



The
Merchant Taylors' Schools
Crosby

Annual Report & Accounts

For the year ended 31st August 2025

Registered Company: 06654276
Registered Charity Number: 1125485



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The Governors are pleased to present their annual report for the year ended 31 August 2025 under the Charities Act 2011 and the Companies Act 2006, together with the audited accounts for the period, and confirm that the latter comply with the requirements of the Acts, the Charity Commission's Scheme and the Charities SORP 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document – Constitution and Objects

The School is a registered charity (registered number 1125485) and is incorporated under the Companies Act 2006 as a company limited by guarantee and not having a share capital (registered number 6654276). The Charity is governed by the Memorandum and Articles of Association dated 15 July 2008.

The School undertaking and expendable assets of Merchant Taylors' Schools of the Foundation of John Harrison (the previous unincorporated charity registered under number 526681), were transferred to the Company on 1 September 2008 to form part of the corporate property of the Company. A Charity Commission Scheme was sealed on 28 August 2008 and came into effect on 1 September 2008. This Scheme replaces the former trusts of the unincorporated charity and renames it Merchant Taylors' Schools of the Foundation of John Harrison Trust. The Scheme appoints the Company as sole corporate Trustee of the unincorporated charity and the Schools' permanent endowment properties and various prize and scholarship funds. The Scheme includes a uniting direction, so that the unincorporated charity is treated as forming part of the Company for the purposes of charity registration and accounting.

Governing Body

The Governing Body consists of a maximum of three Nominated Governors and eleven Co-opted Governors, all of whom are appointed for renewable periods of three years. The Nominated Governors are nominated, one each, by the Merchant Taylors' Company, the Committee of the Merchant Taylors' Old Girls' Association and the Committee of the Merchant Taylors' Old Boys' Association. The Governors who served during this financial year are listed on page 11.

No employee of the Charity can be a Governor and no fee or other remuneration (other than the repayment of reasonable expenses incurred in relation to their duties for the Charity) is payable to Governors. All Governors are also Directors of the Company.

Charity Governance Code

The Charity Governance Code is designed as a tool to support continuous improvement. The Board, having reviewed the Code's key principles, considers its governance structure and arrangements to be appropriate for the nature of the School's operations, and as such has decided not to formally adopt the Code. The Board does however regularly revisit the Code's key principles to ensure that the highest standards of governance are maintained.

Recruitment and Training of Governors

When a vacancy arises for a Nominated Governor, the Board confers with the relevant organisation to identify candidates with the specialist skills required.

In the case of the Co-Opted Governors, when a vacancy arises, the Governors approach or advertise for candidates who they consider are appropriate and would widen the Board's representation and skills. Nominees are considered by the Nominations Committee who review their skills and suitability for the



Governing Body before making a recommendation to the Board. Prospective Governors are then appointed following an affirmative vote by the Board and successful receipt of DBS check and character references.

New Governors are provided with an induction pack containing the governing documents and other information about the School, and information on the responsibilities of Governors. They also have the opportunity to meet the Executive Team and other Governors, tailored to their specific requirements. All Governors take part in annual training and briefings on topical subjects incorporated into the program of Governors' Meetings, with external speakers/trainers being brought in as appropriate. Governors are also encouraged to attend training events run for the sector by external bodies such as the Association of Governing Bodies of Independent Schools (AGBIS). Governors are also expected to regularly attend Board and sub-committee meetings..

Organisational Management

The Governors, as the Charity's Trustees, are legally responsible for the overall management and control of the School. They meet as a full Board at least four times a year. The work of implementing their policies is carried out by a number of Committees, details of which are given on page 11. Each Committee meets at least once a term.

The day to day running of the School is delegated to the Senior Officers, namely the Headmaster, the Senior Deputy Head, the Head of Prep, the Director of Finance & Resources, the Director of Operations & Estates and the Head of Marketing & Admissions. They meet regularly as the Executive Management Team and are supported by their senior management teams. The Senior Officers attend meetings of the Governors and their Committees.

The remuneration of the Senior Officers is reviewed annually. The Governors set the remuneration levels through benchmarking against levels in other Schools of a similar size and character, available through external reports produced for the sector, and based on the performance of the individuals concerned.

Group Structure and Relationships

The School's fundraising activities are carried out by a separate registered charity, The Merchant Taylors' School General Charitable Trust, for whom the School provides office accommodation and other support services. The Trustees are current Governors of the School.

The School has close contact with their connected associations. Some financial assistance for bursaries is given by the Harrison Society (the alumni association) and the Merchant Taylors' Company. The School greatly values its connections with these associations.

A wholly owned trading subsidiary, Merchant Taylors' Schools Crosby Services Limited, promotes commercial activities which use the School's assets to generate income. Any profit from these activities is gift aided to the School.



OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Charity's objects, as set out in the Memorandum of Association, are to advance the education of boys and girls by the provision of day and/or boarding schools in or near Crosby and by ancillary or incidental educational activities and other associated activities for the benefit of the community. The School shall include instruction in accordance with the principles of the Christian faith, except that any pupils may be exempted from such instruction, in accordance with any policy set by the Governors from time to time. The Governors have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission and the Governors have paid due regard to this guidance in deciding what activities the charitable company should undertake.

Aims and Public Benefit

Within these objects, the School's aims are as follows:

- To sustain the School's reputation as one of the North West's top academic schools.
- To continue to provide a non-denominational Christian education for local children from a wide range of backgrounds, through the School's own Bursary Scheme.
- In addition to providing an academic, disciplined education, to offer a diverse range of extra-curricular activities, so that pupils leave as rounded, confident and balanced members of society, well prepared for further education and their careers, while also recognising their responsibilities to the wider community.
- To employ good quality teaching and support staff.

In the furthering of these aims, the Governors, as the Charity Trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

Principal activities of the period

The Charity principally provides education to boys and girls from the ages of 4 to 18.

Grant making policy

The Governors are committed to ensuring that access to the education the School offers is not restricted to those who can afford the fees. The Governors' policy is to make bursary awards on the basis of the individual's educational ability, individual personal circumstances and their parents' financial circumstances, subject to any particular conditions imposed by the original donor where the award is out of restricted funds. Bursary awards may also be made to relieve hardship where an existing pupil's education would otherwise be at risk, for example in the case of bereavement or redundancy. With the exception of a limited number of scholarships, all assistance now awarded is means-tested and can amount to 100% of the tuition fee.



Report on Merchant Taylors' Charitable and Community Activities and Public Benefit

Public Benefit through Fundraising, Bursaries and Grant-making

The Governors have given regard to The Charity Commission's guidance on public benefit. The School is committed to open and inclusionary access for children irrespective of their financial background.

Giving is a fundamental pillar of our community. Giving is not a new concept for us; we were founded thanks to a generous legacy and the generosity of benefactors has contributed to many hundreds of bursary pupils passing through the School over the centuries.

We are working to embed giving in the very fabric of the School and we want to continue to ensure that the most academically able pupils from the area should be able to join our Merchants' family, regardless of their circumstance.

We are fortunate to have a strong and growing community of donors who support the School.

Bursaries form an integral part of life at the School; we invest c£1m per year in offering means-tested places to academically excellent pupils who deserve to be part of our community. The bursary offering is part-supported by generous donations from the School's wider community including the Harrison Society (the School's alumni association).

During this year, total bursaries, grants and allowances totaled £870,862 per note 1a (2024: £919,572), benefitting 143 pupils.

Public Benefit through Educational Excellence

The School is delighted to have been recognised as the top-performing independent school in Merseyside by the Sunday Times Parent Power. This reflects the continued strengthening of the School's academic outcomes at both GCSE and A-Level. This year's results included 47% of GCSE grades at 9-7, 86% achieving Grade 5+ in English and Maths, and 66% of A-Level grades at A*-B. This is a real credit to the ambition and character of the School's pupils, and the expertise, care and consistency of its staff, and the School's investment in innovative learning and staff CPD.

Within the Preparatory School, a reflective and value-added tracking system for PIRA (reading) and PUMA (mathematics) data is used, and increased use of online testing ensures that we have a good set of data to build upon as pupils move into the senior schools. Pupils in Years 3 and 5 sit the CAT4 test, which further supports tracking within the Prep as well as supporting transition into Year 7.

The School has sought to develop more opportunities for pupils to participate in co-curricular activities with academic stretch sitting alongside sport, music, drama, CCF, outdoor education and service, because character is strengthened by disciplined effort, teamwork and contribution beyond oneself.



Public Benefit through Partnership

As might be expected of a School that boasts a 400-year-old history, it holds many long-term partnerships with organisations across the city, county and region. Guided by our values of Ambition, Character, and Excellence, the School actively engages in a wide array of charitable. As well as benefiting many good causes, this work also helps to develop a sense of social responsibility in our pupils. We share our facilities with organisations for free or at significantly discounted rates. We share expertise, coaching and equipment, and pupils from local maintained schools are invited to attend musical and dramatic productions during the course of the year, including special matinee performances exclusively for them. Our partnerships are at the heart of what we do.

The School hosts a variety of sporting events for children at local and regional level, provides financial support and use of facilities to Northern Hockey and Cricket Club and has a strong relationship with Waterloo RFC, Marine FC and Formby CC including sponsorship, joint events and providing use of each other's facilities. Furthermore, the School is proud to be a regional hub for the MCC Cricket Foundation, Lancashire CC Regional Development Centre, Sale Sharks Training Academy and Scottish Rugby Qualified Pathway Programme.

The School's Sports Centre has significant community use – it is open to the public during evenings and weekends and includes a gym and a programme of dance and fitness classes which any member of the public can attend. This includes approximately 500 young people from the local community accessing our Holiday Clubs and Sports Camps.

A community and charitable ethos is also encouraged throughout the School and each year support numerous local and national charities, raising in the region of £20,000, through the combined efforts of pupils, parents and staff. In addition, the School's pupils undertake weekly community service placements in local schools, local charities and local nursing homes.

Public Benefit through savings to the taxpayer

In 2024-25, the School educated approximately 1,000 children at no cost to the state, saving the taxpayer over £8 million annually, based on the published data for the cost of educating a child in the maintained sector.



STRATEGIC REPORT

Operational Performance

In early 2024, the School announced that the Senior Boys and Senior Girls Schools would merge to form a single co-educational institution, effective from September 2025. As a result, 2024/25 was designated a transition year, with a budgeted operational deficit planned to support the restructuring process and ensure a smooth consolidation. The reduced financial performance during the year was therefore anticipated, and actual results were ahead of budgeted expectations.

Future Strategic Direction

The School has set out a clear and ambitious vision to be the leading independent school in Merseyside.

The strategy is built around five priorities: Achievement, Care, Challenge, Innovation, and Outreach, each aimed at nurturing ambition, character, and excellence. It commits to a rich and challenging curriculum, exceptional pastoral care, broad co-curricular opportunities, and a culture of curiosity and creativity. The School's outward-facing vision strengthens partnerships across Merseyside, expands opportunities for pupils, and deepens its role as a community hub for service and collaboration.

A comprehensive Estates Masterplan underpins this direction, investing in modern, inspiring facilities—including the refurbishment of the Swimming Pool, a Wellbeing Centre, enhanced Sixth Form provision, refurbished teaching spaces, and state-of-the-art environments for sport, STEAM, and digital learning.

Together, these commitments position Merchant Taylors' to deliver an education that is academically rigorous, inclusive, values-driven, and responsive to societal change. This ensures that all pupils can thrive, lead, and contribute meaningfully to the world around them.

Financial Review and Results for the Year

The accounts for the period show a reduced out-turn compared to the prior year, with net outgoing unrestricted funds before depreciation and gains/losses in investments of £271,531 (2024: incoming £803,815) and total net outgoing resources of £1,604,882 (2024: incoming £268,949).

Tuition fee income has decreased by 8.5% from prior year. Other income is largely in line with the prior year. Employment costs represent 60% of total expenditure in line with prior year.

The School's trading company (Merchant Taylors' Schools Crosby Services Limited) continues to hire out facilities during the holidays and outside school hours as well as running the Sports Centre and delivering holiday camps and specialist sport camps. This has generated a £55,820 surplus (2024: £42,944) due to improved performance.

The School is well resourced and has invested in information technology including software, infrastructure and digital teaching learning a pupil 1:1 device scheme. Significant work has also gone into maintenance of the estate, in order to establish a solid base from which to pursue future capital development.

The School is invested in an ongoing capital expenditure plan to allow buildings to be updated. The School's buildings were valued for insurance purposes at £101m in October 2024, representing the estimated rebuilding costs, fees and VAT.

There was a deficit on the School's investments of £288,062 (2024: £719,921 surplus).



There have been no significant events since the year end affecting the Company.

External Factors

From January 2025, the School was required to charge VAT on tuition fees and other educational supplies, such as music tuition, sports coaching and activity clubs. The School is conscious of the impact of this increase on families and the affordability of an independent education and has worked strenuously to minimise its impact on parents.

From April 2025, the School lost charitable relief on business rates causing an unavoidable increase in overheads. Furthermore, the reduction in the threshold and increase in the rate of employer's national insurance contributions has increased staff costs from April 2024.

This is a period where all independent schools are facing significant challenges in the medium term and the School intends to navigate this period with robust forecasting, planning and cost management, and without compromising the quality of its provision.

Reserves Policy

As at 31 August 2025, the School had total funds of £26,891k (2024: £28,495k). These are set out in notes 14-16 of these accounts. Of these funds, £9,427k (2024: £9,793k) are restricted, primarily for use for grants and bursaries, and £1,925k (2024: £1,999k) are treated as a permanent endowment, part of which is invested in land and buildings. Unrestricted funds totaling £15,554k (2024: £16,703k) are tied up largely in fixed assets and there are therefore limited free reserves as disclosed per note 17, with the policy being to reinvest in developing buildings, facilities and resources, whilst also ensuring that cashflow overall remains positive. There is a strategic plan in place to improve the free reserves position over the next five years. The Governors are satisfied that the School has sufficient financing available to meet its working capital requirements.

The Governors have considered the level of reserves and financial forecasts in determining that The Merchant Taylors' Schools, Crosby is a going concern.



Risk Management

The Board of Governors is responsible for the management of the strategic risks faced by the School.

The School has a Strategic Risk Register in place, it is reviewed at every Board Meeting and also by each sub-Committee to ensure there is sufficient oversight of key strategic risks and their ongoing management.

The monitoring and re-forecasting of the ongoing impact of external inflationary pressures on finances has had increased focus over the last academic year and will continue to do so. Alongside this, ongoing modelling and review is in place to ensure the School has a clear view of the impact of all the potential regulatory and legislative changes that the School may face in the future.

Through the risk management processes, the Governors are satisfied that the major risks identified are adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that risks have been adequately managed. The key controls used by the Charity to manage risks include:

- formal agendas for all Committee and Board Meetings to focus Governors' discussions;
- detailed Terms of Reference for all Committees to ensure that roles and responsibilities are clearly identified and all operational areas are covered;
- comprehensive strategic planning, budgeting and management accounting, enabling financial performance to be monitored and reviewed;
- established organisational structure and lines of reporting;
- formal written policies and procedures which staff work to, and regular training to ensure compliance with regulatory requirements and legislation;
- clear authorisation and approval levels;
- Child Protection and Safeguarding embedded within the School's culture, including vetting procedures as required by law. This is reinforced with regular training for Governors and staff.

The Governors have given consideration to the basis of preparing the financial statements in the context of the challenging times affecting the sector. Having done so, the Governors consider that the going concern basis remains appropriate.

Fundraising Policy

Section 162a of the Charities Act 2011 requires Charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes". Such amounts receivable are presented in our accounts as "voluntary income" which includes legacies and grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund raisers, or third parties. The day to day management of all income generation is delegated to the Executive Team, who are accountable to the Trustees. The charity is not bound by undertakings to be subject to any regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice.

We have received no complaints in relation to fundraising activities.



INVESTMENT REPORT

Investment Policy and Objectives

The School's investments are managed on behalf of the Board of Governors in accordance with the Trustee Act 2000. CCLA Investment Management Limited were appointed as the School's Investment Manager in October 2020 with investments held in their COIF Charity Funds.

The Governors accept that the attainment of the long-term investment objectives requires the acceptance of a certain level of risk which manifests itself in the volatility of, and occasional declines in, the capital value of the funds. The Governors seek to minimise the risks in a manner which is consistent with the attainment of the investment objectives.

In order to achieve these objectives, the Investment Manager is required to ensure an adequate degree of diversification across a range of asset classes of varying degrees of risk. The degree of risk to which the portfolios are exposed will vary from time-to-time in accordance with economic and market conditions and the Investment Manager's views thereon, but in order to control the limits of risk tolerance, the Governors have agreed a set of ranges for the level of investment in each asset class.

The overall portfolio will be benchmarked against CPI + 5%.

Report from the School's Investment Manager (CCLA Investment Management Limited)

US equities reached new highs in late 2024 on strong earnings and continued enthusiasm for artificial intelligence (AI), but early 2025 brought weakness - particularly in technology - after China's DeepSeek launched a low-cost AI competitor. Political uncertainty around tariff announcements added further pressure, driving US equities to 14-month lows in April before they rebounded as earnings growth remained robust and tariffs were temporarily paused. By Q3 2025, global markets had recovered strongly. The MSCI World Index gained over 9% in the quarter (in GBP terms), led by technology, communications services and consumer discretionary companies.

Regional divergence remained clear. The US delivered positive but volatile performance, with high valuations increasing sensitivity to earnings disappointments. UK and eurozone markets produced mixed returns amid political transitions, fiscal considerations and evolving rate-cut expectations.

Fixed income outcomes varied. Initial rate cuts supported bond prices, but long-dated yields rose late in 2024 as investors adjusted expectations for further easing. While this weighed on bond returns at certain times over the 12-month period, falling inflation and clearer central-bank communication helped stabilise markets as the period progressed.

The returns from the COIF Investment Fund (the Fund) were behind benchmark at -3% for the period largely due to underweighting in US tech equities. There was a small shift in asset allocation around the tariff turmoil, a reduction in equities in favour of cash and bonds, before this was reversed later in the year. The Fund's allocation to infrastructure assets also reduced over the period, with most of the renewable energy assets having been sold.

The Fund's focus on quality equities, those that have strong balance sheets, robust cash-flow generation and high returns on capital, in aggregate resulted in poor relative performance, with quality as a factor continuing to underperform the broader market. The Fund's positioning was challenged during periods of strong equity rallies, particularly in the latter part of the period, although high-quality companies continued to benefit from stable long-term fundamentals and are the mainstay of the equity portfolio. The expectation is that as markets broaden out and some of the exuberance around AI disruption dissipates, that quality equities will once more prevail.



EQUAL OPPORTUNITIES

The School welcomes pupils from all backgrounds. To admit a prospective pupil, we need to be satisfied that the School will be able to educate and develop them to the best of their potential and in line with the general standards achieved by their peers. Entrance assessments are undertaken to satisfy ourselves and parents that potential pupils can cope with the pace of learning and benefit from the education we provide. An individual's economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes.

The School is an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the ground of race, religion, sex, sexual orientation, disability, being pregnant or on maternity leave, being married or in a civil partnership or gender reassignment. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

The School is committed to safeguarding and promoting the welfare of its pupils and expects all staff and volunteers to share this commitment. In the last two separate Independent School Inspectorate reports, the pastoral care provided by our Form Tutors, Heads of House and Year, was described as 'excellent'. Parents are given regular information about their children's social and academic progress through parent evenings in addition to the traditional end of term and year reports. We maintain regular contact with parents throughout the year through informal contacts and through our newsletter. All pupils have a Class Teacher or Form Tutor responsible for pastoral care and academic development. We also have systems of peer support in assisting teaching staff in enforcing the School's very vigorous anti-bullying policy.

STAFF

The Governors are very appreciative of the dedicated contribution made by all the School's staff, without whom the high standard and achievements would not have been possible.

AUDITORS

Crowe UK LLP were appointed as auditors in September 2021.

So far as each of the Governors is aware at the time the report is approved:

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

Report of the Governors, incorporating a strategic report, approved by the Board of Governors, as the company directors and signed on behalf of the Board on 27 May 2026 by:

Mr P J Marshall KC
Chair of the Board of Governors



MEMBERS OF THE BOARD OF GOVERNORS

(the dates in brackets indicate the year in which the current term of appointment expires)

Governor (end of current term)	Appointing Body	Date First Appointed
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Chair of the Board of Governors

Mr P J Marshall KC		2019
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Nominative Governors

Mr P J Marshall KC	Merchant Taylors' Old Boys Association	2019
Miss A Gervasoni (resigned 18 December 2025)	Merchant Taylors' Old Girls Association	2016
Revd C A Cowling	Merchant Taylors' Company	2017

Co-optative Governors

Appointed by the Board of Governors

Mrs S Gascoigne (resigned 18 December 2024)	2018
Dr M Agarwal (resigned 12 September 2025)	2019
Mrs G Johnston	2020
Mr C Green	2020
Mr C Sinclair	2022
Miss E Fay (resigned 28 June 2025)	2022
Mr G Mawdsley	2022
Mrs C Poole (resigned 22 January 2025)	2023
Mrs S Fletcher	2023
Mr A O'Brien	2024
Mr M King (appointed 18 December 2024)	2024
Mr J Quartermain (appointed 8 November 2024)	2024

Visitor

Master of the Merchant Taylors' Company

GOVERNORS' COMMITTEES

Finance Committee
Education and Safeguarding Committee
Estates Committee
Marketing & Admissions Committee
Nominations Committee



PRINCIPAL ADVISERS

Auditors	-	Crowe UK LLP 3 rd floor, St George's House 56 Peter Street Manchester M2 3NQ
Bankers	-	Barclays Bank PLC 20 Chapel Street Liverpool L3 9AG
Insurance Brokers	-	AJ Gallagher Cropton House 3 Tuns Lane Formby Liverpool L37 4AQ
Investment Advisers	-	CCLA Investment Management Limited One Angel Lane London EC4R 3AB
Legal advisors	-	Weightmans LLP No 1 Spinningfields Manchester M3 3EB



STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the Strategic Report, the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MERCHANT TAYLORS' SCHOOL, CROSBY

We have audited the financial statements of The Merchant Taylors' Schools, Crosby ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2025 which comprise the Consolidated Statement of Financial Activities including the Income and Expenditure Account, the Consolidated and Schools' Balance Sheets, the Consolidated Cash Flow Statement, the Statement of Accounting Policies and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2025 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group 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 Governors' 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 charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information



is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the

financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

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

- adequate and proper accounting records have not been kept; 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 Governors

As explained more fully in the Governors' responsibilities statement set out on page 23, the Governors (who are also the directors of the charitable company 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, Employment Legislation and Health and Safety Legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of other income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent School's Inspectorate, sample testing of other income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the



financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

A handwritten signature in black ink that reads "Vicky Szulist".

Vicky Szulist
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
3rd floor, St George's House
56 Peter Street
Manchester
M2 3NQ
Date; 29th May 2026



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES as at 31 August 2025

		Unrestricted Funds	Restricted Funds	Endowed	Total Funds 2025	Total Funds 2024
	Notes	£	£	£	£	£
Income and Endowments from:						
Charitable activities						
Fees Receivable	1(a)	13,033,507			13,033,507	14,204,992
Other educational income	2	610,815			610,815	671,513
Investments	3	24,662	237,829		262,491	306,139
Donations and legacies	4		555,251		555,251	489,148
Other trading activities						
-MTS Crosby Services Limited	5	151,503			151,503	144,845
Other	2	127,484			127,484	86,293
Total Incoming resources		13,947,971	793,080	-	14,741,051	15,902,930
Expenditure on:						
Raising funds						
Fundraising Costs	6	110,891			110,891	116,692
Charitable Activities						
Teaching Costs		8,677,780			8,677,780	8,678,436
Welfare		1,073,357			1,073,357	1,231,756
Premises		2,557,697		73,693	2,631,390	2,494,458
Marketing and publicity		197,217			197,217	117,281
Grants, bursaries, awards & prizes	1(b)	16,279	870,762		887,041	988,521
Finance and other costs		739,955			739,955	818,893
Support Costs		1,352,362			1,352,362	1,676,784
Governance Costs	8	107,764			107,764	51,393
-MTS Crosby Services Limited	5	95,683			95,683	101,901
Restructure Costs	6	184,430			184,430	77,785
Total Resources Expended	6,7	15,113,415	870,762	73,693	16,057,871	16,353,900
NET INCOMING/(OUTGOING) RESOURCES BEFORE GAINS/(LOSS) ON INVESTMENTS		(1,165,444)	(77,682)	(73,693)	(1,316,819)	(450,970)
Unrealised (Losses)/Gains on investment assets:	11	-	(288,062)	-	(288,062)	719,921
NET INCOMING/(OUTGOING) REOURCES BEFORE TRANSFERS		(1,165,444)	(365,744)	(73,693)	(1,604,881)	268,951
Transfers between funds	9	-	-	-	-	-
NET INCOMING/(OUTGOING) REOURCES		(1,165,444)	(365,744)	(73,693)	(1,604,881)	268,951
NET MOVEMENT IN FUNDS		(1,165,444)	(365,744)	(73,693)	(1,604,881)	268,951
Balances brought forward at 1 September 2024		16,703,409	9,793,491	1,998,816	28,495,716	28,226,765
Fund Balances as at 31 August 2025	14-16	15,537,965	9,427,747	1,925,123	26,890,835	28,495,716



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure account) as at 31 August 2024

		Unrestricted Funds		Restricted Funds	Endowed	Total Funds	Total Funds
		Other	Designated			2024	2023
Notes	£	£	£	£	£	£	£
Income and Endowments from:							
Charitable activities							
Fees Receivable	1(a)	14,204,992				14,204,992	15,038,302
Other educational income	2	671,513				671,513	652,551
Investments	3	42,049		264,089		306,139	349,326
Donations and legacies	4			489,148		489,148	462,648
Other trading activities							
-MTS Crosby Services Limited	5	144,845				144,845	155,589
Other	2	86,293				86,293	65,340
Total Incoming resources		15,149,693	-	753,237	-	15,902,930	16,723,756
Expenditure on:							
Raising funds							
Fundraising Costs	6	116,692				116,692	96,464
Charitable Activities							
Teaching Costs	7	8,678,436				8,678,436	8,619,560
Welfare		1,231,756				1,231,756	1,215,336
Premises		2,420,765			73,693	2,494,458	2,221,395
Marketing and publicity		117,281				117,281	140,450
Grants, bursaries, awards & prizes	1(b)	17,829		970,692		988,521	1,113,921
Finance and other costs		818,893				818,893	861,292
Support Costs		1,676,784				1,676,784	1,768,404
Governance Costs	8	51,393				51,393	54,034
-MTS Crosby Services Limited	5	101,901				101,901	69,470
Restructure Costs	6	77,787				77,787	195,517
Total Resources Expended	6,7	15,309,516	-	970,692	73,693	16,353,901	16,355,843
NET INCOMING/(OUTGOING) RESOURCES BEFORE GAINS/(LOSS) ON INVESTMENTS		(159,824)	-	(217,455)	(73,693)	(450,971)	367,913
Unrealised (Losses)/Gains on investment assets:	11	(32,682)	98,335	654,268		719,921	(266,586)
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		(192,506)	98,335	436,813	(73,693)	268,949	101,327
Transfers between funds	9	2,076,749	(1,445,346)		(631,403)	-	-
NET INCOMING/(OUTGOING) RESOURCES		1,884,243	(1,347,010)	436,813	(705,096)	268,949	101,327
NET MOVEMENT IN FUNDS		1,884,243	(1,347,010)	436,813	(705,096)	268,949	101,327
Balances brought forward at 1 September 2023		14,819,165	1,347,010	9,356,678	2,703,912	28,226,765	28,818,468
Bursary Fund Transfer							(693,030)
Fund Balances as at 31 August 2024	14-17	16,703,408	-	9,793,491	1,998,816	28,495,714	28,226,765



CONSOLIDATED AND SCHOOL BALANCE SHEET 31 AUGUST 2025

(Company number 06654276)

	Notes	Consolidated				School			
		2025	2024	2025	2024	2025	2024	2025	2024
		£	£	£	£	£	£	£	£
FIXED ASSETS									
School Buildings and Equipment	10a	18,569,709	18,776,930	18,569,709	18,776,930				
Investment Properties	10b	140,000	140,000	140,000	140,000				
Listed investments	11	7,515,847	8,397,277	7,515,847	8,397,277				
		26,225,556	27,314,207	26,225,556	27,314,207				
CURRENT ASSETS									
Debtors	12	981,687	301,765	1,102,068	381,013				
Stock		29,567	29,567	29,464	29,464				
Bank deposit and current accounts		2,119,546	2,861,954	1,992,166	2,773,292				
		3,130,800	3,193,286	3,123,698	3,183,769				
CURRENT LIABILITIES									
Creditors	13	(2,465,522)	(2,011,777)	(2,458,420)	(2,002,260)				
NET CURRENT ASSETS		665,277	1,181,509	665,278	1,181,509				
TOTAL NET ASSETS		26,890,833	28,495,716	26,890,833	28,495,716				
ENDOWED FUNDS	14								
Fixed Assets		1,295,845	1,295,845	1,295,845	1,295,845				
Land & Building Reserve		629,278	702,971	629,278	702,971				
RESTRICTED FUNDS	15	9,427,747	9,793,491	9,427,747	9,793,491				
UNRESTRICTED FUNDS									
Land and Buildings Reserve	16	115,074	115,074	115,074	115,074				
Retained Surplus	16	15,422,889	16,588,334	15,422,889	16,588,334				
TOTAL FUNDS	17	26,890,833	28,495,715	26,890,833	28,495,715				

Approved and authorised for issue by the Governors and signed on their behalf on 27 May 2026 by:

C Cowling
Finance Governor

The statement of accounting policies and notes on pages 22 to 35 form part of these accounts.
The School has taken advantage of an exemption as per section 408 of the Companies Act 2006 from presenting the individual income and expenditure account. The deficit for the year for School is £1,660,702 (2024: surplus of £226,005).



CONSOLIDATED CASH FLOW STATEMENT

	2025		2024	
	£	£	£	£
Net cash provided by operating activities (see below)		(760,176)		(632,211)
Cash flows from investing activities				
Dividends and interest from investments	262,491		306,139	
Purchase of tangible fixed assets	(838,069)		(2,147,969)	
Purchase of investments	-		-	
Proceeds from sale of investments	593,345		1,852,486	
Proceeds from sale of fixed assets	-		14,000	
Cash provided by investing activities		17,767		24,656
Change in cash and cash equivalents in the reporting period		(742,408)		(607,555)
Cash and cash equivalents at the beginning of the reporting period		2,861,954		3,469,509
Cash and cash equivalents at the end of the reporting period		2,119,546		2,861,954
		£		£
Reconciliation of incoming resources to net cash inflow from operations				
Net movement in funds		(1,604,882)		268,949
Investment income receivable		(237,829)		(264,089)
Bank interest receivable		(24,662)		(42,049)
Depreciation of buildings		464,249		405,107
Depreciation of equipment		581,039		558,532
(Increase)/decrease in debtors		(679,922)		(107,181)
Decrease in stock		-		(2,936)
Profit from sale of fixed assets		-		(14,000)
Increase/(decrease) in creditors		453,745		(714,623)
Losses/(Gains) on investments		288,085		(759,921)
Losses/(Gains) on investment properties		-		40,000
Net Cash inflow from operating activities		(760,176)		(632,211)
Analysis of change in net debt				
	01.09.24	Cashflows		31.08.25
	£	£		£
Bank deposit and current accounts	2,861,954	(742,408)		2,119,546



STATEMENT OF ACCOUNTING POLICIES

Accounting Policies

The Principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Accounting

The School is limited by guarantee and has no share capital

The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019 (Charities SORP(FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared in accordance with the historical cost convention, modified by the revaluation of investments and investment properties which are included at fair value.

The Trustees confirm that the Charity meets the definition of a public benefit entity under FRS 102.

The group financial statement consolidates the financial statements of the School and its subsidiary undertaking Merchants Taylors' Crosby Services Limited. All inter group transactions are eliminated fully on consolidation. No separate statement of financial activities has been prepared for the charity as advantage of the exemption afforded by s408 of the Companies Act 2006 has been taken.

Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price. The School only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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

Creditors and provisions are recognised where the School has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount to settle the obligation can be measured or estimated reliably.

Creditors and provisions are recognised at their settlement amount allowing for any trade discounts.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, the Governors are required to make estimates and judgements. The matters considered below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that would impact the amounts reported in the results of operations, financial positions and cash flows:



- Valuation of investment property – investment property is held at fair value. In order to determine the fair value, advice is taken from independent qualified valuers. In this context, judgement is exercised in a number of areas, including local market conditions and investor demand.
- Assumptions made to determine whether leases entered into are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Assumptions made to determine whether there are indicators of impairment of tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected performance of that unit.

Other key sources of estimation uncertainty include:

- Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, are taken into account. Residual value assessments consider issues such as future market conditions and projected disposal values.
- Provision for bad debts: bad debts are provided for when there is objective evidence that the debt will not be recoverable.

Going Concern

The Governors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business. In satisfaction of this responsibility, the Governors have considered the Group's ability to meet its liabilities as they fall due for a period of at least 12 months from the signing of the financial statements. The financial statements have been prepared on a going concern basis, which principally assumes that the Group will continue to receive fee income at a sustainable level.

This is a period where all independent schools are facing significant challenges in the medium term and the School intends to navigate this period with robust forecasting, planning and cost management, and without compromising the quality of its provision. It is key that any reduction in the pupil roll as a result of these challenges is met with a corresponding reduction in operating costs. The key challenges are outlined below.

From January 2025, the School is required to charge VAT on tuition fees and other educational supplies, such as music tuition, sports coaching and activity clubs. The School is conscious of the impact of this increase on families and the affordability of an independent education and has worked strenuously to minimise its impact on parents. From April 2025, the School will lose charitable relief on business rates for an unavoidable increase in overheads. Furthermore, the reduction in the threshold and increase in the rate of employer's national insurance contributions will also increase staff costs from this point.

The Governors have also considered the cash requirements of the School for at least 12 months from the date of this report and are satisfied that sufficient funds are available to meet the liabilities as they fall due taking into account the strength of the balance sheet and levels of cash and unrestricted investments currently held, as well as access to an arranged overdraft of £1m. As a result, the Governors believe that, whilst uncertainty exists, this does not pose a material uncertainty that would cast doubt on the School's ability to continue as a going concern.

The Governors therefore consider it appropriate to prepare the financial statements on a going concern basis.



Funds Structure

The School has an endowed fund consisting of a Special Investment Capital Fund which is a permanent endowment fund originally endowed in 1974. This fund is used to support capital and infrastructure investments in the School.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. The prize and scholarship fund represents individual funds set up by a number of donors for specific prizes or scholarships. The Grants and Bursaries funds are used to provide assistance with fees, based on financial need, in the form of bursaries, scholarships, school assisted places and awards to certain pupils.

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. They include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose. The Governors have designated that the Grieve Hudson Fund should be used for providing financial assistance to pupils in the Boys' School and the Edith Gillespie Fund should be used for providing financial assistance to pupils in the Girls' School.

Fees and similar income

Fees receivable and other income (including trading activities and educational income) are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from restricted funds for assisted places, bursaries, scholarships and other awards.

Bank interest and listed investment income

Bank interest and listed investment income, together with the recoverable taxation, are accounted for on a receivable basis. Liquid resources are represented by bank interest in the Cash Flow Statement.

Donations and legacies

Donations and legacies received for the general purposes of the School are included as unrestricted designated funds. Donations and legacies subject to the specific wishes of donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital.

Resources expended

Resources expended are accounted for on an accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

Overhead and other costs, not directly attributable to particular functional activity categories, are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, by reference to staff time.

Costs of generating funds include all financing support costs. Charitable activities include expenditure associated with the objects of the School and include both the direct costs and support costs of the activity.

Governance costs comprise the costs of running the charity, including audit fees, Governors' liability insurance, reimbursed expenses and all the costs of complying with constitutional and statutory requirements.



Finance Leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired by finance leases are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the School. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities.

Operating leases

Rentals payable are charged on a time basis over the lease term.

Pension schemes

The School contributes to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised to the School. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS102 therefore, the Scheme is accounted for as a defined contribution scheme.

The School also contributes to a defined contribution Administrative Staff Pension Scheme for those who wish to join it, at 8% or 6% of annual basic salary. Contributions are also made to one individual's personal pension scheme.

Finance and other costs

Other costs include depreciation of equipment and the running cost of the School's buses.

Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the School to pay out resources.

Taxation

As a registered charity, the School is exempt from taxation on income and gains arising out of their charitable activities.

School buildings and equipment

Capitalisation and replacement

Land and buildings are shown in the accounts at historical cost. The Governors do not consider that it is appropriate to apply a current day value to the School's land and buildings. A number of the properties are listed and the Governors are required to keep the buildings in a good state of repair. The costs of minor repairs are written off as incurred, major refurbishments such as the roof at the Boys' School are capitalised.



Depreciation

All buildings and sports facilities are depreciated over 50 years, or over their useful life if this is considered to be less.

The depreciation of other assets aims to write off the cost over their estimated useful lives.
The rates of depreciation used are as follows:

	<u>Years</u>
Assets under construction	Nil
Buildings and sports facilities	10-50
Motor vehicles	4
Equipment	3-10
Administration computers	3-4
Teaching computers	3-4

Not all furniture is capitalised, but is written off in full when purchased. Individual capital items costing less than £500 are written off when acquired.

Investment Properties

Investment properties are valued at open market value by an independent qualified professional. Depreciation is not provided for on these properties and any movement is reflected in the Statement of Financial Activities.

Listed investments and investment income

Listed investments are included at closing bid price value at the balance sheet date. The value of gains or losses arising from disposals and the unrealised value of market movements are included in the Statement of Financial Activities. Investment income is accounted for in the period in which the School is entitled to receipt.

Stocks

At the year end stock is accounted for on vending machines and catering food items.

Grants and Bursaries

Grants and bursaries etc. from restricted funds are included as restricted expenditure and unrestricted income in the period for which the award is given. Allowances from unrestricted funds towards school fees receivable are treated as a reduction in those fees. The disclosure of these amounts is given in note 1(a).

Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.



1 FEES RECEIVABLE

	2025 £	2024 £
(a) Fees receivable consist of:		
Gross		
Fees	13,033,507	14,232,021
Less total grants, bursaries, scholarships, awards and allowances	(887,141)	(946,601)
	12,146,366	13,285,420
Add bursaries, scholarships and awards paid for by Unrestricted Funds	16,279	-
Add bursaries, scholarships and awards paid for by Restricted Funds	870,862	919,572
	13,033,507	14,204,992
All fees receivable were unrestricted in the current and prior year.		
<u>Movements in deferred income</u>		
Fee income deferred brought forward	537,461	378,728
Fee income receivable in the year	12,749,077	14,363,725
Fee income deferred carried forward	(253,031)	(537,461)
Gross fees recognised in the year	13,033,507	14,204,992
(b) The total amount paid for by Restricted Funds consists of:		
School Assisted Bursaries	745,782	789,433
Scholarships	108,580	115,139
Awards	16,500	15,000
Total included in gross fee income	870,862	919,572



2 OTHER INCOME

	2025	2024
	£	£
Educational Activities		
School Buses	<u>610,815</u>	<u>671,513</u>

All income from education activities was unrestricted in the current and prior year.

	2025	2024
	£	£
Other ancillary income		
Miscellaneous Items	<u>127,484</u>	<u>86,293</u>

All other ancillary income was unrestricted in the current and prior year.

3 INVESTMENT INCOME

	2025	2024
	£	£
Bank Interest	24,662	42,049
Listed Investment Income	<u>237,829</u>	<u>264,089</u>
	<u>262,491</u>	<u>306,138</u>

Investment income of £227,919 (2024: £264,089) was restricted and nil (2024: nil) was designated. All other investment income in the current and prior year was unrestricted.

4 DONATIONS AND LEGACIES

These comprise sums received from various individuals and organisations for investment in the Grants and Bursaries, Prize and Scholarships or Capital Project funds.

In 2025, £350,000 (2024: £400,000) was received from the Merchant Taylors' General Charitable Trust.

5 INVESTMENT IN SUBSIDIARY COMPANY

The School has a 100% interest in its trading subsidiary Merchant Taylors' Crosby Services Limited which is incorporated in the United Kingdom (Company number 08668764).

The principal activity of Merchant Taylors' Crosby Services Limited continues to be that of promoting commercial activities which use the School's assets to generate income from lettings and other activities. Its trading results for the year, as extracted from the audited financial statements, are summarised below:

	2025	2024
	£	£
Turnover	151,503	144,845
Expenditure	<u>(95,683)</u>	<u>(101,901)</u>
Retained (loss)/profit for the year	<u>55,820</u>	<u>42,944</u>

The net assets of the subsidiary at 31 August 2025 amount to £100 (2024: £100)



6 Expenditure

	2025	2024
	£	£
Other expenditure includes:		
Auditors' remuneration for the statutory audit	24,960	24,960
Governors' liability insurance	8,400	8,400
Lease payments	53,298	296,502
Total staff costs were as follows:	2025	2024
Salaries	7,151,923	7,259,876
PAYE and National Insurance costs	781,184	727,328
Pension contributions (See Note 21)	1,656,939	1,418,933
Redundancy/ Settlement agreements	184,430	77,787
	9,774,476	9,483,924

The number of employees whose emoluments exceeded £60,000 were:	2025	2024
	-No	-No
£60,000-£70,000	3	1
£70,000-£80,000	-	1
£80,000-£90,000	2	2
£90,000-£100,000	-	1
£100,000-£110,000	-	1
£140,000-£150,000	1	-

The average total number of employees in the year was 240 (2024: 244), including 91 (2024: 88) part time staff. The average number of teaching staff employed by the School was 116 (2024: 124).

The key management personnel of the School comprised the Executive Head, the Head at the Boy's Senior School, the Joint Interim Heads at the Girl's Senior School, the Head at the co-educational Stanfield Preparatory School and the Director of Finance & Resources.

The Total employee benefits received by the key management personnel for their services to the charity were £501,970 (2023: £535,456). Neither the Governors nor persons connected with them received any remuneration or other benefit from the School. Expenses of £2,537 were reimbursed to 3 Governors (2024: £1,265 to 3 Governors).



7 ANALYSIS OF TOTAL RESOURCE EXPENDED

	Staff Costs	Depreciation	Other	Total 2025	2024
	£	£	£	£	£
Charitable Activities:					
Teaching Costs	7,886,113	-	791,667	8,677,780	8,678,436
Welfare	168,484	-	904,873	1,073,357	1,231,756
Premises	415,459	727,640	1,488,291	2,631,390	2,494,458
Marketing and publicity	157,047	-	40,170	197,217	117,281
Bursaries, awards and prizes (note 1b)	-	-	887,041	887,041	988,521
Finance and other costs	-	-	739,955	739,955	818,893
Fundraising	58,066	-	52,825	110,891	116,692
Sub-Total	8,685,169	727,640	4,904,823	14,317,632	14,446,037
Support Costs	851,832	325,531	174,999	1,352,362	1,676,784
Trading Company	53,046	-	42,637	95,683	101,901
Re-structure Costs	184,430	-	-	184,430	77,787
	9,774,477	1,053,171	5,122,459	15,950,107	16,302,509
Governance Costs:					
Management and administration of the charity (note 8)	-	-	107,764	107,764	51,393
	9,774,477	1,053,171	5,230,223	16,057,871	16,353,902

Bursaries awards and prizes of £979,182 (2024: £970,692) were restricted.

Depreciation of £73,693 (2024: £73,693) was from endowed funds. All other expenditure in the current and prior year was unrestricted.

8 ANALYSIS OF GOVERNANCE COSTS

	2025	2024
	£	£
Governors' liability insurance	8,400	8,400
Auditors' remuneration (see note 6)	23,050	24,960
Legal fees	73,777	15,132
Governors' reimbursed expenses (travel)	2,537	1,256
	107,764	49,748



9 TRANSFERS 2025

There were no transfers between funds in 2025.

TRANSFERS 2024

(a) transfers made in the course of normal operating activity

	Unrestricted	Designated	Restricted	Endowed
Utilisation of designated unrestricted capital funds	1,445,346	(1,445,346)	-	-
Utilisation of capital levy	631,403	-	-	(631,403)
	2,076,749	(1,445,346)	-	(631,403)

10a TANGIBLE FIXED ASSETS - GROUP

	Assets under construction £	Freehold Land and Buildings £	Long term Leasehold Land and Buildings £	Fixtures, Fittings and IT Equipment £	Total £
Cost					
1 September 2024	3,583,834	20,995,885	93,364	3,819,444	28,492,527
Adjustments	10,059	-	-	-	10,059
Additions	354,898	4,593	-	470,683	830,173
Transfers	(3,742,080)	3,742,080	-	-	-
31 August 2025	206,711	24,742,558	93,364	4,290,127	29,332,759
Depreciation					
1 September 2024	-	(7,718,111)	(93,364)	(1,904,123)	(9,715,598)
Adjustments	-	-	-	(2,165)	(2,165)
Charge for period	-	(464,249)	-	(581,039)	(1,045,289)
31 August 2025	-	(8,182,360)	(93,364)	(2,487,327)	(10,763,052)
Net book values					
31 August 2025	206,711	16,560,197	-	1,802,799	18,569,709
31 August 2024	3,583,834	13,277,774	-	1,915,321	18,776,929

10b INVESTMENT PROPERTIES - GROUP

	£
Market value brought forward at 1 September 2024	140,000
Additions	-
Transfer to tangible fixed assets	-
Gain/(Loss) on revaluations	-
Market value carried forward at 31 August 2025	140,000



Investment Properties are included on a fair value basis. External revaluations have been carried out by Clive Watkin, Berkeley Shaw and Entwistle Green all Estate Agents on a rolling three year programme and internally on an annual basis.

11 LISTED INVESTMENTS

	Restricted £	Endowed £	Total £
Market value as at 1 September 2024	8,397,277	-	8,397,277
(Sale)/Purchase of Fund Units	(593,345)	-	(593,345)
Increase/(Decrease) in market value	(288,085)	-	(288,085)
Market value as at 31 August 2025	<u>7,515,847</u>	<u>-</u>	<u>7,515,847</u>

All the quoted fixed asset investments are listed on a recognised Stock Exchange

12 DEBTORS

	Consolidated		School	
	2025	2024	2025	2024
	£	£	£	£
Fees outstanding	142,260	118,934	142,260	118,934
Gift aid due from Subsidiary	-	-	55,820	42,944
Amount due from subsidiary undertaking	-	-	71,129	38,427
Sundry debtors and prepayments	839,427	182,831	832,858	180,709
	<u>981,687</u>	<u>301,765</u>	<u>1,102,068</u>	<u>381,014</u>

13 CREDITORS

	Consolidated		School	
	2025	2024	2025	2024
	£	£	£	£
Creditors due within one year:				
Trade creditors	691,684	344,690	691,684	344,690
Deferred income	305,021	823,961	305,021	823,961
Taxation and National Insurance	769,415	162,666	769,415	162,666
Pensions	152,773	156,866	152,773	156,866
Lease Liabilities	158,137	205,630	158,137	205,630
Other creditors and accruals	388,492	317,963	381,390	308,446
	<u>2,465,522</u>	<u>2,011,777</u>	<u>2,458,420</u>	<u>2,002,260</u>



14 ENDOWED FUNDS - GROUP AND SCHOOL

	Balance at 01.09.24	Investment Movement	Resources Expended	Depreciation	Balance at 31.08.24
	£	£	£	£	£
Fixed Assets	1,295,845	-	-	-	1,295,845
Land & Building Reserve	702,971	-	-	(73,693)	629,278
	1,998,816	-	-	(73,693)	1,925,123

15 RESTRICTED FUNDS - GROUP AND SCHOOL

	Balance at 01.09.24	Incoming Resources	Resources Expended	Transfers (Note 9)	Investment Movement	Balance at 31.08.25
	£	£	£			£
Prize and Scholarship Funds	297,214	-	(108,580)	-	(4,347)	184,287
Grant & Bursaries Fund	8,409,512	793,102	(707,420)	-	(245,438)	8,249,756
Glasgow Fund	1,086,762		(54,758)	-	(38,300)	993,704
	9,793,488	793,102	(870,758)	-	(288,085)	9,427,747

The Prize and Scholarship Funds represent individual trust funds set up by a number of donors, including the John Harrison Foundation account.

The Grants and Bursaries Funds are used to provide assistance with fees, based on financial need, in the form of bursaries, scholarships, School assisted places and awards.

The Glasgow Fund was a legacy donation used to provide bursaries at the School.

16 UNRESTRICTED FUNDS - OTHER

	Land and Building Reserve	Retained Surplus / (Deficit)	Total
	£	£	£
Balance at 1 September 2024	115,074	16,588,334	16,703,408
Net incoming resources before transfers	-	(1,165,445)	(1,165,445)
Transfers between funds (note 9)	-	-	-
Balance at 31 August 2025	115,074	15,422,889	15,537,963



17 ALLOCATION OF THE CHARITY'S NET ASSETS 2025

The net assets were held in the various Funds as follows:

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Endowed Funds	1,925,123	-	-	1,925,123
Restricted Funds	-	7,515,847	1,911,900	9,427,747
Unrestricted Funds	16,644,586	140,000	(1,246,623)	15,537,963
	18,569,709	7,655,847	665,277	26,890,833

As part of the Schools' incorporation, the Charity Commission determined that part of the School' properties should be treated as permanent endowment. This is set out in the new Scheme dated 28th August 2008.

18 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2025 the School had future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Operating leases which expire:		
Not later than one year	43,706	53,298
Later than one year and not later than five years	67,969	131,329
	111,675	184,627

The operating leases shown in the table above relate to leases on photocopiers, computers and computer networks.



21 PENSION SCHEMES

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,526,751 (2024: £1,547,814) and at the year-end £130,188 (2024 - £136,974) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The outcome of the most recent actuarial valuation of the TPS was published in November 2023 and prepared as at 31 March 2020. The employer contribution rate increased by 5% from 1 April 2024 to ensure that the Scheme continues to meet present and future obligation. Previously, the actuarial valuation prepared as at 31 March 2016, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%, which increased to 28.68% from April 2024. The contribution rate for the full financial year 2024/25 was 28.68%.

Effective from September 2023, the School entered phased withdrawal from the TPS, with new members of teaching staff joining a defined contribution scheme. This is in line with the majority of the independent school sector, with action being taken in order to mitigate against increases in the employer's cost of the scheme.

22 RELATED PARTIES

The School's fundraising activities are carried out by a separate registered charity, the Merchant Taylors' General Charitable Trust, for whom the School provides office accommodation and other support services. The Trustees of the General Charitable Trust are current Governors of the School. The General Charitable Trust donated £350,000 in 2025 (2024: £400,000).

Merchant Taylors' Schools Crosby Services Limited, a wholly owned subsidiary, carries out commercial activities and uses the School's assets to generate income from lettings and other activities. Its year end is 31 August 2025 and the surplus of £52,640 (2024: £42,944) will be gift aided back to the School.

In the financial year there were 4 Governors (2024: 4) of the School who held office for at least part of the year and who had children enrolled at the School during the year. The arrangements for all children of Governors to be admitted to the School are consistent with those for all other children who enter the School.

There were no other related party transactions.



The
Merchant Taylors' Schools
Crosby

Registered Company: 06654276
Registered Charity Number: 1125485