



The Education Alliance
(A company limited by guarantee)

Annual Report and Financial Statements

31 August 2025

The Education Alliance

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Reference and administrative details

Members Mr J Buckley (Lead Member)
The Diocese of York Educational Trust
Prof. S Twiselton
Mrs M Coalter

Trustees (Directors) Mrs K Dow (Chair)
Mr A Bradley
Mr S Whitaker (Vice Chair)
Mrs R Miller
Mr G Wragg
Mr J Timmis
Mrs K Stubbs
Mr K Matchett, resigned 12 March 2025
Mr C Derving, appointed 2 July 2025
Mrs E Train-Sullivan, appointed 25 February 2025

Mr A Bradley chairs the Audit and Risk Committee. Mr S Whitaker (Trustee), Mrs R Miller (Trustee), Mrs K Stubbs (Trustee) are members of the Audit and Risk Committee and the Trust has recruited a Governor to the committee (Mr I Stewart, Governor at Howden C of E Infant School).

Accounting Officer Mr J Uttley

Interim Accounting Officer Mr S Ratheram

Company Secretary Mrs F Roper

Senior Management Team Mr J Uttley, Chief Executive Officer
Mr S Ratheram, Deputy CEO
Mr K Henderson, Headteacher and Director of Primary Education
Mr P Sprakes, Headteacher
Miss M Blackledge, Headteacher
Mrs L Hudson, Headteacher
Mr R Winks, Headteacher
Mr L Hill, Headteacher, resigned 31 August 2025
Mrs V Loftus, Headteacher
Mrs H Yates, Headteacher
Mr P Grimes, Headteacher and Director of Inclusion
Mrs K Durham, Headteacher
Mr L Fletcher, Headteacher
Mrs C Isitt, Headteacher, appointed 21 April 2025
Mrs A Fletcher, Head of Yorkshire Wolds Teacher Training
Mrs J Jewitt, CFO and Director of Finance and Estates
Mrs E Collins, Director of People, appointed, 22 April 2025

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Reference and administrative details (continued)

**Principal and
Registered Office** South Hunsley School & Sixth Form College
East Dale Road
Melton
North Ferriby
East Yorkshire
HU14 3HS

Registration Number 07542211

Auditor Smailes Goldie
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Bankers Lloyds Bank plc
1 Grand Buildings
Jameson Street
Hull
HU1 3JX

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Solicitors Browne Jacobson LLP
1 Hardman Square
Spinningfields
Manchester
M3 3E

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Trustees' Report for the Year Ended 31 August 2025

The Trustees present their annual report together with the financial statements and 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 under company law.

The Trustees have adopted the provisions of 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) and the Academies Accounts Direction issued by the Education & Skills Funding Agency.

The Trust operates eleven academies and one alternative provision academy

- South Hunsley School and Sixth Form College for pupils aged 11 to 18 serving a catchment area in the East Riding of Yorkshire. It has a roll of 2084 as included in the school census in October 2025;
- Malet Lambert for pupils aged 11 to 16 serving a catchment area in the east of Kingston upon Hull. It has a roll of 1651 as included in the school census in October 2025;
- Hunsley Primary School for pupils aged 4 to 11 serving a catchment area in the East Riding of Yorkshire. It has a roll of 213 as included in the school census in October 2025.
- Driffield School and Sixth Form for pupils aged 11 to 18 serving a catchment area in the East Riding of Yorkshire. It has a roll of 1406 as included in the school census in October 2025.
- The Snaith School for pupils aged 11 to 16 serving a catchment area in the East Riding of Yorkshire. It has a roll of 838 as included in the school census in October 2025.
- North Cave C of E Primary School for pupils aged 4 to 11 serving a catchment area in the East Riding of Yorkshire. It has a roll of 113 as included in the school census in October 2025.
- Howden Junior School for pupils aged 7 to 11 serving a catchment area in the East Riding of Yorkshire. It has a roll of 233 as included in the school census in October 2025.
- Wilberfoss C of E Primary School for pupils aged 4 to 11 serving a catchment area in the East Riding of Yorkshire. It has a roll of 212 as included in the school census in October 2025.
- Howden C of E Infant School for pupils aged 4 to 7 serving a catchment area in the East Riding of Yorkshire. It has a roll of 170 as included in the school census in October 2025.
- Naburn C of E Primary School for pupils aged 4 to 11 serving a catchment area in York. It has a roll of 46 as included in the school census in October 2025.
- The Hub School is an Alternative Provision Academy offering specialist support for pupils aged 5 to 16 with social, emotional and mental health needs. It has a roll of 96 as included in the school census in October 2025 and in addition to this it has 80 other provider enrolments. It is funded by the DFE for 170 AP places.
- Beverley Minster C of E Primary School for pupils aged 4 to 7 serving a catchment area in the East Riding of Yorkshire. It had a roll of 204 in the school census in October 2025.

In addition, the Trust operates School Centred Initial Teacher Training (SCITT), Yorkshire Wolds Teacher Training, an organisation that trains new entrants to the teaching profession.

Structure, governance and management

Constitution

The Trust is a private company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company is known as The Education Alliance and trades as South Hunsley School and Sixth Form College, Malet Lambert, Hunsley Primary School, Driffield School and Sixth Form, The Snaith School, North Cave C of E Primary School, Howden Junior School, Wilberfoss C of E Primary School, Howden C of E Infant School, Naburn C of E Primary School, The Hub School, Beverley Minster C of E Primary School and Yorkshire Wolds Teacher Training.

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Trustees' Report for the Year Ended 31 August 2025 (continued)

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

Members' liability

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

Trustees' indemnities

During the year the Trust had in place third party indemnity provisions for the benefit of the Trust's Members and Trustees.

Method of recruitment and appointment or election of Trustees

The number of Trustees shall not be less than eight. All Trustees, at appointment, sign a written undertaking to uphold the object of the Trust and protect the Church of England designation and ethos of Church academies. Members appoint a minimum of six Trustees. The DYET appoints at least two Trustees and has the discretion to appoint more than two Trustees, as long as the total number of Trustees appointed by the DYET does not exceed 25% of the total number of Trustees. The Chair and Vice-Chair are elected by the Board on an annual basis. The Trustees are registered Directors with Companies House. They are personally responsible for the actions of the Trust and are accountable to the Members, the Secretary of State for Education and to the wider community for the quality of education received by all students of the academies in the Trust and for the expenditure of public money. The Trustees are required, as trustees and pursuant to the Funding Agreements, to have systems in place through which they can assure themselves of the quality, safety and good practice of the affairs of the Trust. The Trust Board signs off the annual accounts and is responsible for adherence to the Trust's funding agreement with the Secretary of State.

The Chair of the Board comes from the existing Trustees. There may be occasions where the Board decides to recruit a highly skilled chair from outside its current membership. The successful candidate would need to be appointed to a vacant position on the Board prior to being elected as Chair in accordance with the regulations.

Trustees have a maximum term of office of 4 years, and they can be re-appointed to a second term of office. There may be occasions where it is appropriate and necessary for a Trustee to be re-appointed for a further term.

Rather than having parent Trustees, each Local Governing Body has two parent governors.

When a vacancy arises, the Trust assesses any gaps in specialisms in the Trust Board, ensuring the Board reflects a mix of professions and the recruitment process enables the Chair of the Board to assess candidates against the requirements. The Trust is also mindful of equality and diversity in its Trust Board, and aims to have as diverse a Board as possible. The current Articles require the Trust Board holds at least three meetings in every school year.

Policies and procedures adopted for the induction and training of Trustees

The Chair and CEO have led on the induction of new Trustees, however, the Trust has engaged governance clerking services from the City of York Council Governance Department, and new Trustees and Governors have access to induction, training and development via that service. The Trust has facilitated governance training sessions, which have been attended by Members, Trustees and Governors, and they provide opportunities for refresher training alongside strategic updates. Trustees also complete e-learning modules and have access to recorded training sessions to enable them to complete key training flexibly (e.g. safeguarding and data protection). The Trust has historically undertaken an annual skills audit, whereby Trustees complete the NGA's skills audit template and the results are shared with the Trust Board. More recently, the Trust Board has used the CST Assurance Framework, which aligns with the Trust Quality Descriptions and this process has enabled the Board to reflect and consider their strengths and development areas as a team. The outcomes will influence action plans, training and development.

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Trustees' Report for the Year Ended 31 August 2025 (continued)

Organisational structure

The Trust Board delegates appropriately through a committee structure, which includes Local Governing Bodies, the Audit and Risk Committee, the Resources and Finance Committee and the Education Committee. The Governance Framework, Scheme of Delegation and Terms of Reference for the Trust Board and its committees have been reviewed in line with the revised Academy Trust Handbook, 2025.

Arrangements for setting pay and remuneration of key management personnel

The Trust's Pay Policy provides that every teacher, including senior leaders and the CEO, automatically progress on an annual basis until they reach the top of their pay scale, unless the individual is in receipt of a live support package as part of either a pre-capability or formal capability process. The Director of People oversees pay progression of teachers and senior leaders in September each year, ensuring there is a consistent, fair and transparent approach across the Trust. Senior leaders have pay scales agreed by the Trust Board and reports to the Board regarding executive pay include benchmarking information, consideration of the depth and breadth of roles, pay scales for other leaders and staff within the Trust, and national guidance is robustly adhered to (e.g. the Academy Trust Handbook and guidance regarding executive pay). The Pay Policy is reviewed at least annually, in line with national pay awards, changes to the School Teachers Pay and Conditions Book, and any changes in local arrangements.

Trade union facility time

Each year our schools pay into pooled trade union arrangements with each of our local authorities, and we currently employ a number of those trade union representatives in our schools who undertake paid trade union duties. We also have several school-based representatives who are staff working in our schools. They undertake a range of full-time and part-time roles, whilst also undertaking trade union activities, working closely with their local and regional representatives.

Details of the Trade Union Time can be found on our website [Trade Union Facilities Time – The Education Alliance](#). The details on our website are inclusive of the total cost of staff related facility time; amounts we can claim back from local authorities; and the total cost of pooled arrangements. Total trade union cost to the organisation is £67,599.39, representing 0.15% of our total pay bill. The cost has increased by £21,841.02 from last year due to an increase of 527 hours of trade union duties as well as increased staffing costs for all workers; however, the percentage of total pay bill has lowered from 0.41% last year.

Connected organisations, including related party relationships

The Trust has a 100% owned subsidiary, Education Alliance Social Value Limited. This is detailed in note 15.

As a Trust that includes Church of England schools in the Diocese of York, the Diocese of York Educational Trust (DYET) is included as one of the Trust Members. DYET is also entitled to appoint a limited number of Trustees (please see above). The York Diocesan Board of Finance Limited (company number 00225234) provides services to the Church of England school in the Trust, being in relation to essential functions fundamental to the religious character and ethos of those schools, under the YDBE Service Level Agreement (SLA).

Substantial parts of the school land and buildings occupied by North Cave C of E Primary School, Wilberfoss C of E Primary School, Howden C of E Infant School, Naburn C of E Primary School and Beverely Minster C of E Primary School are occupied under a two year rolling licence from The York Diocesan Board of Finance Limited and are not recognised in the financial statements on the basis the Trust does not have control over the associated land and buildings.

The Trust currently has no other connected organisations or related party relationships.

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Trustees' Report for the Year Ended 31 August 2025 (continued)

Objectives and activities

Objects and aims

The Trust's objectives are set to reflect the educational aims and ethos of each Trust school. In setting the objectives and planning the activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

The main objects of the Trust are:

a. 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 Academies which shall offer a broad and balanced curriculum and which:

(i) shall include Church of England Academies ("Church Academies" and each a "Church Academy") 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

(ii) may include other Academies whether with or without a designated religious character;

- But in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.
- Where an Academy is designated as or recognised as a Church Academy, in relation to the ethos and religious education provided at the Academy the Trustees shall have regard to any advice and follow any directives issued by the Diocesan Board of Education;

b. To promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants, provided that any such use of facilities at Church Academies will not facilitate a breach of the trusts upon which the Site Trustees hold the school site.

The main objectives between 1 September 2024 and 31 August 2025 were:

- Be a family of at least 15 schools across Yorkshire, delivering high-quality inclusive education to 8,000 young people and operating efficiently and effectively.
- Train 100 highly effective new teachers each year who are equipped for long, successful careers in schools.
- Train 10 future Headteachers for Yorkshire schools, who lead ethically and are deeply connected to their communities.
- Lead the sector in staff satisfaction and engagement.
- Deliver equally high-quality education and positive staff experience in each TEAL school.
- Have a school place for every young person in our communities and ensure the needs of all young people are met.
- Have a great teacher in every classroom, all of whom are committed to and capable of delivering high quality inclusive education.
- Lead the sector in retention of new entrants to the profession.
- Ensure every young person in a TEAL school feels seen, valued, heard and has a strong sense of belonging.
- Ensure all our young people read fluently, can fully access their curriculums and are equipped with strong literacy skills.

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Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

Throughout the period, our schools, like all schools across the country, have continued to operate a very challenging environment. The long tail of the Covid lockdowns has continued and nationally there is evidence that the social contract around education is fraying. Across the country, student and pupil attendance continue to be well below pre-pandemic levels, behaviour is more challenging, there are more parental complaints and fewer support services for schools. Lower attendance has been exacerbated by high levels of poverty, increasingly common mental health concerns and multiple traumas so many young people face.

These are all issues and challenges our schools have faced. The strong performance of our schools and the successful growth of the Trust are a testament to the strength of leadership in our schools and at Trust levels and the hard work of our staff.

Public benefit

We have referred to the public benefit guidance contained in the Charity Commission general guidance when reviewing the Trust's aims and objectives and in planning future activities. The availability and access to the public of the Trust's facilities is a key object within the Articles of Association.

Achievements and performance

Ofsted and pupil outcomes

By the end of 2024-25, there were twelve academies in the Trust, following significant growth the previous year. The year 2024-25 was a year of consolidation as newer schools further developed their sense of being part of the TEAL family of schools. During the year we continued to develop plans to open a new 120 place Free School for children with SEMH need. The school will be called the North Star School and will be sited next door to South Hunsley School.

During the course of 2024-25, only two of our schools were inspected by Ofsted. All TEAL schools and the SCITT have been judged Good or better as part of the Trust. Please note, however, Ofsted no longer make single word judgments.

Outcomes across the Trust remain strong. Due to the lingering effect of the pandemic, there were no progress measures for secondary schools in 2025. In terms of attainment, our secondary schools performed broadly in line with or above expectation and crucially, attendance improved further in all our schools. Students in our two sixth forms performed extremely well, with excellent outcomes and strong destinations. At key stage 2 and in phonics checks, pupils in TEAL schools performed well. Detail on the performance of our schools is publicly available on the DfE's websites and the schools' own websites.

Trustees remain proud that all our schools take an inclusive approach to education. No school seeks to gain in performance tables at the expense of young people. We are proud and privileged to educate significant numbers of young people with additional needs, suspensions and exclusions are used as a last resort, we have very small numbers moving into elective home education and schools leave students dual registered when they attend alternative provision, remaining responsible for their outcomes and choosing to accept a "hit" in performance tables in order to do what is ethically sound.

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Trustees' Report for the Year Ended 31 August 2024 (continued)

Strategic Report

Recruitment and retention of teaching staff

Feedback from our staff shows that we remain an employer of choice with staff reporting much higher contentment and satisfaction around workload than national averages. We continue to deliver our key priority of “a great teacher in every classroom” and we have retained 96% of teachers in the profession after 3 years, compared to a national average of around 75%.

The Trust continues to recognise that the single biggest factor in the success of young people in schools is the quality of teaching in that school. This view is based on robust evidence, such as the 2011 Sutton Trust Report and the EEF’s research which shows that high-quality teaching is the most effective strategy for improving outcomes for disadvantaged young people. The single biggest challenge in the English school system is that of recruitment and retention and it is vital that our trust continues to be a national exemplar for teacher recruitment and retention.

ITT review

The Trust continues to invest heavily in teacher development, most notably through Yorkshire Wolds Teacher Training (SCITT), and supporting our decision to focus the development of our own high quality Early Career Programme, rather than using a less effective national programme. Both the SCITT and our Early Career Programme have been enormously successful and mean that the Trust is bucking the trend of teacher recruitment and retention. The SCITT continues to outperform national data in terms of recruitment and once again had our biggest cohort ever recruited for September 2025 – 102 trainees across primary and secondary. As well as ensuring that our trust schools are fully staffed, the success of the SCITT is making a significant contribution to local and regional schools outside the trust.

Financial strains across the system

The financial climate remains challenging for all schools nationally. Ten of our twelve schools are in East Yorkshire which is the fourth lowest funded authority per pupil in the country. Over the last 10 years, the Trust has remained financially strong through careful planning and the strategic use of reserves to support schools, to improve outcomes and to give opportunities to young people, particularly those most in need. Despite this, finances remain a real challenge. Our new approach to reserves has meant we have reduced our overall reserves (and will continue to do so carefully and in a planned way). Reserves that in the past we would have hoped to use for capital projects and estates works, were redeployed during the pandemic, and we continue to find that a strong reserves position is vital with so many additional financial strains facing schools. The Trust has deployed all additional government funding such as Pupil Premium and Sport Premium, for the purposes intended and details of that spend can be found on individual academy websites.

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Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

Key non-financial performance indicators

The Trust produces monthly budget to actual reports to monitor its on-going progress against target. For the year ended 31 August 2025 the income and expenditure account total income was 3.85% higher than expected, staff costs were 0.41% higher than expected and overheads were 12.08% higher than expected.

The Trust understands that its biggest expense is staff costs and that this must be carefully monitored. The Trust expects that staff costs should be less than 80% of income in order to remain efficient. In the year to 31 August 2025 staff costs were 73.5% (2024: 75.2%) of incoming resources.

Going concern

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

Financial review

The financial results for the year were in line with expectations.

The Trust's main source of income (the General Annual Grant (GAG)) consists mainly of the funding for pupils aged between 4 and 16. This income is based on the "replication model" of the Local Authority's funding formula; the funding for post 16 pupils which is based on a formula administered by the DfE; and ESGG (Education Services Grant) which is a grant to cover responsibilities transferred from the Local Authority to the Trust.

In addition to the educational operations of the Trust, five other related operations have been performed, these are:

- A SCITT, which is judged as outstanding.
- A Catering Service, which provides meals to students and staff.
- Sports facilities, which when not used by the Trust, are made available to the public, and
- Hosting a number of Public Sector Frameworks with PAGABO Limited (this activity is held in a 100% owned trading subsidiary, Education Alliance Social Value Limited. Its income is used to fund mental health and sustainability projects across the Trust and any remaining income is gift aided to the Trust. Further detail is provided in note 15 to the financial statements).

Careful financial management has enabled the Trust to operate with surplus reserves. There has been an in-year deficit on general reserves of £1,645,000 (2024: deficit £170,000) (excluding depreciation charges and actuarial pension movements) however, this was budgeted and due to expenditure on capital projects from reserves and is in line with expectation and a requirement to reduce the levels of cash and reserves to a more acceptable level. Transfers to the restricted fixed asset fund from general reserves amounted to £2,040,000 during the period. Excluding transfers and pension actuarial movements, the Trust generated a surplus on general reserves of £395,000 (2024: £582,000). At 31 August 2025, balances on the unrestricted and restricted funds (excluding pension reserve and fixed asset reserves) of £4,182,000 surplus (2024: £3,970,000 surplus) and £2,669,000 surplus (2024: £4,526,000 surplus) were carried forward.

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Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

The Trust's non-teaching staff are entitled to membership of the Local Government Pension Scheme (LGPS). The balance at 31 August 2025 was a net liability of £51,000. This had decreased from the balance 31 August 2024 which was £981,000. We are currently reviewing our long term LGPS position and what safeguards, if any, we would be able to adopt to reduce the effect that current market volatility is having on the financial results. The employers' contribution rate is currently 14.1% at South Hunsley School and Sixth Form College, 22.8% at Malet Lambert, 19.4% at Driffild School and Sixth Form, 17.3% at Hunsley Primary School, 19.7% at The Snaith School, 21.6% at North Cave C of E Primary School, 20.0% at Howden Junior School, 16.6% at Wilberfoss C of E Primary School, 17.6% at Howden C of E Infant School, 16.3% at Naburn C of E Primary School and 14.6% at The Hub School. The LGPS pension liability is underwritten by the DfE.

Reserves policy

The Trustees review the reserve levels of the Trust annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The educational obligations that the Trust has on a day-to-day basis are funded from its restricted reserves that were provided for this purpose. The Trustees need to ensure that the Trust has sufficient working capital to cover delays between receipt of grants and spending and are able to deal with unexpected emergencies that may arise such as emergency maintenance. The Trust's current level of general reserves (Restricted and Unrestricted reserves excluding Fixed Asset and Pension Funds) is £6,851,000 (2024: £8,496,000). Taking into account the nature of the Trust's income streams, the Trustees are of the view that reserves at this level are sufficient to cover its working capital needs. At 31 August 2025, the Trust carried forward underspent capital funding of £784,022 (2024: £127,935 overspend).

Each school in the Trust is required to operate within a lower and upper limit per pupil for reserves to ensure that schools and the Trust remain financially strong, but that annual GAG funding is spent more effectively in current cohorts of pupils. Where a school is above their upper per pupil limit for reserves, these additional amounts will be set aside into a Trust Development Fund and used, expeditiously, for improvement priorities across a number of schools, for example, to support teacher development. It is expected that cash reserves will reduce over coming years, but the Trust will remain in a strong financial position, enabling all students in our academies to benefit from the best teaching and resources to improve their life chances. The details of this approach were shared with the Regional Director for Yorkshire and the Humber and with the DfE.

Investment policy

The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation. In addition, the Trust aims to invest surplus cash funds to optimise returns but ensuring the investment instruments are such that there is minimal risk to the loss of these cash funds.

The main purpose of the Trust's investment policy is to:

- ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements
- ensure there is no risk of loss in the capital value of any cash funds invested
- protect the capital value of any invested funds against inflation
- optimise returns on invested funds

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Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

Principal risks and uncertainties

The Trust has identified principal risks and uncertainties including:

- The biggest risk and uncertainty for all multi-academy trusts continues to be the gap between rapidly increasing cost pressures and the level at which schools are funded. Schools are dealing with the fallout from past uncertainty about funding of pay rises for teachers and associate staff, high energy prices and school-specific inflation that remains high. We are extremely concerned about funding for SEND which means children regularly have EHCPs which provide an entitlement that is not properly funded. The state of public finances mean schools can expect several more years of squeezed funding and it is becoming increasingly difficult for schools to deliver more for young people and families with very tight funding settlements.
- Fluctuations in pupil numbers across the Trust present both challenges and opportunities. There have been recent increases in pupil numbers at both Malet Lambert and at The Snaith School (where the closure of a secondary school near Snaith has seen the roll increase by roughly 10% in-year). With potential further development of housing in South Hunsley's catchment area and significant pupil growth expected in the town of Howden, pupil numbers are expected to remain strong or increase. However, small fluctuations with the very low numbers of pupils at Naburn presents an ongoing challenge and, with pupil numbers across East Yorkshire falling significantly, staffing levels will need to be carefully managed in future years.
- An increasing risk to all schools across the country is that of a cyber-attack. We have robust controls in place that are overseen by the Executive Board, the trustees and the audit committee. All schools and trusts are aware that attacks are becoming more sophisticated and vigilance and a dynamic approach to cyber security is essential.

Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the following statement.

The Trustees have reviewed current examples of best practice and have:

- set policies on internal controls which cover the following:
- the type of risks the Trust faces
- the level of risks which they regard as acceptable;
- the likelihood of the risks materialising;
- the Trust's ability to reduce the incidence and impact on the Trust's operations of risks that do materialise;
- the costs of operating particular controls relative to the benefits obtained.
- Continued to build further capacity in leadership teams across the Trust;
- Revised trust school level policies and procedures;
- explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- embedded the risk management practice in the Trust's operations so that it becomes part of the culture of the Trust and
- included procedures for reporting failings immediately to appropriate levels of management and the Trustees together with details of corrective action being undertaken.

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Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

Fundraising

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

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions, energy use and intensity ratios for the period	2020/21	2021/22	2022/23	2023/24	2024/25
Energy consumption used to calculate emissions (kWh)	10,758,734	12,735,124	11,535,444	10,930,911	10,976,284
Energy consumption breakdown (kWh)					
- Gas	7,992,112	9,328,904	8,529,044	7,656,670	7,752,164
- Electricity	2,462,738	3,075,579	2,912,184	2,898,604	2,850,954
- Fuel oil	303,884	274,191	17,775	192,593	126,320
- Transport Fuel	-	56,451	76,441	143,452	192,109
- Propane	-	-	-	39,590	54,737
Scope 1 – emissions in metric tonnes tCO_{2e}	2020/21	2021/22	2022/23	2023/24	2024/25
Gas consumption	1,469	1,708	1,557	1,400	1,434
Fuel oil consumption	81.4	73.5	4.8	51.6	31.17
Owned transport – mini-buses	0.7	4.5	3.7	17.5	23.38
Refrigerant release from air conditioning systems	12.5	12.5	13.3	10.6	10.83
Propane consumption				8.5	11.72
Total Scope 1 – emissions in metric tonnes tCO_{2e}	1,564	1,799	1,578	1,488	1,511
Scope 2 – emissions in metric tonnes tCO_{2e}	2020/21	2021/22	2022/23	2023/24	2024/25
Purchased electricity (not including transport & distribution)	574	653	563	600	590
Total Scope 2 – emissions in metric tonnes tCO_{2e}	574	653	563	600	590
Scope 3 – emissions in metric tonnes tCO_{2e}	2020/21	2021/22	2022/23	2023/24	2024/25
Business mileage - passenger vehicles	4.4	9.5	14.8	17.2	23.08
Total Scope 3 – emissions in metric tonnes tCO_{2e}	4.4	9.5	14.8	17.2	23.08
Total gross emissions in metric tonnes tCO_{2e}	2,142	2,462	2,157	2,105	2,124
Total pupils on roll	6,215	6,236	6,464	6,854	7,139
Intensity ratio tCO_{2e}/pupil	0.34	0.39	0.33	0.30	0.29

The Education Alliance

Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

Measures taken to improve energy efficiency

This document outlines the principal measures undertaken and planned by The Education Alliance to enhance energy efficiency during the relevant financial year, in compliance with SECR regulations. Our commitment to reducing energy consumption and carbon emissions is driven by both environmental responsibility and the increasing financial viability of energy-efficient technologies.

Principal Measures Taken and Planned:

- Exploration and Adoption of Solar PV Systems. The increase in electricity costs has substantially enhanced the financial viability of energy-efficient technologies, leading to quicker payback periods for investments. The Trust is actively exploring the adoption of additional solar PV systems across its schools.
- A comprehensive lighting upgrade project has been successfully implemented across the majority of schools within The Education Alliance. This initiative involved replacing outdated fluorescent fittings with modern, energy-efficient LED alternatives. As a result, all schools now benefit from LED lighting, significantly reducing electricity consumption associated with illumination.
- Continued Membership with Energy Sparks - The Education Alliance maintains its active membership with Energy Sparks, a valuable charity dedicated to school-specific energy management and education. Energy Sparks provides a unique tool and educational programme that supports our efforts in monitoring energy usage, identifying areas for improvement, and fostering a culture of energy awareness among students and staff. This ongoing partnership contributes to sustained energy efficiency improvements through data-driven insights and behavioural change initiatives.
- Implementation of Sustainability-Focused Key Performance Indicators (KPIs) - To systematically monitor and drive progress in energy efficiency, The Trust has introduced five new sustainability-focused Key Performance Indicators (KPIs). Each school is now benchmarked based on its gas, fuel, and electricity consumption. These KPIs are rigorously reviewed three times a year as part of the school KPI document, allowing for continuous assessment of performance, identification of trends, and targeted interventions to improve energy efficiency across the Alliance.
- Raising Awareness for Behavioural Changes - A continuous focus remains on raising awareness and promoting behavioural changes that directly contribute to reduced energy consumption. This includes consistent communication regarding simple yet effective actions, such as ensuring IT equipment is turned off when not in use. The importance of user responsibility within the buildings will be regularly communicated to both students and staff across all schools, reinforcing that collective effort is vital for achieving our energy efficiency goals.
- Climate Action Plan - The Education Alliance has a Climate Action Plan in place which focuses on 5% reduction in emissions year on year and a 10% increase in recycling. Each school is also running their own school led project focusing on decarbonisation, Adaptation and Resilience, Biodiversity or Climate Education.

The Education Alliance

Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

Plans for future periods

TEAL Strategy <i>How we make great schools and happier, stronger communities so that people have better lives</i>			
Initial Teacher Training	Our Schools	Civic and System Leadership	Organisational Quality
<p>The YWTT Programme supports new teachers to develop the skills and knowledge required to become highly effective, evidence-informed teachers, able to make the lives of the children they teach better. It contains three overlapping components delivered through integrated strands:</p> <ul style="list-style-type: none"> • Learning to teach • Learning to teach a subject • Learning to be teacher 	<p>The success of our schools going forward depends on our ability to:</p> <ul style="list-style-type: none"> • Ensure we have a good teacher in every classroom • Deliver an ambitious, inclusive curriculum • Create a culture of wider personal excellence <p>We build these upon effective systems for:</p> <ul style="list-style-type: none"> • Behaviour • Safeguarding • Care 	<p>Our moral commitment to improving the lives of others extends beyond our schools and trust. As public servants and civic leaders, we will work to bring about change to build a school system and society that delivers success, equity and a good life for all young people, by:</p> <ul style="list-style-type: none"> • Supporting other trusts to grow, develop & improve. • Partnering with trust sector groups & think tanks. • Working with the DfE and policy makers • Speaking publicly with courage & conviction to advocate for positive change. 	<p>Everything we do is underpinned by the highest quality operational and organisational work, driven by our core purpose and the principles of quality improvement.</p> <ul style="list-style-type: none"> • Our staff feel valued, cared for and want to do their lives' best work with TEAL. • Our services are responsive and efficient. • We listen to people & think creatively to solve problems. • We make the lives of school leaders and staff easier.
<p>TEAL Community</p> <p>We provide additional services, support and opportunities for our young people, staff and communities by:</p> <ul style="list-style-type: none"> • Developing local & regional networks of partner organisations • Identifying gaps in support and services & finding creative solutions • Implementing solutions through fundraising & income generation 			
TEAL Ethical Leadership Framework			

The Education Alliance

Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

Plans for future periods (continued)

To focus our work in the 5 key areas of our strategy, we wish to make a series of promises about what young people and adults who are part of the TEAL family will experience and what we will deliver for our communities and for the school system. These promises are intentionally highly ambitious; we may not achieve them all, but for the next four years we will focus all our work on delivering them. Delivering this strategy and truly fulfilling our core purpose will become the mission of leaders, trustees, governors and everyone who works for TEAL.

By 2028 we will:

1. Be a family of at least 15 schools across Yorkshire, delivering high-quality inclusive education to 8,000 young people and operating efficiently and effectively.
2. Train 100 highly effective new teachers each year who are equipped for long, successful careers in schools.
3. Train 10 future Headteachers for Yorkshire schools, who lead ethically and are deeply connected to their communities.
4. Lead the sector in staff satisfaction and engagement.
5. Deliver equally high-quality education and positive staff experience in each TEAL school.
6. Have a school place for every young person in our communities and ensure the needs of all young people are met.
7. Have a great teacher in every classroom, all of whom are committed to and capable of delivering high quality inclusive education.
8. Lead the sector in retention of new entrants to the profession.
9. Ensure every young person in a TEAL school feels seen, valued, heard and has a strong sense of belonging.
10. Ensure all our young people read fluently, can fully access their curriculums and are equipped with strong literacy skills.
11. Offer a high-quality programme of personal excellence and ensure every young person enjoys at least one enrichment experience every year.
12. Ensure all young people who attend TEAL schools gain good qualifications, thrive educationally, and are on a pathway to higher education, an apprenticeship or a fulfilling job by the age of 19.
13. Give all young people access to mental health support in our schools.
14. Give all young people access to speech and language support.
15. Operate early help and support services that reduce the burden on NHS and other services and place our schools at the heart of the communities we serve.
16. Have contributed significantly to positive reform of the school system to make schools more inclusive
17. Be an exemplar for high-quality inclusive education and be at the forefront of a network of trusts and other partners developing, promoting and supporting high-quality inclusive education.

The Education Alliance

Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

Promoting the success of the Trust

The Board of Trustees have considered the matters set out in section 172 (1) (a) to (f) when performing their duty to promote the success of the Trust.

The Board of Trustees continue to ensure that any business decisions consider the long-term impact on all key stakeholders. During the period there has been a strong focus on the continued integration with all academies within the Trust to ensure that the Trust continues to function in a single consistent manner going forward. This integration promotes employee development and allows supplier and customer relationships to be elevated to a MAT level.

Environmental issues continue to be a focus of the Trust and are always a consideration as the Board compiles its strategy. The Board of Trustees encourage sharing of best practices between all academies within the Trust to ensure it operates at the highest possible standard and endeavours for all members to be treated fairly.

The Board of Trustees meet regularly to oversee implementation of the Trust's strategy. This includes, but is not limited to, reviewing the performance against forecasts, authorising and monitoring capital investment, assessing compliance with regulations and maintaining a high level of active training to promote a safe working environment, all of which contribute directly to the long term success of the Trust.

Engagement with employees (including disabled persons)

The Board of Trustees consider the Trust's employees to be integral to its continued success. The Board of Trustees makes use of the Senior Management Teams throughout the Trust to ensure that all employees are kept up to date with key and relevant information which may concern them as employees. Each academy location consults its employees as necessary when making material decisions which may affect them. Employees are encouraged to have an interest in the performance and success of the Trust. The Trust invests heavily in training to allow staff members to meet the needs of the Trust and deliver on its obligations to the UK educational sector and the Secretary of State for Education

The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust supports this by adapting the physical environment wherever possible, by making support resources available and through training and career development. New buildings and improvements to existing buildings all recognise the need to be fully DDA compliant. The Trust continues to review its Equality and Diversity Policy and the Director of People works closely with school leaders on the Trust's equality objectives and its public sector duty.

Equal Opportunities

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to maintain equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Board of Trustees continuously consider key stakeholder relationships and develops them through the Senior Management Team. The Trust considers relationships with customers and suppliers on a local and national scale and maintains strong relationships at a local and national level.

The Education Alliance

Trustees' Report for the Year Ended 31 August 2025 (continued)

Strategic Report

Auditor

In so far as the Trustees are aware:

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

The Trustees' Report was approved by the Board of Trustees on 17 December 2025 and signed on its behalf by:



.....
Mrs K Dow (Chair)
Trustee

The Education Alliance

Governance statement for the Year Ended 31 August 2025

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Education Alliance 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.

During 2024/25, the Board of Trustees delegated the day-to-day responsibility to Mr J Uttley, 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 The Education Alliance and the Secretary of State for Education. From 1 December 2025, Mr S Ratheram, Deputy CEO, was appointed as the Interim Accounting Officer due to the unforeseen absence of the Principal Accounting Officer, Mr J Uttley. The Principal and Interim Accounting Officers 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 Board of Trustees has formally met 6 times during the year. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs K Dow (Chair)	6	6
Mr C Derving (appointed 2 July 2025)	1	1
Mrs E Train-Sullivan (appointed 12 March 2025)	2	3
Mr A Bradley	6	6
Mr S Whitaker (Vice Chair)	5	6
Mrs R Miller	5	6
Mr G Wragg	6	6
Mr J Timmis	4	6
Mrs K Stubbs	3	6

Conflicts of interest

The Trust maintains an up to date and complete register of business interest for all Trustees, members of the local governing bodies of each school, senior leaders, finance staff and any staff with a budget or monetary responsibility. The register held with the Trustees' interests is published on the Trust website and the register of the members of the local governing bodies interests is published on the respective school websites. Conflicts of interest are discussed regularly and are a standing agenda item at all relevant meetings with an opportunity at the start of each meeting to declare any interests. Any transactions or perceived transactions with a related party must be approved by the Board of Trustees before the transaction can take place. Trustees, members of relevant governing bodies and any members of staff, including members of the Senior Management Team, are excluded from any decision-making process where a conflict of interest is deemed to exist.

Governance reviews

The financial oversight of the Trust remains with the Trust Board or the Audit and Risk Committee (see below). Following the restructure of the committees the previous academic year, the Audit and Risk Committee met 5 times during the academic year ending 31 August 2025. Both the Resources and Finance Committee and the Education Committee met 3 times.

The Education Alliance

Governance statement for the Year Ended 31 August 2025 (continued)

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee and approve the Trust's programme of internal scrutiny; ensure that risks are being addressed appropriately, providing advice and insight to the Trust Board on how to address weaknesses in financial and non-financial controls and; ensure all categories of risk are being adequately identified, reported and managed, reporting to the Trust Board on the adequacy of the Trust's internal control framework, including financial and non-financial controls and management of risks. The membership of the Audit and Risk Committee is Andy Bradley (Chair) (Trustee), Sam Whitaker (Trustee), Ian Stewart (Governor), Rebecca Miller (Trustee) and Kyrstie Stubbs (Trustee). This committee meets at least 4 times a year, and attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Bradley	4	5
Mr S Whitaker	5	5
Mrs K Stubbs	5	5
Mr I Stewart	4	5
Mrs R Miller	4	5

Impact of Covid-19 on Governance arrangements

The governance arrangements are back to normal working arrangements following the Covid pandemic, with the majority of meetings being held in person, and hybrid arrangements in place where Trustees or Governors are unable to attend in person, but can attend online.

Review of value for money

The Accounting Officer, and where applicable, the Interim Accounting Officer, has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer, and where applicable, the Interim Accounting Officer, understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer, and where applicable, the Interim Accounting Officer, considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Completing a detailed tendering process where required
- Aligning policies, procedures, systems and contracts where possible within the Trust
- Continually reviewing staffing costs and structures and monitoring staff costs as a percentage of income
- We have in place standard terms and conditions that are published on our websites and our purchasing practices procedures includes assessing the sustainability impact whilst making purchasing decisions.

The Education Alliance

Governance statement for the Year Ended 31 August 2025 (continued)

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 the Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Education Alliance 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 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 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. 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 Board of Trustees and Executive Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees appointed Forrester Boyd for the role of Internal Auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the current period included:

- (1) Purchases and Financial Procedures (completed over two quarters)
- (2) Payroll
- (3) Catering income

On a quarterly basis, the internal auditors produce a report to the Board of Trustees and the Audit and Risk Committee regarding the operation of the systems of control and on the discharge of the governing body's financial responsibilities. There have been no material control issues identified by the internal auditors during the year. Any non-material recommendations have been addressed on a timely basis by the Trust's CFO.

The Education Alliance

Governance statement for the Year Ended 31 August 2025 (continued)

Review of effectiveness

As Interim Accounting Officer (since December 2025), Mr S Ratheram, Deputy CEO, has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Interim Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the Board of Trustees is of the opinion that the Trust has an adequate and effective framework for governance, risk management and control.

Approved by the Board of Trustees on 17 December 2025 and signed on its behalf by:



.....
Mrs K Dow (Chair)
Trustee



.....
Mr S Ratheram, Deputy CEO
Interim Accounting Officer

The Education Alliance

Statement of regularity, propriety and compliance

As Interim Accounting Officer of The Education Alliance, 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 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 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 the DfE.



.....
Mr S Ratheram, Deputy CEO
Interim Accounting Officer

17 December 2025

The Education Alliance

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 Education and Skills Funding Agency, 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 the Board of Trustees on 17 December 2025 and signed on its behalf by:



.....
Mrs K Dow (Chair)
Trustee

The Education Alliance

Independent Auditor's Report on the Financial Statements to the Members of The Education Alliance

Opinion

We have audited the financial statements of The Education Alliance (the 'Trust') for the year ended 31 August 2025, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cashflows 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Trust'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 trustee's annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

The Education Alliance

Independent Auditor's Report on the Financial Statements to the Members of The Education Alliance (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and 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 26], the Trustees (who are also the Directors of the Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Education Alliance

Independent Auditor's Report on the Financial Statements to the Members of The Education Alliance (continued)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities SORP 2019, Academies Accounts Direction 2024 to 2025, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence as necessary.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the limited liability partnership's legal advisors.

The Education Alliance

Independent Auditor's Report on the Financial Statements to the Members of The Education Alliance (continued)

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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

Use of our report

This report is made solely to the Trust's Trustees, 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 Trust's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Jamie Chilcott ACA (Senior Statutory Auditor)
For and on behalf of Smailes Goldie ,
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

18 December 2025

Note:

The maintenance and integrity of the Trust website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The Education Alliance

Independent reporting accountant's report on regularity to The Education Alliance and the Secretary of State for Education

In accordance with the terms of our engagement letter dated 31 October 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 aspects, the expenditure disbursed and income received by The Education Alliance during the period 1 September 2024 to 31 August 2025 have not been applied to the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

Respective responsibilities of the accounting officer of The Education Alliance and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Education Alliance'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:

- Ensuring value for money is sought for all goods/services procured by the academy, including those procured from related parties of the academy.
- Ensuring that fixed asset additions are made in line with the terms of the funding received and that capital funding has been spent appropriately for capital purposes.

The Education Alliance

Independent reporting accountant's report on regularity to The Education Alliance and the Secretary of State for Education (continued)

- Ensuring that expenditure incurred through the Trust's bank accounts and debit card is appropriate for the purposes of the academy and that there has been no personal expenditure from the academy's funds.
- Evaluating the system and internal control environment.
- Reviewing the internal audit procedures and findings.
- Assessing the risk of irregularity, impropriety and non-compliance
- Assessment of the governance framework and reviewing minutes of various committee meetings for indication of irregular transactions and to ensure the Board of Trustees and relevant committees meet at least three times per year.
- Ensuring declarations of business and financial interest have been completed for those in a position to influence the Trust.
- Obtaining representations from the Interim Accounting Officer and CFO.

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 for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.



Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

18 December 2025

The Education Alliance

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

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2025 Total £ 000	2024 Total £ 000
Income and endowments from:						
Transfer from local authority on conversion		-	(82)	-	(82)	5,354
Donations and capital grants	2	-	129	1,855	1,984	1,300
<i>Charitable activities:</i>						
Funding for the Educational operations	3	3,304	55,080	-	58,384	52,137
Teaching school hub		-	768	-	768	548
Voluntary income						
Other trading activities	4	1,166	-	-	1,166	1,146
Investments	5	255	-	-	255	175
Total		4,725	55,895	1,855	62,475	60,660
Expenditure on:						
Raising funds	6	393	-	-	393	294
<i>Charitable activities:</i>						
Educational operations	7	3,899	54,937	3,961	62,797	58,006
Teaching school hub		-	782	-	782	537
Total		4,292	55,719	3,961	63,972	58,837
Net income/(expenditure)		433	176	(2,106)	(1,497)	1,823
Transfers between funds	20	(221)	(1,819)	2,040	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	31	-	716	-	716	201
Net movement in funds/(deficit)		212	(927)	(66)	(781)	2,024
Reconciliation of funds						
Total funds brought forward at 1 September 2024	20	3,970	3,545	126,226	133,741	131,717
Total funds carried forward at 31 August 2025	20	4,182	2,618	126,160	132,960	133,741

The Education Alliance

(Registration number: 07542211)
Balance Sheet as at 31 August 2025

	Note	2025 £ 000	2024 £ 000
Fixed assets			
Tangible assets	14	126,160	126,355
Current assets			
Stocks	16	47	44
Debtors	17	2,107	1,566
Cash at bank and in hand		10,053	11,298
		<u>12,207</u>	<u>12,908</u>
Liabilities			
Creditors: Amounts falling due within one year	18	<u>(5,320)</u>	<u>(4,476)</u>
Net current assets		<u>6,887</u>	<u>8,432</u>
Total assets less current liabilities		133,047	134,787
Creditors: Amounts falling due after more than one year	19	<u>(36)</u>	<u>(65)</u>
Net assets excluding pension liability		133,011	134,722
Defined benefit pension scheme liability	31	<u>(51)</u>	<u>(981)</u>
Total net assets		<u>132,960</u>	<u>133,741</u>
Funds of the Academy:			
Restricted funds			
Restricted General Funds	20	2,669	4,526
Restricted Fixed Asset Funds	20	126,160	126,226
Pension Reserve	20	<u>(51)</u>	<u>(981)</u>
		128,778	129,771
Unrestricted funds			
Unrestricted Funds	20	<u>4,182</u>	<u>3,970</u>
Total funds		<u>132,960</u>	<u>133,741</u>

The financial statements on pages 30 to 67 were approved by the Board of Trustees, and authorised for issue on 17 December 2025 and signed on their behalf by:



.....
Mrs K Dow (Chair)
Trustee

The Education Alliance

Statement of Cash Flows for the year ended 31 August 2025

	Note	2025 £ 000	2024 £ 000
Net cash provided by/(used in) operating activities		450	810
Cash flows from investing activities	26	(1,657)	(1,045)
Cash flows from financing activities	25	(38)	(34)
Change in cash and cash equivalents in the year		(1,245)	(269)
Cash and cash equivalents at 1 September		11,298	11,567
Cash and cash equivalents at 31 August	27	10,053	11,298

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025

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 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.

The Education Alliance meets the definition of a public benefit entity under FRS 102.

Business combinations

The Trust formed Education Alliance Social Value Limited, a 100% owned trading subsidiary, on 4th March 2019. The trading subsidiary was established to undertake certain non-charitable trading activities previously undertaken by the Trust. These financial statements present the information about Trust and Education Alliance Social Value Limited as a combined entity using merger accounting as prescribed by the Charities SORP (FRS 102) and the Academies Accounts Direction 2024 to 2025.

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 have taken note of the guidance issued by the Financial Reporting Council on Going Concern Assessments in determining that this is the appropriate basis of preparation of the financial statements and have considered a number of factors. The Trustees considered plausible downside scenarios resulting from the impact of the current economic climate and its effect on the general position of the Trust and its longer term viability. This has specifically included reviewing the levels of surplus cash and reserves and detailed forecasting using sensitivity analysis to ensure that the worst case scenario situation does not put the going concern concept at risk. 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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 Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

1 Accounting policies (continued)

Grants

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

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

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

The Trust has benefitted from the DfE's Free School/ Priority Schools Building Programme. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the Trust controls (through ownership, lease or license) the site where the development is occurring. The expenditure is capitalised in assets under construction until the project is complete.

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.

Notional donations are recognised along with the matching expense.

Other income

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

Donated goods, facilities and services

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

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

1 Accounting policies (continued)

Transfer on conversion

Where assets are received by the Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust, which is on signing of the transfer agreement with the transferring Trust. An equal amount of income is recognised as transfer on conversion with Donations and capital grant income.

Transfer of existing academies into the Trust

Where assets and liabilities are received on the transfer of an existing academy into the Trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised for the transfer of an existing academy into the Trust within Donations and capital grant income to the net assets acquired.

Donated fixed assets (excluding transfers on conversion/into the Trust)

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

Expenditure

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spend, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Intangible fixed assets

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

1 Accounting policies (continued)

Asset class	Amortisation method and rate
Software	Over the life of the licence

Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

When capital funding is utilised to replace, repair or maintain facilities within the Trust's leasehold or freehold buildings, this is only capitalised where the expenditure incurred extends or creates new facilities and is seen to add value to the relevant property, and is over £1,000. Where building works take place in bringing the relevant property back up to maintainable standard, this is considered to be a repair and maintenance cost in the period and therefore is not capitalised.

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

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

Asset class	Depreciation method and rate
Long leasehold land	125 years
Long leasehold buildings	Between 40 and 50 years
Leasehold improvements	Between 10 and 20 years
Fixtures, fittings and equipment	Between 3 and 10 years
ICT equipment	Between 3 and 6 years
Motor vehicles	Between 3 and 6 years

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

1 Accounting policies (continued)

Five of the Trust's academies operate from land and buildings of which the freehold is owned by the local Diocese. The properties are occupied under the terms of a Church Supplemental Agreement with the freehold owners. In considering the accounting treatment of these properties the Trustees have considered the provisions of the Academies Accounts Direction (AAD) which clarifies that where a Supplemental Agreement is in place then the Trust does not have full rights or control, such that any asset should not be recognised on the Balance Sheet.

Per the AAD the rolling right to occupy the building could be recognised in the financial statements via a notional donation (since it pays no actual rent) with a corresponding notional rent expense for its use of the premises. The value of the donation would be the amount that the Trust would otherwise have had to pay to secure the premises. However, since the trustees feel that this cannot be reliably measured, and in accordance with the AAD, no donation or rental expense have been recognised.

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 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.

Leased assets

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

Investments

Fixed asset investments are stated at cost less impairment

Stock

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. 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 18. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

1 Accounting policies (continued)

Taxation

The 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 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 Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

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

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

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

Fund accounting

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

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

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

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

1 Accounting policies (continued)

Agency accounting

The Trust acts as an agent in distributing 16-19 bursary funds from DfE. Payments received from DfE and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 33.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the pension and similar obligations note, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2025 Total £ 000	2024 Total £ 000
Capital grants	-	1,855	1,855	1,296
Other donations	129	-	129	4
	129	1,855	1,984	1,300
Transfer from local authority on conversion	(82)	-	(82)	5,354
	47	1,855	1,902	6,654

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

3 Funding for the Trust's charitable activities

	Unrestricted Funds £ 000	Restricted General Funds £ 000	2025 Total £ 000	2024 Total £ 000
Educational operations				
DfE revenue grants				
General Annual Grant (GAG)	-	40,490	40,490	37,898
16-19 core education funding	-	2,708	2,708	2,813
Pupil Premium	-	1,410	1,410	1,274
Teachers' Pay & Pension Employer Contribution Grant	-	1,889	1,889	1,240
MSAG	-	1,880	1,880	1,425
Other DfE grants	-	1,157	1,157	1,081
	-	49,534	49,534	45,731
Other government grants				
Local authority grants	-	4,149	4,149	2,767
Non-government grants and other income				
Other income from the Trust's operations	3,304	1,397	4,701	3,639
Total Grants	3,304	55,080	58,384	52,137
School Centred Initial Teacher Training Hub	-	768	768	548
Total	-	768	768	548

Other DfE grants includes amounts received in respect of Universal Infant Free School Meals, PE and Sports Grants, Year 7 Catch Up Grants, TCaF, Advanced Maths & High Value Courses funding, NIC Grants, Rates Relief and Pupil Number adjustments.

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

4 Other trading activities

	Unrestricted Funds £ 000	Restricted General Funds £ 000	2025 Total £ 000	2024 Total £ 000
Hire of facilities/Sports centre	408	-	408	390
Catering income	194	-	194	216
Wrap around income	45	-	45	47
Framework fees	519	-	519	493
	1,166	-	1,166	1,146

5 Investment income

	Unrestricted Funds £ 000	Restricted General Funds £ 000	2025 Total £ 000	2024 Total £ 000
Short term deposits	255	-	255	175

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

6 Expenditure

	Non Pay Expenditure			2025	2024
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total £ 000	Total £ 000
Expenditure on raising funds					
Direct costs	300	-	93	393	294
Academy's educational operations					
Direct costs	38,199	2,952	5,911	47,062	42,830
Allocated support costs	7,008	4,902	3,825	15,735	15,176
School Centred Initial Teacher Training Hub					
Teaching school hub - Direct costs	390	-	319	709	457
Teaching school hub - Allocated support costs	53	-	-	73	80
	<u>45,950</u>	<u>7,854</u>	<u>10,148</u>	<u>63,972</u>	<u>58,837</u>

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2025 £ 000	2024 £ 000
Operating lease rentals	99	125
Depreciation	3,337	3,273
Amortisation of intangible fixed assets	-	9
Fees payable to auditor for audit	26	26
Fees payable to auditor for other services	19	18
(Gain)/loss on disposal of fixed assets	(4)	(4)

7 Charitable activities

	2025 £ 000	2024 £ 000
Direct costs - educational operations	47,062	42,830
Support costs - educational operations	15,735	15,176
Teaching school hub - Direct costs	709	457
Teaching school hub - Allocated support costs	73	80
	63,579	58,543

	Teaching school hub £ 000	Educational operations £ 000	2025 Total £ 000	2024 Total £ 000
Analysis of support costs				
Support staff costs	53	7,008	7,061	6,307
Depreciation	-	386	386	343
Technology costs	-	653	653	440
Premises costs	-	4,520	4,520	5,236
Legal costs - conversion	-	-	-	38
Legal costs - other	-	48	48	16
Other support costs	20	3,025	3,045	2,751
Governance costs	-	95	95	125
Total support costs	73	15,735	15,808	15,256

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

8 Staff

Staff costs

	2025 £ 000	2024 £ 000
Staff costs during the year were:		
Wages and salaries	33,869	31,035
Social security costs	3,661	3,128
Operating costs of defined benefit pension schemes	7,750	6,713
	45,280	40,876
Supply staff costs	670	652
Staff restructuring costs	-	41
	45,950	41,569
	2025 £ 000	2024 £ 000

Staff restructuring costs comprise:

Redundancy payments	-	29
Severance payments	-	12
	-	41

Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £NIL (2024: £12,000)

Staff numbers

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

	2025 No.	2024 No.
Teachers	446	431
Administration and support	924	942
Management	16	16
	1,386	1,389

Full time equivalent (excluding agency staff):

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

7 Staff (continued)

	2025 No.	2024 No.
Teachers	404	367
Administration and support	419	419
Management	16	40
	<u>839</u>	<u>826</u>

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	25	20
£70,001 - £80,000	14	12
£80,001 - £90,000	10	3
£90,001 - £100,000	2	2
£100,001 - £110,000	2	-
£110,001 - £120,000	-	2
£120,001 - £130,000	2	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
£170,001 - £180,000	-	1
£180,001 - £190,000	1	-

Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £2,200,855 (2024: £1,861,811). The average number of staff included in key management during the year was 16 (2024: 16).

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

9 Central services

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

- Human resources
- Financial services
- Legal services
- Educational support services
- Capital project management
- Estate management
- Health and safety services
- Others as arising

The Trust charges for these services as a flat percentage of GAG income at 4% for primary schools and 5% for secondary schools and Alternative Provision.

The actual amounts charged during the year were as follows:

	2025 £000	2024 £000
South Hunsley Secondary School and Sixth Form	666	636
Hunsley Primary School	40	39
Malet Lambert School	563	513
Driffield School and Sixth Form	456	431
The Snaith School	259	261
North Cave C of E Primary School	27	24
Howden Junior School	42	41
The Wilberfoss School	41	27
Howden Infant School	34	16
Naburn Primary School	16	7
Beverley Minster C of E Primary School	24	8
The Hub	274	163
	2,442	2,166

In addition to the above, each school in the Trust is required to operate within a lower and upper limit per pupil for reserves to ensure that schools and the trust remain financially robust. Where a school is above their upper per pupil limit for reserves these additional amounts are set aside within a Trust Development Fund and used expeditiously, for improvement priorities across a number of schools, for example, to support teacher development. The amounts contributed into the central services Trust Development Fund in the year were as follows:

	2025 £000	2024 £000
Driffield School and Sixth Form	-	250

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

10 Related party transactions - trustees' remuneration and expenses

No Trustees were paid remuneration or have received other benefits from the Trust in the current year or prior year.

During the year ended 31 August 2025, travel and subsistence expenses totalling £758 (2024: £1,150) were reimbursed to 4 Trustees (2024 - 5).

Other related party transactions involving the Trustees are set out in note 32.

11 Trustees' and officers' insurance

The 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 trust 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 membership.

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

12 Statement of financial activities for prior year

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2024 Total £ 000
Income and endowments from:					
Voluntary income					
Transfer from local authority on conversion		-	13	5,341	5,354
Donations and capital grants	2	-	4	1,296	1,300
<i>Charitable activities:</i>					
Funding for the Trust's educational operations	3	3,067	49,070	-	52,137
Teaching schools		-	548	-	548
Other trading activities	4	1,146	-	-	1,146
Investments	5	175	-	-	175
Total		4,388	49,635	6,637	60,660
Expenditure on:					
Raising funds	6	294	-	-	294
<i>Charitable activities:</i>					
Educational operations	7	3,740	49,367	4,899	58,006
Teaching schools		-	537	-	537
Total		4,034	49,904	4,899	58,837
Net income/(expenditure)		354	(269)	1,738	1,823
Transfers between funds		-	(752)	752	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	31	-	201	-	201
Net movement in funds/(deficit)		354	(820)	2,490	2,024
Reconciliation of funds					
Total funds brought forward at 1 September 2023		3,616	4,365	123,736	131,717
Total funds carried forward at 31 August 2024		3,970	3,545	126,226	133,741

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

13 Intangible fixed assets

	Computer Software £ 000	2025 Total £ 000
Cost		
At 1 September 2024	149,000	149,000
At 31 August 2025	149,000	149,000
Amortisation		
At 1 September 2024	149,000	149,000
At 31 August 2025	149,000	149,000
Net book value		
At 31 August 2025	-	-
At 31 August 2024	-	-

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

14 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Motor vehicles £ 000	2025 Total £ 000
Cost					
At 1 September 2024	148,613	3,485	2,792	121	155,011
Additions	2,680	182	235	45	3,142
Disposals	-	(22)	-	-	(22)
At 31 August 2025	151,293	3,645	3,027	166	158,131
Depreciation					
At 1 September 2024	23,383	3,074	2,138	61	28,656
Charge for the year	2,951	129	234	23	3,337
Eliminated on disposals	-	(22)	-	-	(22)
At 31 August 2025	26,334	3,181	2,372	84	31,971
Net book value					
At 31 August 2025	124,959	464	655	82	126,160
At 31 August 2024	125,230	411	654	60	126,355

Included within leasehold land and buildings are leasehold improvements with a net book value of £542,781 (2024: £577,512).

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

15 Investments

The Trust owns 100% of the Ordinary share capital of Education Alliance Social Value Limited, a company incorporated in England & Wales. The Trust formed Education Alliance Social Value Limited on 4th March 2019 and this was established to undertake certain non-charitable trading activities previously undertaken by the Trust. The principal activity of the company is the hosting of three Public Sector Frameworks. The income received from this is used to fund mental health and sustainability projects across the Trust. Any unused income at the end of the year is donated to the Trust through Gift Aid.

Turnover for the year ended 31 August 2025 was £519,704 (2024: £493,182), expenditure was £141,827 (2024: £139,230) and the profit/(loss) for the year was £377,877 (2024: £353,994). The assets of the company at 31 August 2025 were £668,353 (2024: £814,149), liabilities were £290,476 (2024: £460,154) and capital and reserves were £377,877 (2024: £353,995).

These financial statements present the information about the Trust and Education Alliance Social Value Limited as a combined entity using merger accounting as prescribed by the Charities SORP (FRS 102) and the Academies Accounts Direction 2024 to 2025. The income and expenditure of the company is recorded within other trading activities in these financial statements.

16 Stock

	2025	2024
	£ 000	£ 000
Catering	4	3
School supplies	43	41
	<u>47</u>	<u>44</u>

17 Debtors

	2025	2024
	£ 000	£ 000
Sundry debtors	227	283
VAT recoverable	478	200
Other debtors	147	261
Prepayments and accrued income	1,255	822
	<u>2,107</u>	<u>1,566</u>

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

18 Creditors: amounts falling due within one year

	2025 £ 000	2024 £ 000
Trade creditors	1,001	1,032
Other taxation and social security	880	689
Other creditors	1,066	989
Accruals and deferred income	2,373	1,766
	<u>5,320</u>	<u>4,476</u>

	2025 £ 000	2024 £ 000
Deferred income		
Deferred income at 1 September 2024	456	361
Resources deferred in the period	818	387
Amounts released from previous periods	(230)	(292)
Deferred income at 31 August 2025	<u>1,044</u>	<u>456</u>

At the balance sheet date, the Trust was holding funds received in advance for education activities for the 2025/26 academic year of £24,311, Universal Infant Free School Meals funding of £109,350, PP TLR Funding for students of £2,731, unused bursary funding of £17,230, Covid Catch-up funding of £14,333, DfE Support and academy grants of £54,261, unused SCA of £784,022 and other deferred income of £37,926.

19 Creditors: amounts falling due in greater than one year

	2025 £ 000	2024 £ 000
Other creditors	<u>36</u>	<u>65</u>

Included within other creditors greater than one year is a loan of £4,185 (2024: £13,120) from Salix which is provided interest free, over an 8 year payback period.

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

20 Funds

	Balance at 1 September 2024 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2025 £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	4,499	40,490	(40,514)	(1,819)	2,656
16-19 Core Education Funding	-	2,708	(2,708)	-	-
Other DfE Grants	-	6,336	(6,336)	-	-
Other government grants	-	4,149	(4,149)	-	-
Other restricted funding	-	1,444	(1,444)	-	-
School Centred Initial Teacher Training Hub	27	768	(782)	-	13
Pension fund	(981)	-	214	716	(51)
	<u>3,545</u>	<u>55,895</u>	<u>(55,719)</u>	<u>(1,103)</u>	<u>2,618</u>
<i>Restricted fixed asset funds</i>					
DfE Capital Grants	2,672	855	(891)	-	2,636
Other capital grants and donations	577	1,000	(35)	-	1,542
Capital expenditure from GAG	3,788	-	(261)	2,040	5,567
Assets inherited on conversion/transfer	111,898	-	(2,590)	-	109,308
Other fixed assets acquired	1,098	-	(30)	-	1,068
Donated assets	6,193	-	(154)	-	6,039
	<u>126,226</u>	<u>1,855</u>	<u>(3,961)</u>	<u>2,040</u>	<u>126,160</u>
Total restricted funds	129,771	57,750	(59,680)	937	128,778
Total unrestricted funds	<u>3,970</u>	<u>4,725</u>	<u>(4,292)</u>	<u>(221)</u>	<u>4,182</u>
Total funds	<u>133,741</u>	<u>62,475</u>	<u>(63,972)</u>	<u>716</u>	<u>132,960</u>

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

20 Funds (continued)

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

	Balance at 1 September 2023 £ 000	Incoming resources (as restated) £ 000	Resources expended (as restated) £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2024 (as restated) £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	5,034	37,898	(37,681)	(752)	4,499
16-19 Core Education Funding	-	2,813	(2,813)	-	-
Other DfE Grants	-	5,020	(5,020)	-	-
Other government grants	-	2,767	(2,767)	-	-
Other restricted funding	-	1,134	(1,134)	-	-
School Centred Initial Teacher Training Hub	16	548	(537)	-	27
Pension fund	(685)	(545)	48	201	(981)
	4,365	49,635	(49,904)	(551)	3,545
<i>Restricted fixed asset funds</i>					
DfE Capital Grants	3,226	1,296	(1,850)	-	2,672
Other capital grants and donations	612	-	(35)	-	577
Capital expenditure from GAG	3,256	-	(220)	752	3,788
Assets inherited on conversion/transfer	109,166	5,341	(2,609)	-	111,898
Other fixed assets acquired	1,129	-	(31)	-	1,098
Donated assets	6,347	-	(154)	-	6,193
	123,736	6,637	(4,899)	752	126,226
Total restricted funds	128,101	56,272	(54,803)	201	129,771
Total unrestricted funds	3,616	4,388	(4,034)	-	3,970
Total funds	131,717	60,660	(58,837)	201	133,741

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

20 Funds (continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward as at 31 August 2025.

Other DfE/ restricted funds represent grants received from the DfE for specific purposes. Other DfE grants must be used for the specific for which they are given. These grants are given to fulfil the charitable objectives of the Trust.

Other restricted funds represent all other restricted funds received which must be used for the purpose intended.

Restricted pension fund relates to the deficit on the Local Government Pension Scheme.

Restricted fixed asset funds include assets inherited on conversion of Local Authority schools and transfers of existing academies into the Trust, DfE capital grants and expenditure thereof, capital expenditure from GAG funding, donated assets under the DfE Free Schools Building Programme and other assets acquired. These funds represent fixed assets transferred on conversion to an academy, assets inherited on the transfer of an existing academy into the Trust, assets funded by capital grants, donated assets and assets purchased from brought forward reserves.

Unrestricted general funds represent the Trusts free reserves which are not restricted for specific purposes.

During the year, the following transfers between funds occurred:

- transfers of £2,040,000 from General Annual Grants to the restricted fixed asset fund to cover assets purchased out of GAG funding across Trust.

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

20 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2025 were allocated as follows:

	2025	2024
	£ 000	£ 000
South Hunsley Secondary School and Sixth Form	2,010	3,214
Hunsley Primary School	266	485
Malet Lambert School	975	1,046
Driffield School and Sixth Form	1,201	1,360
Snaith School	491	605
North Cave C of E Primary School	59	30
Wilberfoss C of E Primary School	60	78
Howden Junior School	(28)	38
Howden C of E Infant School	(158)	(132)
Naburn C of E Primary School	40	49
Beverley Minster C of E Primary School	281	177
The Hub School	407	243
School Support Team (central services)	869	949
Education Alliance Social Value Limited	378	354
Total before fixed assets and pension reserve	6,851	8,496
Restricted fixed asset fund	126,160	126,226
Pension reserve	(51)	(981)
Total	132,960	133,741

At 31 August 2025, Howden C of E Infant School had a deficit on its general reserves of £158,000. This deficit is, in part, due to issues prior to the school joining the Trust. The School has loaned funds from the central services function to assist with day to day funding requirements; however, the three year forecast shows that the School will generate in-year surpluses from AY 2026/27 onwards and will use these surpluses to repay funds borrowed over an 11-year period.

At 31 August 2025, Howden Junior School had a deficit on its general reserves of £28,000. This deficit is, in part, due to issues prior to the school joining the Trust, with the current year deficit stated after necessary restructuring and training costs. The School has returned back into surplus in AY 2025/26.

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

20 Funds (continued)

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2025 £ 000	Total 2024 £ 000
Hunsley Primary School	883	112	56	132	1,183	1,184
South Hunsley Secondary School and Sixth Form	9,589	1,867	1,328	2,008	14,792	14,030
Malet Lambert School	7,909	1,330	1,000	1,553	11,792	11,033
Driffield School and Sixth Form	6,953	1,050	777	1,545	10,325	10,064
Snaith School	3,952	770	455	811	5,988	5,919
North Cave C of E Primary School	517	133	38	101	789	738
Wilberfoss C of E Primary School	984	180	66	126	1,356	1,233
Howden Junior School	1,002	143	86	196	1,427	1,323
Howden C of E Infant School	804	152	31	144	1,131	1,047
Naburn C of E Primary School	310	57	22	79	468	425
Beverley Minster C of E Primary School	927	228	21	182	1,358	446
Education Alliance Social Value Limited	-	-	-	142	142	139
The Hub School	3,182	347	1,238	795	5,562	3,452
School Support Team	1,576	990	144	1,612	4,322	4,522
Trust total	38,588	7,359	5,262	9,426	60,635	55,555

The analysis of central services funds and expenditure in the year includes the results of the SCITT. Separate analysis of the SCITT is provided in notes Funding for the Trust's charitable activities and Expenditure.

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

21 Analysis of net assets between funds

Fund balances at 31 August 2025 are represented by:

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	126,160	126,160
Current assets	4,231	7,152	824	12,207
Current liabilities	(49)	(4,447)	(824)	(5,320)
Creditors over 1 year	-	(36)	-	(36)
Pension scheme liability	-	(51)	-	(51)
Total net assets	4,182	2,618	126,160	132,960

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

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	126,355	126,355
Current assets	4,316	8,422	170	12,908
Current liabilities	(346)	(3,831)	(299)	(4,476)
Creditors over 1 year	-	(65)	-	(65)
Pension scheme liability	-	(981)	-	(981)
Total net assets	3,970	3,545	126,226	133,741

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

22 Capital commitments

	2025 £ 000	2024 £ 000
Contracted for, but not provided in the financial statements	-	301,000

23 Long-term commitments, including operating leases

Operating leases

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

	2025 £ 000	2024 £ 000
Amounts due within one year	121	99
Amounts due between one and five years	188	221
	309	320

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

	2025 £ 000	2024 £ 000
Net (expenditure)/income	(1,497)	1,823
Amortisation	-	9
Depreciation	3,337	3,273
Capital grants from DfE and other capital income	(1,855)	(1,296)
Projects funded out of capital income	629	1,621
Interest receivable	(255)	(175)
Fixed assets inherited on conversion	-	(5,341)
Defined benefit pension scheme obligation inherited	-	545
Defined benefit service costs less contributions payable	(82)	(21)
Defined benefit pension scheme finance cost	(132)	(27)
Increase in stocks	(3)	(21)
Increase in debtors	(541)	(469)
Increase in creditors	853	893
Profit on disposal of tangible fixed assets	(4)	(4)
Net cash provided by Operating Activities	450	810

25 Cash flows from financing activities

	2024/25 £ 000	2023/24 £ 000
Repayments of borrowing	(38)	(34)
Net cash used in financing activities	(38)	(34)

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

26 Cash flows from investing activities

	2025	2024
	£ 000	£ 000
Interest received	255	175
Purchase of tangible fixed assets	(3,142)	(899)
Capital grants from DfE Group for investing activities	1,855	1,296
Projects funded out of capital income	(629)	(1,621)
(Gain)/loss on disposal of fixed assets	4	4
Net cash used in investing activities	<u>(1,657)</u>	<u>(1,045)</u>

27 Analysis of cash and cash equivalents

	2025	2024
	£ 000	£ 000
Cash in hand and at bank	5,695	7,116
Cash on short term deposit	<u>4,358</u>	<u>4,182</u>
Total cash and cash equivalents	<u>10,053</u>	<u>11,298</u>

28 Analysis of changes in net debt

	At 1 September	Cash flows	Other	At 31 August
	2024	£ 000	non-cash	2025
	£ 000	£ 000	changes	£ 000
			£ 000	
Cash	11,298	(1,245)	-	10,053
Loans falling due within one year	(14)	14	(5)	(5)
Loans falling due after more than one year	(65)	24	5	(36)
	<u>(79)</u>	<u>38</u>	<u>-</u>	<u>(41)</u>
Total	<u>11,219</u>	<u>(1,207)</u>	<u>-</u>	<u>10,012</u>

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

29 Contingent liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State for Education.

Upon termination of the funding agreement, whether as a result of the Secretary of State for Education or the Academy serving notice, the Academy shall repay to the Secretary of State for Education sums determined by reference to:

- a) the value at that time of the Multi-Academy Trusts site and premises and other assets held for the purpose of the Trust, and
- b) the extent to which expenditure incurred in providing those assets was met by payments from the Secretary of State for Education under the funding agreement.

30 Member liability

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

31 Pension and similar obligations

The 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 the East Riding of Yorkshire County Council and the North Yorkshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £905,000 were payable to the schemes at 31 August 2025 (2024: £825,000) and are included within creditors.

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both the member and employer make 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.

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

31 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

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

The key elements of the valuation 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 £5,896,000 (2024: £4,993,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above, the information available on the scheme.

Local government pension schemes

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

31 Pension and similar obligations (continued)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Of the 12 schools in the Trust (including central services), 11 are part of the East Riding Pension Fund (2024:11). Naburn C of E Primary School is a member of North Yorkshire Pension Fund. The actuarial valuation for Naburn C of E Primary School resulted in a net surplus of £16,000, which has not been recognised by the Trust on the basis it is not material. The actuarial movements, current service costs and respective contributions to both schemes have been combined in the notes below however, no separate disclosure has been made in respect of the assumptions relating to the North Yorkshire Pension Fund on the basis these are not material to the Trust. The actuarial assumptions noted below therefore relate to the East Riding Pension Fund.

The total contribution made for the year ended 31 August 2025 was £2,491,000 (2024 - £2,308,000), of which employer's contributions totalled £1,865,000 (2024 - £1,736,000) and employees' contributions totalled £626,000 (2024 - £572,000). The agreed contribution rates for future years range between 14.1% to 22.8% per cent for employers and between 5.5% to per cent for employees. The East Riding Pension Fund actuary is Hymans Robertson.

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	2.70	2.65
Rate of increase for pensions in payment/inflation	2.70	2.65
Discount rate for scheme liabilities	6.05	5.00
Inflation assumptions (CPI)	2.70	2.65

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	20.80	20.50
Females retiring today	23.60	23.50
Retiring in 20 years		
Males retiring in 20 years	21.50	21.20
Females retiring in 20 years	25.00	25.00

The Education Alliance

Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

31 Pension and similar obligations (continued)

Sensitivity analysis

	2025 £000	2024 £000
Discount rate +0.1%	592	702
Mortality assumption – 1 year increase	1,097	1,226
CPI rate +0.1%	591	608
Salary increases +0.1%	19	109

The Trust's share of the assets in the scheme were:

	2025 £ 000	2024 £ 000
Equities	29,761	25,598
Government bonds	4,971	5,323
Property	2,672	2,658
Cash and other liquid assets	764	670
Other	12	-
Total market value of assets	38,180	34,249

The actual return on scheme assets was £2,944,000 (2024 - £3,605,000).

Amounts recognised in the statement of financial activities

	2025 £ 000	2024 £ 000
Current service cost	1,784	1,714
Interest income	(1,712)	(1,466)
Interest cost	1,580	1,439
Total amount recognized in the SOFA	1,652	1,687

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

	2025 £ 000	2024 £ 000
At start of period	30,693	25,705
Conversion of academy trusts	-	1,866
Current service cost	1,784	1,714
Interest cost	1,580	1,439
Employee contributions	626	572
Actuarial (gain)/loss	(6,775)	(58)
Benefits paid	(504)	(545)
At 31 August	27,404	30,693

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Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

31 Pension and similar obligations (continued)

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

	2025	2024
	£ 000	£ 000
At start of period	33,249	26,558
Conversion of academy trusts	-	1,324
Interest income	1,712	1,466
Actuarial gain/(loss)	1,232	2,139
Employer contributions	1,865	1,735
Employee contributions	626	572
Benefits paid	(504)	(545)
At 31 August	<u>38,180</u>	<u>33,249</u>

Amounts recognised in the balance sheet

	2025	2024
	£ 000	£ 000
Present value of defined benefit obligation	(27,404)	(30,693)
Fair value of Trust's share of net assets	38,180	33,249
Asset ceiling adjustment	(10,827)	(3,537)
	<u>(51)</u>	<u>(981)</u>

Per the latest actuarial valuations at 31 August 2025, ten of the schools within the Trust reported a net surplus totalling £10,827,000. The surplus within each plan has only been recognised to the extent the Trust expects to realise the future economic benefit, either by repayment from the scheme, or reduced contribution rates going forward at levels below the future service costs. An asset ceiling adjustment has therefore been applied to the respective plans as detailed above

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Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

32 Related party transactions

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

R Uttley, spouse of J Uttley (CEO and Accounting officer), is employed by the Trust as a teacher. R Uttley's appointment was made in open competition and J Uttley was not involved in the decision making process. R Uttley is paid within the normal pay scales for her role and receives no special treatment as a result of her relationship to the CEO and Accounting officer.

C Ratheram, daughter of S Ratheram (Deputy CEO and interim Accounting Officer), is employed by the Trust as a HR assistant. C Ratheram's appointment was made in open competition and S Ratheram was not involved in the decision making process. C Ratheram is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Deputy CEO.

J Sprakes, spouse of P Sprakes, a Headteacher and member of the Senior Management Team, is employed by the Trust as a teacher. J Sprakes appointment was made in open competition and P Sprakes was not involved in the decision making process. J Sprakes is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Headteacher.

J Loftus, spouse of V Loftus, a Headteacher and member of the Senior Management Team, is employed by the Trust as Vice Principal of Subject Development & Standards within the School Support Team. J Loftus' appointment was made in open competition and V Loftus was not involved in the decision making process. J Loftus is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a member of the Senior Management Team.

O Winks, son of R Winks, a Headteacher and member of the Senior Management Team, is employed by the Trust as a cleaner at North Cave C of E School. O Winks' appointment was made in open competition and R Winks was not involved in the decision making process. O Winks is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a member of the Senior Management Team.

L Hudson, daughter-in-law of J Hudson, former chair of the Local Governing Body at Driffield School, and member of the Resources and Finance Committee (resigned April 2025), is employed by the Trust as a Headteacher. L Hudson's appointment was made in open competition and J Hudson was not involved in the decision making process. L Hudson is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the former Chair of the Local Governing Body at Driffield School, and member of the Resources and Finance Committee.

During the year, the Trust received Gift-Aid donations totalling £353,994 (2024: £152,747) from its 100% owned subsidiary, Education Alliance Social Value Limited. At 31 August 2025 amounts due from Education Alliance Social Value Limited amounted to £147,320 (2024: £457,654). The financial statements include the combined results of the Trust and Education Alliance Social Value Limited using merger accounting, as such the related intercompany transactions and balances have been eliminated in arriving at the net result.

There were no other related party transactions in the year. Trustees' Remuneration and expenses are already disclosed in note 9.

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Notes to the Financial Statements for the Year Ended 31 August 2025 (continued)

33 Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for DfE. In the accounting period ending 31 August 2025 the Trust received £14,118 and disbursed £20,173 from the fund. An amount of £17,230 is included in other creditors relating to undistributed funds that is repayable to DfE.

Comparatives for the accounting period ending 31 August 2024 are £12,683 received, £23,468 disbursed and £23,285 included in other creditors.

The Trust also distributes ITT Bursary Grant Funds to trainee teachers as an agent for the DfE. In the accounting period ending 31 August 2025 the Trust received £693,500 and disbursed £656,500 from the fund. An amount of £16,458 was repaid to DfE and £23,972 is included in creditors relating to undistributed funds that are repayable to the DfE. Comparatives for the accounting period ending 31 August 2024 are £595,200 received, £575,968 disbursed from the fund. An amount of £23,972 was repaid to DfE and an amount of £4,740 was included in creditors relating to undistributed funds.