Docusign Envelope ID: 524AE4B5-C453-4292-9582-8BE0C058072E

Registration number: 09115941

Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2025

Menzies LLP
The Beehive
Lions Drive
Shadsworth Business Park
Blackburn
Lancashire
BB1 2QS

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Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

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Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Reference and administrative details

Members	N Gibbon (resigned 31 October 2025)
	D Hill (resigned 31 October 2025)
	L Castledine
	Diocese of Hereford Educational Trust (DHET)
	A Raza (appointed 1 November 2025)
	J Bale (appointed 1 November 2025)
	J Price (appointed 1 November 2025)
Trustees (Directors)	L Castledine (resigned as Chair 31 October 2025)
	S Muggeridge (Chair) (appointed 1 November 2025)
	J Parker (resigned as Vice Chair 31 October 2025)
	N Pearson (Vice Chair) (appointed 1 November 2025)
	K Jones (resigned 10 November 2025)
	G Gosling
	M Yarranton (resigned 10 November 2025)
	E McDonald (resigned 29 March 2025)
	C Tibbits (deceased 21 August 2025)
	M Beale (resigned 10 November 2025)
	K Abel (resigned 23 September 2025)
	R Hodge (appointed 12 February 2025)
	A Stanney (appointed 1 November 2025)
	B Roman (appointed 1 November 2025)
	D Molloy (appointed 1 November 2025)
	G Lloyd (appointed 1 November 2025)
	J Green (appointed 1 November 2025)
	S Wenlock (appointed 14 July 2025 and resigned 31 October 2025)
Company Secretary	G Bradley (resigned 30 June 2025) H Coleman (appointed 1 July 2025 and resigned 31 October 2025) K Figgitt (appointed 1 November 2025)

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Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Reference and administrative details (continued)

Senior Management Team	K Jones (resigned 31 October 2025), Chief Executive Officer & Accounting Officer M Pollard (appointed 1 November 2025), Chief Executive Officer & Accounting Officer R Croxton Broome, Head of School (resigned from Head of School role 31 August 2025) C Little, Headteacher S Desborough, Headteacher G Bradley (resigned 30 June 2025), Trust Head Finance, Business and Operations T Brighton (appointed 1 July 2025), CFO S Weston, Headteacher (appointed 1 September 2025)
Principal and Registered Office	C/o Lacon Childe School Love Lane Cleobury Mortimer Shropshire DY14 8PE
Company Registration Number	09115941
Auditors	Menzies LLP The Beehive Lions Drive Shadsworth Business Park Blackburn Lancashire BB1 2QS
Bankers	Lloyds Bank Business Centre Wolverhampton West Midlands WV9 5HA
Solicitors	Browne Jacobson 15th Floor 103 Colmore Row Birmingham B3 3AG

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Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Trustees' report for the Year Ended 31 August 2025

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

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 09115941.

The Trustees of Four Stones Gateway Trust are also the directors of the charitable company for the purposes of company law. The charitable company operated as The Shropshire Gateway Educational Trust ("SGET") during the year ended 31 August 2025. On the 22 September 2025 the trust changed its name to Four Stones Gateway Trust and on the 1 November 2025, the three schools that were part of The Four Stones Multi Academy Trust joined this Academy Trust to form the newly formed Four Stones Gateway Trust.

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

Members' liability

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

Method of recruitment and appointment or election of Trustees

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

Policies and procedures adopted for the induction and training of Trustees

The Chief Executive Officer and Chair are responsible for all training. There is an internal induction program and an external NGA (National Governance Association) induction and training plan in place for all new trustees, and ongoing for the board. Training will be offered on charity, educational, legal, risk management and financial matters. All trustees have access to policy and consultation documents through a shared designated share point site. In addition they are regularly involved in meetings to scrutinise accounts, reports, budgets and plans to enable them to carry out their roles and responsibilities effectively, challenging as appropriate.

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Organisational structure

The Scheme of Delegation is a key governance document which sets out how accountability and decision-making works within our Trust.

Four Stones Gateway Trust is governed by a Board of Trustees, who are accountable to the Department for Education, and have overall responsibility for the Trust. The Trust is a charitable company limited by guarantee (not for profit) and is required by law to operate to all statutory regulations and rules within its Articles of Association which are registered at Companies House. The SOD, Governance and Leadership structures, and vision and values assist with the discharge of the Board of Trustees responsibilities.

The Board of Trustees have established Local Governing Bodies (LGBs) for each of the Academies. The LGBs shall be a committee established pursuant to Articles 100 to 104 (inclusive) of the Articles of Association of the Trust. All trustees are involved in decision making. The governing boards and sub committees meet regularly. Trustees are responsible for setting general policy, risk management strategy, plans, budgets as well as monitoring the Trust against aims and objectives. Full detail of the scheme of delegation is available on our website www.sget.org.uk

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees sets the pay for the CEO based on teachers' pay and conditions, school specific responsibilities and market conditions. The CEO alongside consultation with board members then sets pay structures for Headteachers and key central staff following the appropriate guidelines of the Teachers pay and conditions document or NJC pay scales alongside using robust job descriptions and appraisals set against performance objectives, expectations and standards.

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Trade union facility time

The Trust has complied with the requirements of the Trade Union (Facilities Time Publication Requirements) Regulations 2017, which took effect from 1 April 2017. The Trust's published report covers the year from 1 April 2024 to 31 March 2025 and is summarised below.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	-

Percentage of time spent on facility time

Percentage of time	Number of employees
1%-50%	1

Percentage of pay bill spent on facility time

	2025
Provide the total cost of facility time	-
Provide the total pay bill	6,713,053
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	-

Paid trade union activities

	2025
Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	-

Related parties and other connected charities and organisations

There are no related parties.

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Objectives and activities

Objects and aims

The trust's object is specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum and which will include:

Academies other than those designated Church of England, whether with or without designated religious character and, Church of England academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard and following any directives issued by the Diocesan Board of Education. But in relation to each of the academies to recognise and support their individual ethics, whether or not designated Church of England.

To promote for the benefit of the inhabitants of the areas where the academies are established and its surrounding area the provision of facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interest of social welfare and with the objective of improving the condition of life for those said individuals.

Objectives, strategies and activities

Through outstanding leadership the Trust will provide the highest quality education to enable every pupil to realise their full potential. In 24- 25 focus has been on developing consistent good practice reinforced by working with external partners to increase capacity for improvement.

We aim for every pupil to have the values, skills, qualities and aptitudes that will allow them to thrive in society.

As a result of our reputations for excellence, we aim for each school to be the school of choice for pupils and the employer of choice for professionals.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charities Commission's revised guidance on public benefit. Trustees work to deliver on the aims and objectives of the Trust focused on its main aim of ensuring all pupils achieve their full potential.

Strategic Report

Achievements and performance

The CEO reports to the Trustees half termly using the Trust Strategic Development plan. The review of activities section of this report summarises the Trust's strengths and areas of development.

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Trust Strategic Development Plan

The Chief Executive Officer reports to Trustees termly using the Trust Strategic Development Plan. The following summarises the Trust strengths and areas of development:

Strengths - Achievements	**Priorities for further improvement**
• The MAT has a good understanding of the needs of pupils in its schools and the strengths/areas of development of its schools • MAT leaders understanding schools through visits, stakeholder feedback, external review • Honest and informed Trust evaluation • A strength in primary and early years provision • A differentiated approach to school improvement across the MAT • Identification and use of external partners to support areas of development • Developing approach to teaching and learning in most individual schools • Strong approach to curriculum in most individual schools • Upward trend in attendance and downward trend in persistent absence • Improved picture of appropriately used suspensions and exclusions continues. • Good safeguarding processes and culture across the Trust. • Good governance structures and reviewed SOD • A well understood strategic vision for the future of our Trust (merger with The Four Stones MAT on 1st November). This will support operational and school improvement capacity.	• Secondary provision improves and demonstrates this at its next inspection (at least good) • Continued raising of outcomes for disadvantaged pupils in all phases. • A clear, communicated and owned vision of what excellent teaching practice (implementation) looks like. This has impact on attainment and achievement of the bottom 20%. • To tighten the impact of the Shaw Maths Hub – including in our own Trust • To establish consistent, high quality SEND approaches • Facilitating a cohesive approach to performance development and best practice • Facilitating aligned working practices and systems in the new Trust.

Performance Secondary: Lacon Childe School 2025

There is a sustained picture at KS4 with statistics broadly in line or slightly below national average. There is no progress measure for this cohort. Professional opinion is that standards should be higher.

KS4 Measure	**LCS**	**(2025 outcome)**	**National 2024**
% 5+ English and Maths	40%	↓ (45%)	46%
% 4+ English and Maths	63%	↓ (65%)	65%
Attainment	45.76	↓ (45.82)	45.92

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Shropshire Gateway Educational Trust Primary Outcomes 2025 (initial 09.25):
Overall, as a MAT, KS2 outcomes are down. The PP and SEND gap are the common challenges. Clee Hill Community Academy is pleased with its upturn. Cleobury Mortimer is disappointed by its results, but it was a known picture and internal data is much stronger. There is no progress measure at KS2 due to Covid.

(Trust Average 53pupils)	CMPS (%) (26 Pupils)	CHCA (%) (14 Pupils)	SPS (%) (13 Pupils)	National 2024 (%)
GLD Early Years (Trust Average: 73.6% ↑4.5%)	73.1% (↑4.1%)	71.4% (↓2.3%)	76.9% (↑16.9%)	67.7

(Trust Average 55 pupils)	CMPS (%) (32 pupils)	CHCA (%) (17 pupils)	SPS (%) (8 pupils)	National 2024 (%)
Phonics Year 1 (78.2% (↓4.1)	70% (↑1.3%) 75% without SEND hub	88.2% (↓5.9%)	87.5% (↓12.5%)	79
Phonics Year 2 (cumulative)	87 (6 out of 7)	100	100	89

(Trust Average 73 pupils)	CMPS (29 Pupils)	CHCA (24 Pupils)	SPS (12 Pupils)	National 2024
MTC average score out of 25 (22.1 - ↓0.5)	22.3 (including Hub pupil)	22.6 (↓1.7%)	20.4 (↑1.3%)	20.6
% of students who scored 25 (53.4% ↑3.4%)	59.5	50% (↓21.4%)	41.7 (↑29.2%)	34%

KS2 outcomes (Trust Average 69 pupils)	CMPS (%) (31 pupils)		CHCA (%) (26 Pupils)		SPS (%) (12 Pupils)		National 2025 (%)		School Average SS 2025			Trust Average SS 2025	National Average SS 2025
	EXS	GDS	EXS	GDS	EXS	GDS	EXS	GDS 24	CMPS	CHCA	SPS		
RWM (50.7% ↓12.3%)	32 (↓32.3%)	6	65 (↑23.1%)	8	67 (↓27.1%)	8	62	8	NA	NA	NA		NA
Reading (63.8%↓12.9%)	48 (↓33.5%)	16	77 (↑15.4%)	23	83 (↓10.4%)	25	75	29	100.1 (↓5.07%)	105.6 (↑2.24%)	106.25 (↓2%)	103.24 (↓2.01)	106
Writing (68.1%↓14.1%)	55 (↓29%)	16	73 (-)	7	100 (-)	25	72	13	NA	NA	NA	NA	NA
Maths (71%↓1.6%)	58 (↓12.9%)	13	85 (↑23.1%)	27	75 (↓18.8%)	17	74	24	100.2 (↓4.1%)	106.16 (↑4.6%)	104 (↓1.3%)	103.09 (↓0.5)	105
GPS (60.9%↓15.8%)	38 (↓32.3%)	13	77 (↑3.8%)	31	83 (↓10.4%)	17	73	30	100.2 (↓5.07%)	107.2 (↑2.2%)	105.33 (↓0.23%)	103.69 (↓1.56)	105

Acronyms:
- GLD – good level of development across the prime areas
- MTC – multiplication tables check
- GPS – grammar, punctuation and spelling
- RWM – reading, writing and maths

Going concern

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

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Financial review

The net movement in funds of the Trust in the year, before pension actuarial gains/losses for the year to 31 August 2025, was a deficit of £47,295 (2024:£181,871 deficit).

The prime source of income for the Trust is through ESFA and other grant funding. It also generates some funding to support the operating needs of the Trust in delivering education.

During the financial year changes in leadership and focused priorities as identified in the Trust Improvement Plan have had an impact on the financial performance and financial position of the academy trust. Funds at school level and held centrally in reserve have been utilised to seek external support and scrutiny with a purpose of improving outcomes in these areas.

The trust seeks to replenish these reserves by an annual percentage of base budget contribution to the reserves fund by each school.

The trust recognises there have also been key factors which have and may put the trust's financial and operating performance at risk as being: pupil admissions, staffing pay awards, inflation percentages and cashflow. It manages these risks and others by identifying them within risk register and defining how these risks will be managed and reduced.

Reserves policy

Total reserves for the trust have increased by £827,705 (2024: decreased £27,871) during the period. The reserves position at the end of the accounting period shows that the trust holds the following reserves:

The Fixed Asset Fund reserves balance at 31 August 2025 for the trust was £18,516,168 (2024: £18,559,553 restated).

Pension reserve £Nil (2024: £947,000 deficit) A surplus or deficit position of the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase or decrease in employers' pension.

The Restricted general fund reserves balance at 31 August 2025 for the trust was £44,024 (2024: £194,357 restated)

The Unrestricted Fund reserves balance at 31 August 2025 for the trust £165,146 (2024: £90,723 restated)

The trust seeks as a planned objective to increase the level of reserves held by the trust. Each school contributes annually to this reserves fund.

Trustees hold a reserves policy identifying reserves to be held at a level appropriate to the operating needs of the school and for any specific projects.

The minimum level of free reserves that the trustees consider appropriate to hold is the equivalent of one month of total salary costs. The free reserves, calculated as restricted general funds plus unrestricted general funds less designated funds, as at 31 August 2025 is £187,170. An appropriate recovery plan would be put in place for all trust schools, to bring this back in line.

Investment policy

The trust has a reserves policy which identifies how reserves are used and invested however whilst cashflow is a risk does not seek to make investments outside of the school's main bank account.

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Principal risks and uncertainties

Trustees work with senior professionals to review on a regular basis the risks and uncertainties identified for each school and the trust as a whole, it then focuses on reducing these risks to acceptable levels and to focus its efforts to monitor these. The Risk register is shared amongst all senior leaders and the Board on a regular basis and is constantly changing to reflect changes in circumstances and risk.

Risks can include:
• Quality teaching and learning and outcomes for pupils
• Capacity to improve
• Reputation events
• Funding and management of changes in educational funding
• SEND Hubs
• Governance
• Health & Safety

During the year 2024- 25 Trustees were satisfied that they had been alerted to major risks encountered by the Trust and that systems were in place to scrutinize mitigation actions.

Fundraising

The Trust carries out a limited amount of fundraising at local school level by school staff and parents under parent teacher groups and operates being mindful of the cost of living crisis faced by those within its communities. The same rigid regulations and processes are applied to fundraising activities as grant funding and the trust is mindful of adherence to the provisions of the Charities Act 2016. Fundraising is transparent, honest and respectful to ensure no one, including those most vulnerable in our communities are put under any pressure. If we were to receive any complaints regarding our conduct these would be dealt with under the Trust complaints procedure.

Fundraising activities include annual school fetes, productions and external grant funding. It actively engages with external community groups working to recognized standards to raise funds for specific projects or individual needs. Fundraising operates in a way that protects the public from unreasonable, intrusive or persistent fundraising approaches.

The Trust also has a keen approach to fundraising to support activities in order to enhance its provision of activities for students and its involvement in the local community.

Plans for future periods

The individual schools within the trust have written and constantly monitor and update a school improvement plan which sets out their priorities and targets for the following years. The trust has an overarching trust improvement plan. These seek to focus activities towards shared goals and aspirations of the individual school and trust and using funds available to achieve these priorities and targets. The schools and trust reflect on past activities and the changing educational environment when reviewing these plans.

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Auditor

Insofar as the Trustees are aware:

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

The trustees' report , incorporating a Strategic Report, was approved by order of the members of the governing body on 17-Dec-2025 and signed on its behalf by:

Signed by:
Sue Muggeridge
2F59FF01228Z4DE...
S Muggeridge
Chair of Trustees

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Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Governance statement

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

The board of Trusteess has delegated the day-to-day responsibility to the Trust Chief Executive Officer as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The governing body has formally met 8 times during the year. Attendance during the year at meetings of the governing body was as follows:

Trustee	Meetings attended	Out of a possible
L Castledine	8	8
J Parker (resigned as Vice Chair 31 October 2025)	3	8
K Jones (resigned 10 November 2025)	8	8
R Hodge (appointed 12 February 2025)	4	4
E McDonald (resigned 29 March 2025)	4	4
M Yarranton (resigned 10 November 2025)	6	7
C Tibbits (deceased 21 August 2025)	8	8
K Abel (resigned 23 September 2025)	3	8
M Beale (resigned 10 November 2025)	4	8
S Wenlock (appointed 14 July 2025 and resigned 31 October 2025)	1	1

Governance reviews

An external review of governance was completed during the year by an experienced external NGA professional. Her focus was at Board and local governing board level and her recommendations are being implemented.

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The Finance and General Purposes Committee is a sub-committee of the main governing body. Its purpose is to oversee and challenge financial information presented in a transparent manner to ensure good value and effective use of trust resources to fit its policy purposes. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
L Castledine (resigned as Chair 31 October 2025)	8	8
J Parker (resigned as Vice Chair 31 October 2025)	3	8
K Jones (resigned 10 November 2025)	8	8
E McDonald (resigned 29 March 2025)	4	4
M Yarranton (resigned 10 November 2025)	6	7
C Tibbits (deceased 21 August 2025)	8	8
K Abel (resigned 23 September 2025)	3	8
M Beale (resigned 10 November 2025)	4	8
R Hodge (appointed 12 February 2025)	3	4
S Wenlock (appointed 14 July 2025 and resigned 31 October 2025)	1	1

The Audit and Risk Committee is a sub-committee of the main governing body. Its purpose is to oversee and challenge financial information presented in a transparent manner to ensure good value and effective use of trust resources to fit its policy purposes. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
L Castledine (resigned as Chair 31 October 2025)	8	8
J Parker (resigned as Vice Chair 31 October 2025)	3	8
K Jones (resigned 10 November 2025)	8	8
E McDonald (resigned 29 March 2025)	4	4
M Yarranton (resigned 10 November 2025)	6	7
C Tibbits (deceased 21 August 2025)	8	8
K Abel (resigned 23 September 2025)	3	8
M Beale (resigned 10 November 2025)	4	8
R Hodge (appointed 12 February 2025)	3	4
S Wenlock (appointed 14 July 2025 and resigned 31 October 2025)	1	1

Conflicts of interest

The trust has processes in place to manage conflicts of interest, it maintains an up-to-date and complete register of interests, and at each meeting a standing agenda item at the beginning of each meeting is used in the day-to-day management and governance of the academy trust and to allow further or changes to be declared where relevant.

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Meetings
The Board meet as a minimum of 6 times per year and in addition adds further meetings if appropriate and to discharge their responsibilities and ensure robust governance is evidenced.
The Board has a Finance Committee, an Audit and risk committee and a full board and standards committee.
Its local governing boards also have a similar structure.
A governance professional minutes all meetings and is trained via NGA.

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the governing body where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

• Undertaking a planned program of internal scrutiny and acting on improvements and recommendations.
• Maintaining and regularly reviewing the Trust Risk register.
• Producing managements accounts and budget setting planning which are transparent and open to ongoing review.

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 ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) 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 the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

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

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

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- identification and management of risks.

The board of Trustees has decided:

- to buy-in an internal scrutiny service from Telford and Wrekin Council

This option has been chosen to give Trustees independent and specific expertise scrutiny to ensure that the scope of the risk and control framework covers all aspects of the trust's operations. All areas are covered under a 3 year rolling plan.

Performance is assessed through internal scrutiny processes and during the year it has met in person and has relied on information of a high standard to inform them and ensure they challenge accordingly in the following areas:

- Efficiency, funding and budgets
- Business continuity and disaster recovery processes
- Fraud, theft and bribery
- Data and IT
- Safeguarding
- SEND

On a routine basis, the reviewer reports 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. On an annual basis the reviewer prepare 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.

There were no material control or other issues reported by the Responsible Officer to date.

Review of Effectiveness

As accounting officer, the 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/external expertise auditors ;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;
- correspondence from ESFA

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 the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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Governance statement (continued)

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the governing body is of the opinion that the Academy has adequate and effective framework for governance, risk management and control.

The reason for this conclusion is that robust internal scrutiny and audit of its processes is shared with transparency, and that there is a clear and specific Trust improvement plan in place which is reported on to the board at every meeting.

Approved by order of the members of the governing body on 17-Dec-2025 and signed on its behalf by:

Signed by:
Sue Muggeridge
2F39FF0122824DE...
S Muggeridge
Chair of Trustees

Signed by:
M. A Pollard
03D07AEDFF9F441...
M Pollard
Accounting Officer

Docusign Envelope ID: 524AE4B5-C453-4292-9582-8BE0C058072E

Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Statement of regularity, propriety and compliance

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

I confirm that I, and the 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 framework of authorities.

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

Signed by:

M. A Pollard

03D07AEDFF9F441...

M Pollard
Accounting Officer

Date: 16-Dec-2025

Docusign Envelope ID: 524AE4B5-C453-4292-9582-8BE0C058072E

Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Statement of Trustees' Responsibilities

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 apply them consistently;
- observe the methods and principles in 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; and
- 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 on 17-Dec-2025 and signed on its behalf by:

Signed by:
Sue Muggeridge
2F39FF0122824DE...
S Muggeridge
Chair of Trustees

Docusign Envelope ID: 524AE4B5-C453-4292-9582-8BE0C058072E

Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Independent Auditor's Report on the Financial Statements to the Members of Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Opinion

We have audited the financial statements of Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) "the academy trust" for the year ended 31 August 2025, which comprise the Statement of Financial Activities for the year ended 31 August 2025 (including Income and Expenditure Account), Balance Sheet as at 31 August 2025, Statement of Cash Flows for the year ended 31 August 2025, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2024 to 2025.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the other information. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

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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 which includes the Strategic Report and the Directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' report included within the Trustees' 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 Strategic Report or Directors' report included within the Trustees' report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 18, the Trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the academy trust through discussion with the Directors and other management, and from our knowledge and experience of the academy sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy trust, including the Companies Act 2006, the Charities Act 2011, the Academies Accounts Direction 2024 to 2025 and Academy Trust Handbook 2024.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

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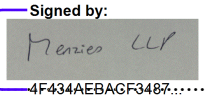
Use of our report

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 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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

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Mark Bradley BA FCA (Senior Statutory Auditor)
For and on behalf of Menzies LLP, Statutory Auditor

The Beehive
Lions Drive
Shadsworth Business Park
Blackburn
Lancashire
BB1 2QS

Date: 18-Dec-2025

Docusign Envelope ID: 524AE4B5-C453-4292-9582-8BE0C058072E

Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Independent Reporting Accountant's Assurance Report on Regularity to Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) and the Secretary of State for Education

In accordance with the terms of our engagement letter dated 24 November 2025 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, 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 Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) during the period 1 September 2024 to 31 August 2025 have not been applied to the purposes intended by Parliament and that the financial transactions do not conform to the authorities which govern them.

This report is made solely to Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) and the Secretary of State for Education in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) and the Secretary of State for Education those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) and the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the governing body' accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Four Stones Gateway Trust's funding agreement with the Secretary of State for Education and the Academy Trust Handbook for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting 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 to our conclusion includes:

- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management
- Reference to the Academies Accounts Direction 2024/2025, Annex B: Regularity Reporting section 4

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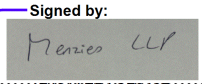
Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Independent Reporting Accountant's Assurance Report on Regularity to Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust) and the Secretary of State for Education (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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:

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Mark Bradley BA FCA
For and on behalf of Menzies LLP, Chartered Accountants

The Beehive
Lions Drive
Shadsworth Business Park
Blackburn
Lancashire
BB1 2QS

Date: 18-Dec-2025

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Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Statement of Financial Activities for the Year Ended 31 August 2025 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2025 Total £	2024 Total £
Income and endowments from:						
Donations and capital grants	2	22,861	-	130,015	152,876	36,490
Other trading activities	4	675,954	-	-	675,954	632,679
Charitable activities:						
Funding for the Academy trust's educational operations	3	197,116	8,578,488	-	8,775,604	7,571,739
Total		895,931	8,578,488	130,015	9,604,434	8,240,908
Expenditure on:						
Charitable activities:						
Academy trust educational operations	6	821,508	8,621,136	209,085	9,651,729	8,422,779
Net income/(expenditure)		74,423	(42,648)	(79,070)	(47,295)	(181,871)
Transfers between funds		-	(35,685)	35,685	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	26	-	875,000	-	875,000	154,000
Net movement in funds/(deficit)		74,423	796,667	(43,385)	827,705	(27,871)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2024		90,723	(752,643)	18,559,553	17,897,633	17,925,504
Total funds carried forward at 31 August 2025		165,146	44,024	18,516,168	18,725,338	17,897,633

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Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

(Registration number: 09115941)
Balance Sheet as at 31 August 2025

	Note	2025 £	(As restated) 2024 £
Fixed assets			
Tangible assets	11	18,719,218	18,797,773
Current assets			
Stocks	12	-	2,500
Debtors	13	237,739	350,702
Cash at bank and in hand		326,490	248,522
		564,229	601,724
Liabilities			
Creditors: Amounts falling due within one year		(390,227)	(351,812)
Net current assets		174,002	249,912
Total assets less current liabilities		18,893,220	19,047,685
Creditors: Amounts falling due after more than one year	15	(167,882)	(203,052)
Net assets excluding pension asset		18,725,338	18,844,633
Defined benefit pension scheme liability	26	-	(947,000)
Total net assets		**18,725,338**	**17,897,633**
Funds of the Academy:			
Restricted funds			
Restricted general fund	16	44,024	194,357
Restricted fixed asset fund	16	18,516,168	18,559,553
Pension reserve	16	-	(947,000)
		18,560,192	17,806,910
Unrestricted funds			
Unrestricted general fund	16	154,146	79,723
Unrestricted designated fund	16	11,000	11,000
		165,146	90,723
Total funds		**18,725,338**	**17,897,633**

The financial statements on pages 25 to 55 were approved by the Trustees, and authorised for issue on 17-Dec-2025 and signed on their behalf by:

Signed by:
Sue Muggeridge
2F39FF01228248E...

S Muggeridge
Chair of Trustees

Docusign Envelope ID: 524AE4B5-C453-4292-9582-8BE0C058072E

Four Stones Gateway Trust (formerly The Shropshire Gateway Educational Trust)

Statement of Cash Flows for the year ended 31 August 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	92,586	(110,771)
Cash flows from investing activities	21	22,346	(57,294)
Cash flows from financing activities	20	(36,964)	(36,964)
Change in cash and cash equivalents in the year		77,968	(205,029)
Cash and cash equivalents at 1 September		248,522	453,551
Cash and cash equivalents at 31 August	22	326,490	248,522

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1 Accounting policies

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

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

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

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

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of 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.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance 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 period it is receivable and to the extent the academy trust has provided the goods or services.

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1 Accounting policies (continued)

Donated goods, facilities and services

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

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

Donated fixed assets

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

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.

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1 Accounting policies (continued)

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Leasehold property	125 years straight line
Furniture and Fixtures	5 - 20 years straight line
Computer equipment	3 years straight line

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.

Provisions

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

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

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

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

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1 Accounting policies (continued)

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 notes 14 & 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stock
Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

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

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

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

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

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

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

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1 Accounting policies (continued)

Fund accounting
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.

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).

Prior period re-statement
The restricted and unrestricted funds in the prior year financial statements have been restated to recognise catering, residential trips and other donations as unrestricted income and expenditure, in line with the Academy Accounts Direction 2024 to 2025. The prior year restricted fixed asset fund has also been re-stated to reflect the use of the Trust's Devolved Formula Capital grant to fund the repair costs across the Trust's estate. There is no impact on the overall reserves figure as a result of these adjustments. See notes 16 and 30 for further details.

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact on 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.

2 Donations and capital grants

	Unrestricted Funds £	Restricted Fixed Asset Funds £	2025 Total £	2024 Total £
Capital grants	-	130,015	130,015	16,335
Other donations	22,861	-	22,861	20,155
	22,861	130,015	152,876	36,490

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3 Funding for the academy trust's charitable activities

	Unrestricted Funds £	Restricted General Funds £	2025 Total £	2024 Total £
Educational operations				
DfE/DfE revenue grants				
General Annual Grant (GAG)	-	5,948,815	5,948,815	5,717,151
Pupil Premium	-	243,683	243,683	251,250
Universal Infant Free School Meals (UIFSM)	-	23,237	23,237	122,543
PE and Sports Grant	-	52,170	52,170	52,110
Other DfE / ESFA Grant Income	-	62,582	62,582	138,978
Mainstream school additional grant (MSAG)	-	-	-	194,937
Teachers Pay Grant	-	222,246	222,246	150,988
Rates reclaim	-	25,751	25,751	-
Core Schools Budget Grant	-	211,666	211,666	-
SHaW Maths hub	-	683,670	683,670	-
	-	7,473,820	7,473,820	6,627,957
Other government grants				
Local Authority - SEN	-	679,062	679,062	496,182
Local Authority - Early Years	-	265,381	265,381	190,127
Local Authority - Other	-	75,268	75,268	64,922
	-	1,019,711	1,019,711	751,231
Non-government grants and other income				
Other income from the Trust's educational operations	197,116	84,957	282,073	192,551
Total grants	197,116	8,578,488	8,775,604	7,571,739

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4 Other trading activities

	Unrestricted Funds £	2025 Total £	2024 Total £
Lettings Income	15,780	15,780	14,294
Catering income	376,542	376,542	194,056
Insurance Income	-	-	123,930
Sale of goods & services	283,632	283,632	300,399
	675,954	675,954	632,679

5 Expenditure

	Non Pay Expenditure				
	Staff costs £	Premises £	Other costs £	2025 Total £	2024 Total £
Academy trust's educational operations					
Direct costs	5,543,968	209,085	1,291,688	7,044,741	6,138,531
Allocated support costs	1,230,223	457,010	919,755	2,606,988	2,284,248
	6,774,191	666,095	2,211,443	9,651,729	8,422,779

Net income/(expenditure) for the year includes:

	2025 £	2024 £
Operating lease rentals	75,802	62,803
Depreciation	209,085	213,520
Fees payable to auditor - audit (excluding VAT)	16,955	16,500
- other services (excluding VAT)	8,308	6,150

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6 Charitable activities

	2025 £	2024 £
Direct costs - educational operations	7,044,741	6,138,531
Support costs - educational operations	2,606,988	2,284,248
	9,651,729	8,422,779

	Educational operations £	2025 Total £	2024 Total £
Analysis of support costs			
Support staff costs	1,230,223	1,230,223	1,129,027
Technology costs	170,551	170,551	241,925
Premises costs	457,010	457,010	429,110
Legal costs - other	87,100	87,100	54,431
Other support costs	630,373	630,373	415,528
Governance costs	31,731	31,731	14,227
Total support costs	2,606,988	2,606,988	2,284,248

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7 Staff

Staff costs and employee benefits

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	5,038,849	4,983,235
Social security costs	523,935	439,761
Pension costs	1,150,269	1,033,838
	6,713,053	6,456,834
Supply staff costs	46,138	34,540
Staff restructuring costs	15,000	-
	6,774,191	6,491,374

	2025 £	2024 £
Staff restructuring costs comprise:		
Severance payments	15,000	-

Severance payments

The academy trust paid 1 severance payments in the year disclosed in the following bands:

	2025 £
0 - £25,000	1

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7 Staff (continued)

Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2025 No	2024 No
Teachers	62	62
Administration and support	121	122
Management	7	7
	190	191

Higher paid staff

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

	2025 No	2024 No
£60,001 - £70,000	-	3
£70,001 - £80,000	2	1
£80,001 - £90,000	3	2

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 £568,478 (2024: £774,404).

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8 Central services

The academy trust has provided the following central services to its academies during the year:

- Financial management
- Estate and premises
- Procurement
- Catering
- HR and payroll
- IT services

The academy trust charges for these services on the following basis:

Formula based on pupil numbers.

The actual amounts charged during the year were as follows:

	2025 £	2024 £
The Lacon Childe School	363,746	260,935
Clee Hill Community Academy	90,120	75,938
Cleobury Mortimer Primary School	155,747	116,842
Stottesdon CofE Primary School	68,047	61,846
	677,660	515,561

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

K Jones (staff trustee):

Remuneration: £85,000 - £90,000 (2024 - £80,000 - £85,000)
Employer's pension contributions: £25,000 - £30,000 (2024 - £20,000 - £25,000)

During the year ended 31 August 2025, travel and subsistence expenses totalling £Nil (2024 - £Nil) were reimbursed or paid directly to trustees (2024 - 0).

Other related party transactions involving the trustees are set out in note 27.

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10 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme. The cost of this insurance is included in the total insurance cost and cost for the year to 31 August 2025 totalled £32,263 (2024: £24,143).

11 Tangible fixed assets

	Leasehold land and buildings £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2024	20,203,705	13,313	211,739	301,637	20,730,394
Additions	-	-	118,730	11,800	130,530
At 31 August 2025	20,203,705	13,313	330,469	313,437	20,860,924
Depreciation					
At 1 September 2024	1,495,219	-	146,971	290,431	1,932,621
Charge for the year	171,860	-	26,965	10,260	209,085
At 31 August 2025	1,667,079	-	173,936	300,691	2,141,706
Net book value					
At 31 August 2025	18,536,626	13,313	156,533	12,746	18,719,218
At 31 August 2024	18,708,486	13,313	64,768	11,206	18,797,773

12 Stock

	2025 £	2024 £
Catering	-	2,500

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13 Debtors

	2025	2024
	£	£
Trade debtors	44,945	53,746
VAT recoverable	64,013	70,504
Other debtors	30,659	4,089
Prepayments	17,822	72,283
Accrued grant and other income	80,300	150,080
	237,739	350,702

14 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	192,270	156,432
Loans	35,168	35,168
Other creditors	5,948	2
Accruals	97,973	72,582
Deferred income	58,868	87,628
	390,227	351,812

	2025	2024
	£	£
Deferred income		
Deferred income at 1 September 2024	87,628	147,974
Resources deferred in the period	58,868	87,628
Amounts released from previous periods	(87,628)	(147,974)
Deferred income at 31 August 2025	58,868	87,628

Deferred income relates to trip fees received in advance and grant and other income received to fund specific items relating to 2024/2025 year end.

Included in loans are 5 interest free salix loans amounting to £90,134 with £19,038 being due under 1 year. These loans are repayable over 8 years.
Also included within loans are 3 CIF loans amounting to £112,916, with £16,131 being due under 1 year. These loans are repayable over 10 years with interest rates of 1.95% and 2.07%.

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15 Creditors: amounts falling due in greater than one year

	2025 £	2024 £
Loans	167,882	203,052

Included in loans are 5 interest free salix loans amounting to £90,134 with £70,097 being due over 1 year. These loans are repayable over 8 years.
Also included within loans are 3 CIF loans amounting to £112,916, with £96,785 being due over 1 year. These loans are repayable over 10 years with interest rates of 1.95% and 2.07%.

16 Funds

	Balance at 1 September 2024 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2025 £
Restricted funds					
Restricted general funds					
General Annual Grant	194,357	5,948,815	(6,063,463)	(35,685)	44,024
Pupil Premium	-	243,683	(243,683)	-	-
Universal Infant Free School Meals	-	23,237	(23,237)	-	-
Teachers Pay Grant	-	222,246	(222,246)	-	-
Other dfe/esfa grants	-	746,252	(746,252)	-	-
Local authority grants	-	1,019,711	(1,019,711)	-	-
PE & sports grant	-	52,170	(52,170)	-	-
Other educational income	-	84,957	(84,957)	-	-
Rates reclaim	-	25,751	(25,751)	-	-
Core Schools Budget Grant	-	211,666	(211,666)	-	-
Restricted fixed asset funds					
Restricted funds	18,559,553	130,015	(209,085)	35,685	18,516,168
Pension reserve funds					
Pension reserve	(947,000)	-	72,000	875,000	-
Total restricted funds	17,806,910	8,708,503	(8,830,221)	875,000	18,560,192
Unrestricted general funds					
Unrestricted funds	79,723	895,931	(821,508)	-	154,146
Unrestricted designated funds					
Lacon Childe School - Sinking fund	11,000	-	-	-	11,000

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16 Funds (continued)

	Balance at 1 September 2024 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2025 £
Total unrestricted funds	90,723	895,931	(821,508)	-	165,146
Total funds	17,897,633	9,604,434	(9,651,729)	875,000	18,725,338

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

As restated	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	(As restated) Balance at 31 August 2024 £
Restricted funds					
Restricted general funds					
General Annual Grant	-	5,717,151	(5,682,086)	159,292	194,357
Pupil Premium	-	251,250	(251,250)	-	-
Universal Infant Free School Meals	-	122,543	(122,543)	-	-
Teachers Pay Grant	-	150,988	(150,988)	-	-
Mainstream schools additional grant	-	194,937	(194,937)	-	-
Other dfe/esfa grants	154,474	138,978	(293,452)	-	-
Local authority grants	-	751,231	(751,231)	-	-
PE & sports grant	-	52,110	(52,110)	-	-
Other educational income	-	45,842	(45,842)	-	-
Other income	-	123,930	(123,930)	-	-
Restricted fixed asset funds					
Restricted funds	18,916,030	16,335	(213,520)	(159,292)	18,559,553
Pension reserve funds					
Pension reserve	(1,156,000)	-	55,000	154,000	(947,000)
Total restricted funds	17,914,504	7,565,295	(7,826,889)	154,000	17,806,910
Unrestricted general funds					
Unrestricted funds	-	675,613	(595,890)	-	79,723

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16 Funds (continued)

As restated	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	(As restated) Balance at 31 August 2024 £
Unrestricted designated funds					
Lacon Childe School - Hall project	6,000	-	-	(6,000)	-
Lacon Childe School - Sinking fund	5,000	-	-	6,000	11,000
Total unrestricted funds	11,000	675,613	(595,890)	-	90,723
Total funds	17,925,504	8,240,908	(8,422,779)	154,000	17,897,633

The academy trust is not subject to GAG carried forward limits.

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

Restricted general funds have been utilised for the Trust's educational operation.

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

The purpose of the sinking fund is the Lacon School's contribution to replacing the Astro Turf.

The Lacon Childe School hall project funds were specifically donated by the PTA for the purpose of refurbishment works in the main school hall.

The Lacon Childe curriculum fund represents specific support programs for transition and KS4 catchup.

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16 Funds (continued)

Total funds analysis by academy

Fund balances were allocated as follows:

	(As restated) 2024 £
The Lacon Childe School	(41,857)
Clee Hill Community Academy	(27,576)
Cleobury Mortimer Primary School	95,872
Stottesdon CofE Primary School	(39,914)
Central services	298,555
Total before fixed assets and pension reserve	285,080
Restricted fixed asset fund	18,559,553
Pension reserve	(947,000)
Total	17,897,633

In 2024/25, the Trust agreed to pool reserves and therefore current year information is unavailable.

The restricted and unrestricted funds in the prior year financial statements have been restated to recognise catering, residential trips and other donations as unrestricted income and expenditure, in line with the Academy Accounts Direction 2024 to 2025.

The prior year funds analysis has also been further amended by another re-statement impacting the year ended 31 August 2024 only, which reflects the use of the Trust's Devolved Formula Capital grant to fund repair costs across the Trust's estate.

There is no impact on the overall reserves figure as a result of these adjustments. See note 30 for more detail.

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16 Funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2025 £
The Lacon Childe School	2,231,911	927,395	166,990	873,864	4,200,160
Clee Hill Community Academy	496,672	218,736	20,714	145,643	881,765
Cleobury Mortimer Primary School	974,815	357,003	57,744	237,753	1,627,315
Stottesdon CofE Primary School	428,001	208,303	17,728	100,115	754,147
Shaw Maths Hub	-	93,969	587,001	2,699	683,669
Cleobury Mortimer Primary School SEND Hub	35,414	57,974	9,937	7,419	110,744
The Lacon Childe School SEND Hub	200,326	16,790	-	14,908	232,024
Central services	-	555,601	4,624	392,595	952,820
Academy Trust	4,367,139	2,435,771	864,738	1,774,996	9,442,644

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2024 £
The Lacon Childe School	2,400,424	1,054,879	168,374	915,629	4,539,306
Clee Hill Community Academy	511,791	286,301	29,777	154,504	982,373
Cleobury Mortimer Primary School	900,821	463,994	77,203	240,189	1,682,207
Stottesdon CofE Primary School	479,830	211,814	20,188	115,881	827,713
Central services	-	214,175	2,298	(38,812)	177,661
Academy Trust	4,292,866	2,231,163	297,840	1,387,391	8,209,260

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17 Analysis of net assets between funds

Fund balances at 31 August 2025 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	18,719,218	18,719,218
Current assets	165,146	399,083	-	564,229
Current liabilities	-	(355,059)	(35,168)	(390,227)
Creditors over 1 year	-	-	(167,882)	(167,882)
Total net assets	165,146	44,024	18,516,168	18,725,338

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

	(As restated) Unrestricted Funds £	(As restated) Restricted General Funds £	(As restated) Restricted Fixed Asset Funds £	(As restated) Total Funds £
Tangible fixed assets	-	-	18,797,773	18,797,773
Current assets	90,723	511,001	-	601,724
Current liabilities	-	(316,644)	(35,168)	(351,812)
Creditors over 1 year	-	-	(203,052)	(203,052)
Pension scheme liability	-	(947,000)	-	(947,000)
Total net assets	90,723	(752,643)	18,559,553	17,897,633

18 Long-term commitments, including operating leases

Operating leases

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

	2025 £	2024 £
Amounts due within one year	60,791	48,148
Amounts due between one and five years	55,598	30,699
	116,389	78,847

Operating leases relate to a variety of leases held for photocopiers, vehicles and IT equipment.

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19 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2025 £	2024 £
Net expenditure	(47,295)	(181,871)
Depreciation	209,085	213,520
Capital grants from DfE and other capital income	(152,876)	(16,335)
Interest payable	1,796	2,417
Defined benefit pension scheme cost less contributions payable	(107,000)	(103,000)
Defined benefit pension scheme finance cost	35,000	48,000
Decrease in stocks	2,500	-
Decrease in debtors	112,962	12,848
Increase/(decrease) in creditors	38,414	(86,350)
Net cash provided by/(used in) Operating Activities	92,586	(110,771)

20 Cash flows from financing activities

	2025 £	2024 £
Repayments of borrowing	(35,168)	(35,168)
Interest payable	(1,796)	(1,796)
Net cash used in financing activities	(36,964)	(36,964)

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21 Cash flows from investing activities

	2025 £	2024 £
Purchase of tangible fixed assets	(130,530)	(88,291)
Capital funding received from sponsors and others	152,876	30,997
Net cash provided by/(used in) investing activities	22,346	(57,294)

22 Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand and at bank	326,490	248,522
Total cash and cash equivalents	326,490	248,522

23 Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash	248,522	77,968	326,490
Loans falling due within one year	(35,168)	-	(35,168)
Loans falling due after more than one year	(203,052)	35,168	(167,884)
	(238,220)	35,168	(203,052)
Total	10,302	113,136	123,438

24 Contingent liabilities

The Academy Trust is aware of the 2023 ruling in the Virgin Media vs NTL Pension Trustee case and subsequent court of appeal ruling published in July 2024. These ruled that certain amendments made to the NTL Pension Plan were invalid because they were not accompanied by the correct actuarial confirmation. The Department of Work & Pensions has since announced that it will introduce legislation to allow changes to be certified retrospectively and as a result, the Trust no longer believes this to be a contingent liability.

25 Member liability

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

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26 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The result of this valuation 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 period amounted to £882,046 (2024: £724,022).

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

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26 Pension and similar obligations (continued)

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

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £551,000 (2024 - £560,000), of which employer's contributions totalled £441,000 (2024 - £446,000) and employees' contributions totalled £110,000 (2024 - £114,000). The agreed contribution rates for future years are 18.4 per cent for employers and 5.5 - 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 an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2025 %	2024 %
Rate of increase in salaries	3.75	3.85
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	6.23	5.00
Inflation assumptions (CPI)	2.50	2.60

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

	2025	2024
Retiring today		
Males retiring today	21.50	21.70
Females retiring today	24.10	24.20
Retiring in 20 years		
Males retiring in 20 years	22.80	23.00
Females retiring in 20 years	25.60	25.90

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26 Pension and similar obligations (continued)

Sensitivity analysis

	2025 £	2024 £
Discount rate +0.1%	(76,000)	(99,000)
Discount rate -0.1%	77,000	101,000
Mortality assumption – 1 year increase	73,000	103,000
Mortality assumption – 1 year decrease	(72,000)	(102,000)
CPI rate +0.1%	77,000	101,000
CPI rate -0.1%	(77,000)	(100,000)

The academy trust's share of the assets in the scheme were:

	2025 £	2024 £
Equities	2,914,164	2,404,936
Other bonds	667,216	591,856
Property	210,958	133,376
Cash and other liquid assets	34,342	54,184
Other	1,079,320	983,648
Total market value of assets	4,906,000	4,168,000

The actual return on scheme assets was £357,000 (2024 - £407,000).

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26 Pension and similar obligations (continued)

Amounts recognised in the Statement of Financial Activities

	2025	2024
	£	£
Current service cost	(319,000)	(326,000)
Interest income	219,000	187,000
Interest cost	(254,000)	(235,000)
Admin expenses	(15,000)	(17,000)
Total amount recognised in the SOFA	(369,000)	(391,000)

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

	2025	2024
	£	£
At start of period	5,115,000	4,412,000
Current service cost	319,000	326,000
Interest cost	254,000	235,000
Employee contributions	110,000	114,000
Actuarial (gain)/loss	(1,234,000)	65,000
Benefits paid	(154,000)	(37,000)
At 31 August	4,410,000	5,115,000

Changes in the fair value of academy's share of scheme assets:

	2025	2024
	£	£
At start of period	4,168,000	3,256,000
Interest income	219,000	187,000
Actuarial gain/(loss)	137,000	219,000
Employer contributions	441,000	446,000
Employee contributions	110,000	114,000
Benefits paid	(154,000)	(37,000)
Effect of non-routine settlements	(15,000)	(17,000)
At 31 August	4,906,000	4,168,000

Considering the impact of "asset ceiling" and that the pension scheme surplus cannot be recovered, the balance of the net defined pension scheme asset £nil (2024: deficit £947k) has been written off to the statement of financial activities. The net asset/liability is therefore Nil. This treatment is in accordance with FRS 102 section 28. The actuarial gain is recognised in the year is reduced by the value of the net pension asset of £nil (2024:£nil).

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27 Related party transactions

Owing to the nature of the Trust and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the directors 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

There are no related party trasanctions for the year to 31 August 2025. In the prior year, there was one related party transaction as the Son of the Trust Head of Finance, Business and Operations and Company Secretary was remunerated £57,587 for employment within the Trust. No amounts were outstanding at the year end.

All transactions were paid at a standard rate. The transactions were conducted in accordance with the requirements of the Academies Financial Handbook, financial regulations and procurement procedures.

28 Events after the end of the reporting period

Subsequent to the year end, The Shropshire Gateway Educational Trust merged with The Four Stones Multi Academy Trust to form a new entity, Four Stones Gateway Trust. This merger was effected through a transfer of all assets, liabilities, and operations of the Academy Trust to Four Stones Gateway Trust in accordance with an agreement approved by the respective Boards of Trustees and the Department for Education.

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29 Statement of Financial Activities for the year ended 31 August 2024

As restated	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	(As restated) 2024 Total £
Income and endowments from:					
Donations and capital grants	2	20,155	-	16,335	36,490
Other trading activities	4	508,749	123,930	-	632,679
Charitable activities:					
Funding for the Academy trust's educational operations	3	146,709	7,425,030	-	7,571,739
Total		675,613	7,548,960	16,335	8,240,908
Expenditure on:					
Charitable activities:					
Academy trust educational operations	6	595,890	7,613,369	213,520	8,422,779
Net income/(expenditure)		79,723	(64,409)	(197,185)	(181,871)
Transfers between funds		-	159,292	(159,292)	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	26	-	154,000	-	154,000
Net movement in funds/(deficit)		79,723	248,883	(356,477)	(27,871)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2023		11,000	(1,001,526)	18,916,030	17,925,504
Total funds/(deficit) carried forward at 31 August 2024		90,723	(752,643)	18,559,553	17,897,633

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30 Prior year re-statement

The restricted and unrestricted funds in the prior year financial statements have been restated to recognise catering, residential trips and other donations as unrestricted income and expenditure, in line with the Academy Accounts Direction 2024 to 2025. The adjustment has resulted in an increase in unrestricted income of £675,313 and a decrease in restricted income of £675,313, and an increase in unrestricted expenditure of £595,891 and a decrease in restricted expenditure of £595,891. We have not restated for periods prior to 1 September 2023 due to it being impractical to recalculate the amounts for all past years.

The prior year funds analysis has also been further amended by another re-statement impacting the year ended 31 August 2024 only, which was to transfer the unspent capital grant of £196,260 from the restricted fixed asset fund to the restricted GAG fund. This reflects the use of the Trust's Devolved Formula Capital grant to fund repair costs across the Trust's estate. There is no impact on the overall reserves figure as a result of this adjustment.

As both of these adjustments are material, the prior year figures have been re-stated and disclosed in line with FRS 102 section 10.23. There is no impact on the overall reserves figure as a result of these adjustments.