable future.

The Trustees have reviewed the forecasts prepared by management which have been sensitised to reflect possible downside scenarios as a result of reduced pupil numbers and income levels. These demonstrate that additional cash injections are required by Alpha Schools but with this, the school is able to meet its obligations as they fall due for a period of at least 12 months from the date of signing these financial statements. As such, the trustees are satisfied that the School has adequate resources to continue to operate for the foreseeable future. For this reason they continue to adopt the going concern basis for the preparation of these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1 Accounting policies **(Continued)**

1.4 Income

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school, but include contributions received from Restricted Funds for Scholarships and Bursaries. Where fees are paid in advance, the income is deferred until the term to which it relates. These deferred amounts are shown on the Balance Sheet within creditors.

Cash donations are recognised on receipt. Other donations are recognised once the school has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1.5 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 are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1% - 2% straight line on cost
Plant and equipment	2% - 5% straight line on cost
Fixtures and fittings	20% on cost and 20% on reducing balance
Motor vehicles	25% reducing balance

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Investments in subsidiaries are all held at cost less impairment.

A subsidiary is an entity controlled by the school. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1 Accounting policies **(Continued)**

1.8 Impairment of fixed assets

At each reporting end date, the school reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income/ expenditure for the year, unless the relevant asset is carried at ta revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The school has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the school's balance sheet when the school becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the school’s contractual obligations expire or are discharged or cancelled.

1.11 Taxation

The school is exempt from corporation tax on its charitable activities.

1 Accounting policies **(Continued)**

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the school is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Teaching staff

The School contributes to the Teachers' Pension Scheme at the advised rates and also makes contributions to a 'money purchase' scheme for support staff. As it is not possible to separately identify the assets and liabilities of the Teachers' Pension Agency Scheme, it is accounted for as if it were a defined contribution scheme under FRS 102. The Schools' contributions to the schemes are charged in he financial statements as they accrue. For further information see note 24.

Support staff

The School operates a pension scheme for its support staff, a defined contributions scheme. Contributions payable to the School's defined contributions scheme are charged to the Statement of Financial Activities.

2 Critical accounting estimates and judgements

In the application of the school's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, economic utilisation, and the physical condition of the assets.

Impairment of debtors

The school makes an estimate of the recoverable value of fee debtors, trade and other debtors. When assessing the impairment of debtors, management considers factors including the current credit rating of the debtor, the ageing profile of the debtors and historical experience.

Impairment of assets and the assessment of property valuations

The school has a market valuation performed every three years and ensures that the carrying value of their assets remains lower than the fair value of the assets on the open market, and therefore that their is no impairment. Between the valuations, management is required to review the assets for impairment, and therefore this remains an area of judgement.

2 Critical accounting estimates and judgements (Continued)

Assessment of pension liability

The school is provided with a liability schedule by the pensions provider, payable over the next 7 years. The amount is material and therefore must be discounted to net present value using an appropriate discount rate. Management have decided that the most appropriate discount rate is 2.1%, the same rate as their current borrowings.

3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fees		
Gross fees	4,545,083	3,143,783
Less: bursaries and other allowances	(978,147)	(142,420)
Other educational income		
Music, dance & drama, school outings and clubs	150,592	97,324
Examinations and extra lessons	22,636	20,569
Horse riding and stable fees	53,974	26,345
Transport	85,470	88,464
Uniforms and other income	14,339	37,200
	3,893,947	3,271,265

4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Rental income	79,897	30,889

5 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Cost of raising funds	5,862	11,500

6 Expenditure on charitable activities

	Teaching 2025 £	Welfare 2025 £	Premises 2025 £	Total 2025 £	Teaching 2024 £	Welfare 2024 £	Premises 2024 £	Total 2024 £
Direct costs								
Staff costs	2,499,157	-	94,628	2,593,785	2,393,673	-	90,634	2,484,307
Depreciation and impairment	-	15,737	45,779	61,516	-	19,620	45,780	65,400
Other costs	185,970	250,350	452,668	888,988	183,599	377,531	563,090	1,124,220
	2,685,127	266,087	593,075	3,544,289	2,577,272	397,151	699,504	3,673,927
Share of support and governance costs (see note 7)								
Support	304,614	29,490	65,730	399,834	319,361	49,334	86,892	455,587
Governance	133,159	12,891	28,733	174,783	63,354	9,787	17,237	90,378
	3,122,900	308,468	687,538	4,118,906	2,959,987	456,272	803,633	4,219,892
Analysis by fund								
Unrestricted funds	3,122,900	308,468	687,538	4,118,906	2,959,987	456,272	803,633	4,219,892

7 Support costs allocated to activities

	2025	2024
	£	£
Staff costs	169,037	161,902
Other support costs	230,797	293,685
Governance costs	174,783	90,378
	574,617	545,965
Analysed between:		
Teaching	437,773	382,715
Welfare	42,381	59,121
Premises	94,463	104,129
	574,617	545,965

Governance costs comprise:	2025 £	2024 £
Audit fees	3,900	6,000
Legal and professional	168,275	67,994
Interest payable	2,608	16,384
	174,783	90,378

Governance costs includes payments to the auditor of £3,900 (2024: £6,000) for the preparation and audit of the school's annual accounts.

8 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	3,900	6,000
Depreciation of owned tangible fixed assets	61,516	65,400

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the school during the year.

During the year, no expenses were reimbursed or paid directly to any of the trustees (2024: £nil).

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Teaching	70	70
Support and ancillary	31	31
Total	101	101

Employment costs	2025 £	2024 £
Wages and salaries	2,358,735	2,285,932
Social security costs	236,806	198,178
Other pension costs	167,281	162,099
	2,762,822	2,646,209

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£70,001 - £80,000	1	1

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	80,000	136,529

Key management personnel comprised the Headteacher only.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2024	2,842,570	416,210	1,096,891	388,869	4,744,540
Additions	-	-	30,815	-	30,815
At 31 August 2025	2,842,570	416,210	1,127,706	388,869	4,775,355
Depreciation and impairment					
At 1 September 2024	140,303	76,520	974,826	373,133	1,564,782
Depreciation charged in the year	29,460	-	16,320	15,736	61,516
At 31 August 2025	169,763	76,520	991,146	388,869	1,626,298
Carrying amount					
At 31 August 2025	2,672,807	339,690	136,560	-	3,149,057
At 31 August 2024	2,702,267	339,690	122,065	15,736	3,179,758

13 Fixed asset investments

	Other investments
	£
Cost or valuation	
At 1 September 2024 & 31 August 2025	166,743
Carrying amount	
At 31 August 2025	166,743
At 31 August 2024	166,743

Other investments comprise:	Notes	2025 £	2024 £
Investments in subsidiaries	**24**	166,743	166,743

14 Debtors

Amounts falling due within one year:	2025 £	2024 £
Trade debtors	388,205	411,828
Amounts owed by fellow group undertakings	476,114	474,737
Other debtors	-	5,360
Prepayments and accrued income	60,328	12,507
	924,647	904,432

Included within trade debtors is a provision for bad debts totalling £nil (2024: £43,240)

15 Loans and overdrafts

	2025 £	2024 £
Bank loans	868,480	994,523
Payable within one year	868,480	59,190
Payable after one year	-	935,333

Included within bank loans are:

A bank loan with Lloyds Bank commencing on 1 May 2019, repayable by monthly instalments. The interest rate on the loan is fixed at 2.1% above the base rate.

A Bounce Back loan of £50,000 commencing on 7 May 2020, repayable by 72 monthly repayments at 2.5% fixed interest.

Both of the loans were repaid in April 2026.

These loans were secured by the following:

- A first legal charge over the freehold property of the school.
- A first legal charge over the equestrian land owned by the subsidiary.
- An unlimited debenture from the school.
- An unlimited debenture from Lucton School Limited.
- An unlimited all monies guarantee from the subsidiary.

16 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans	15	868,480	59,190
Other taxation and social security		59,224	51,111
Deferred income	18	1,528,382	1,379,835
Trade creditors		436,470	643,455
Other creditors		4,526,825	4,334,983
Accruals		3,900	21,272
		7,423,281	6,489,846

17 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	15	-	935,333

18 Deferred income

	2025 £	2024 £
Arising from school fees deferred	1,528,382	1,379,835

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	1,528,382	1,379,835

	2025 £	2024 £
Movements in the year:		
Deferred income at 1 September 2024	1,379,835	988,410
Released from previous periods	1,379,835	(988,410)
Resources deferred in the year	(1,231,288)	1,379,835
Deferred income at 31 August 2025	1,528,382	1,379,835

19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2024	At 31 August 2025
	£	£
Portrait of the founder donated to school	11,077	11,077

Previous year:	At 1 September 2023	At 31 August 2024
	£	£
Portrait of the founder donated to school	11,077	11,077

The purpose of the restricted fund of £11,077 is to hold and maintain the Portrait of the Founder for the future benefit of the school. This restriction was imposed by the Charity Commission when the charity acquired the portrait from the charitable organisation previously responsible for the school.

20 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2024	Incoming resources	Resources expended	At 31 August 2025
	£	£	£	£
Revaluation reserve	387,828	-	-	387,828
General funds	(3,228,625)	3,973,844	(4,124,768)	(3,379,549)
	(2,840,797)	3,973,844	(4,124,768)	(2,991,721)

Previous year:	At 1 September 2023	Incoming resources	Resources expended	At 31 August 2024
	£	£	£	£
Revaluation reserve	387,828	-	-	387,828
General funds	(2,299,387)	3,302,154	(4,231,392)	(3,228,625)
	(1,911,559)	3,302,154	(4,231,392)	(2,840,797)

21 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 August 2025:			
Tangible assets	3,137,980	11,077	3,149,057
Investments	166,743	-	166,743
Current assets/(liabilities)	(6,296,444)	-	(6,296,444)
	(2,991,721)	11,077	(2,980,644)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 August 2024:			
Tangible assets	3,168,681	11,077	3,179,758
Investments	166,743	-	166,743
Current assets/(liabilities)	(5,240,888)	-	(5,240,888)
Long term liabilities	(935,333)	-	(935,333)
	(2,840,797)	11,077	(2,829,720)

22 Pension commitments

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £264,585 (2024: £264,585) and at the year end £21,139 was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme regulations 2014 (as amended). Members contribute on a 'pay as you go' basis with contribution from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament,

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sergeant Case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to the Public Service Pensions including the Teachers' Pensions.

22 Pension commitments **(Continued)**

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgement that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. the government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen change s in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sergeant case and and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the government accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitable revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPD. Accordingly no provision for any additional past benefit pensions cost is included in these financial statements.

Non - Teaching Staff

Certain non-academic staff are members of The Independent Schools' Pension Scheme (ISPEN). This is an industry-wide funded defined benefits scheme. As a result, it is not possible or appropriate to identify the assets and liabilities of the scheme which are attributed to the school.

The last formal valuation of the scheme was performed as at 30 September 2014 by a professionally qualified actuary. The market value of the scheme's assets at the valuation date was £110 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £37 million, equivalent to a past service funding level of 75%.

Annual funding updates of the scheme are carried out using approximate actuarial techniques rather than member by member calculations and will therefore not produce the same results as a full actuarial valuation. However, they will provide a good indication of the financial progress of the scheme since the last full valuation. the following notes relate to the formal actuarial valuation as at 30 September 2014.

The financial assumptions underlying the last valuation as at 30 September 2014 were as follows:

	% p.a
Investment return pre-retirement	5.1%
Investment return post retirement - non-pensioner	3.3%
Investment return post retirement - pensioner	3.3%
Rate of pension increases	
RPI	3.1%
CPI	2.2%

22 Pension commitments **(Continued)**

The ongoing future service contributions rate has been assessed and if the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit by 31 August 2029.

The pension charge for the year represents the School's contributions payable to the scheme of £24,071 (2024: £24,071) and at the year end £nil was accrued in respect of contributions to this scheme. Included in this is a fixed monthly amount of £1,829, being £1,018 in respect of deficit amounts and £117 in respect of administrative expenses. From 1 September 2021 the fixed monthly amount has increased to £1,572 being £1,338 in respect of deficit amounts and £152 in respect of administrative expenses.

In accordance with FRS 102 the school has recognised a liability in relation to the deficit, measured at amortised cost and included within other creditors.

23 Related party transactions

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2025	**2024**
	£	**£**
AS Southern Limited	204,868	204,868
Alpha Schools (Holdings) Limited	3,584,693	1,896,220
Sherrardswood Limited	25,000	25,000
	3,814,561	2,126,088

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties	
	2025	**2024**
	£	**£**
Moor Allerton Preparatory School Limited	22,037	22,037
Beechwood School Limited	126,000	126,000
Lady Lane Park School Limited	22,321	22,000
Trinity School Limited	141,600	139,000
Sackville School Limited	133,000	133,000
Wellesley Haddon Dene School Limited	20,000	20,000
St Edwards Senior School Limited	11,156	12,700
	476,114	474,737

The children of staff and trustees may attend the school. In such cases trustees pay school fees at the standard rates available to all parents, but staff members may receive a fee remission at an agreed rate.

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

24 Subsidiaries

Details of the school's subsidiaries at 31 August 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Lucton School Limited	Lucton School, Lucton, Leominster, Herefordshire, HR6 9PN	Education	Ordinary shares	100.00	
Lucton International Schools Limited	Lucton School, Lucton, Leominster, Herefordshire, HR6 9PN	Education	Ordinary shares	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Lucton School Limited	-	168,167
Lucton International Schools Limited	-	(671)

25 Cash generated from operations

	2025	2024
	£	£
Deficit for the year	(150,924)	(929,238)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	61,516	65,400
Movements in working capital:		
(Increase) in debtors	(20,215)	(588,275)
(Decrease)/increase in creditors	(24,402)	1,935,716
Increase in deferred income	148,547	391,425
Cash generated from operations	14,522	875,028

26 Analysis of changes in net (debt)/funds

	At 1 September 2024	Cash flows	At 31 August 2025
	£	£	£
Cash at bank and in hand	344,526	(142,336)	202,190
Loans falling due within one year	(59,190)	(809,290)	(868,480)
Loans falling due after more than one year	(935,333)	935,333	-
	(649,997)	(16,293)	(666,290)