

Registered in England and Wales

Charity Number: 1142794

Company Number: 7649422

METHODIST INDEPENDENT SCHOOLS TRUST

(A company limited by guarantee)

ANNUAL REPORT

AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2025

METHODIST INDEPENDENT SCHOOLS TRUST
YEAR ENDED 31 AUGUST 2025

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METHODIST INDEPENDENT SCHOOLS TRUST

YEAR ENDED 31 AUGUST 2025

REPORT OF THE TRUSTEES

Name	Methodist Independent Schools Trust
Charity Registration Number	1142794
Company Registration Number	07649422
Registered Office	66 Lincoln's Inn Fields, London WC2A 3LH
Correspondence address	25 Tavistock Place, London, WC1H 9SF

Trustees

Ian McCaig (Chair)

Matthew Bartlett Appointed 17 September 2025

Rev Stephen Burgess

Elaine Cleland Resigned 2 April 2025

Mark Donougher Resigned 4 July 2025

Tim Emmett

Bernasia Halikowa

Tony Harris Resigned on 31 July 2025

Stephen Holliday
(Deputy Chair)

John Jefferson

Henrietta Mbeah-Bankas

Fiona Mynors

Isabel Nisbet Appointed 17 September 2025

Adam Proctor

Rev Dawn Saunders Appointed 1 September 2024
Resigned 25 September 2024

Committees

People & Governance

Education & Standards

People & Governance

People & Governance
Audit & Risk

-

Finance
Property

People & Governance
Audit & Risk

-

Education & Standards
Finance
Methodist Schools Property Company

Finance
Methodist Schools Property Company

Education & Standards
People & Governance

Safeguarding Trustee
Education & Standards

Education & Standards

Finance

-

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Simon Small		Finance Audit & Risk
Christina Sturge	Appointed 17 September 2025	People & Governance
Rev Dr Mark Wakelin	Appointed 16 September 2024	Education & Standards Methodist Schools Property Company
Gill Wilson	Resigned 17 September 2025	-

Company Secretary David Martin

Executive Officers

Chief Executive Judith Fenn (until 31 December 2025)
James Lockwood (Interim October to December 2025, permanent from 1 January 2026)

Governance Director David Martin

Chief Finance Officer Paul Hemsley (Interim March to July 2025)
John Headley (from 1 July 2025)

Chief Operating Officer Chris Dore (from 15 September 2025)

Business Director Sue Roxby (until 31 March 2025)

Banker HSBC Bank Plc, The Peak, 333 Vauxhall Bridge Road, London SW1V 1EJ

Auditor Crowe UK LLP, 55 Ludgate Hill, London EC4M 7JW

Solicitors Farrer & Co LLP, 66 Lincoln's Inn Fields, London WC2A 3LH
Pothecary Witham Weld, 84 Eccleston Square, London SW1V 1PX

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REPORT OF THE TRUSTEES

At the start of the year there were nine schools in MIST, each of which has its own distinctive character, history, and place in its local community. Further information on each setting is provided on school websites.

Trust Schools (part of MIST)	Address	Head	School Website
Culford School <i>1 - 18 years</i>	Bury St Edmunds, Suffolk IP2 6TX	Mrs C Bentley (from November 2023)	www.culford.co.uk
Farringtons School <i>3 - 18 years</i>	Perry Street, Chislehurst, Kent BR7 6LR	Mr D Jackson	www.farringtons.org.uk
Kent College <i>3mths - 18 years</i>	Whitstable Road, Canterbury, Kent CT2 9DT	Mr M Turnbull	www.kentcollege.com
Kent College <i>Girls only at Senior and Sixth Form *</i> <i>3 – 18 years</i>	Old Church Road, Pembury Tunbridge Wells, Kent TN2 4AX	Ms K Handford	www.kent-college.co.uk
Lorenden School <i>3 – 11 years</i>	Painter's Forstal, Faversham, Kent ME13 OEM	Mr R McIntosh	www.lorenden.org
Moorlands School ** <i>2 – 11 years</i>	Foxhill Drive, Leeds LS16 5PF	Miss J Atkinson	www.moorlands-school.co.uk
Queen's College <i>1 – 18 years</i>	Trull Road, Taunton, Somerset TA1 4QS	Mr J Noad	www.queenscollege.org.uk
Truro School <i>3 – 18 years</i>	Trennick Lane, Truro, Cornwall TR1 1TH	Mr A Johnson	www.truroschool.com
Woodhouse Grove School <i>2 – 18 years</i>	Apperley Bridge, West Yorkshire BD10 0NR	Mr J Lockwood	www.woodhousegrove.co.uk

* Kent College Pembury has announced that it will move to become a fully co-educational school in September 2026.

** Moorlands School closed at the end of the summer term 2025. Further information is provided later in this report.

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Where a Trust School has a trading arm which is a subsidiary of MIST, the respective subsidiary companies are as follows:

	Company reg. no.
Culford School (Trading Trust) Limited	1411769
Farringtons School Enterprises Limited	2723164
Kent College (Canterbury) Enterprises Limited	2728990
Kent College (Pembury) Enterprises Limited	2728994
Moorlands School Enterprises Limited	3726256
Queen's College Taunton Enterprises Limited	2754531
Truro School Enterprises Limited	2728988
Woodhouse Grove Enterprises Limited	2448747

Associated Schools are Methodist Schools that have the support of MIST but are structurally completely separate from it and are administered in accordance with their own governing schemes. Their accounts are not consolidated into MIST. The information below is provided for reference only, because the Methodist Schools Property Company is Holding Trustee for their properties.

Associated School	Address	Charity No.	Head
Ashville College	Green Lane, Harrogate HG2 9JP	529577	Mrs R Wilkinson
Kingswood School	Lansdown Road, Bath BA1 5RG	309148	Mr A Gordon-Brown
Rydal Penrhos School	Colwyn Bay, North Wales LL29 7BT	1063489	Mr T Hutchinson

Other Trusts consolidated into MIST

The following charitable trusts are members of the Methodist Independent Schools Trust Group, and as subsidiaries are included in the consolidated accounts:

	Trustees/Members	Activity	Charity no.
The Thompson Education Trust	Methodist Schools Property Company as the Trustee of the Methodist Independent Education Trust	Provision of scholarships and bursaries to Methodist presbyters	230422
Woodhouse Grove School Foundation	Methodist Independent Schools Trust (sole member)	Support to Woodhouse Grove School – principally by fundraising activities	1176406

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Linked Charities consolidated into MIST

The following charities have been linked to the Methodist Independent Schools Trust. Their finances are reported within the accounting records of the schools which work closely with them or within the MIST Head Office accounting records.

	MIST School	Activity	Charity no.
Culford School General Charitable Trust	Culford School	Charitable support of the school	1142794-1
Stratford House School Educational Fund	Farringtons School	Bursaries for children at the school	1142794-2
Friends of Kent College Canterbury Limited	Kent College Canterbury	Furtherance of education at Kent College	1142794-3
The Kent College Canterbury Development Fund	Kent College Canterbury	Charitable support of the school	1142794-4
Simon Rattenbury Scholarship	Shebbear College	Assistance to boys at the school	1142794-5
Shebbear College Development Fund	Shebbear College	Charitable support of the school	1142794-6
The Kent College (Wottonley House) Fund	Kent College Canterbury	Scholarships and bursars to the school for children in the local area	1142794-8
Thomas Robinson Ferens Scholarship Bequest for Methodist Schools	Methodist Schools Property Company as the Trustee of the Methodist Independent Education Trust	Provision of scholarships and bursaries	1142794-9 (previously 313642)

The following charity is linked to the Woodhouse Grove School Foundation

Southerns Memorial Scholarship Fund	Woodhouse Grove	University scholarships for boys who have attended Woodhouse Grove School	1176406-1
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YEAR ENDED 31 AUGUST 2025

REPORT OF THE TRUSTEES

The Trustees present their annual report together with the audited consolidated financial statements for Methodist Independent Schools Trust ("MIST"), the other charities under its control and the Trading companies for the year ended 31 August 2025. The financial statements have been prepared in accordance with the methods and principles of the FRS 102 Charities Statement of Recommended Practice (SORP), and the Companies Act 2006. The report of the Trustees serves the purpose of both a Trustees' report and a directors' report under company law.

Reference and administrative information

Details of the Trust, including its trustees and senior officers, and the charities and subsidiary entities that comprise the group, are given on pages 2 to 6.

Structure, governance and management

MIST was incorporated on 26 May 2011 as a company limited by guarantee and it is governed by its Articles of Association, which were last amended on 17 September 2025.

MIST operates the Trust Schools listed on page 4. MIST is also the sole shareholder of the trading subsidiaries being used for the non-primary purpose trading conducted by eight Trust Schools.

The property (both leasehold and freehold) of the original Trust Schools is held within the Methodist Independent Education Trust (MIET), a charitable trust established in 1903 by Trust Deed. The trustee of MIET is the Methodist Schools Property Company (MSPC) (company number 10834289) and MSPC is the legal owner of the properties held within MIET. MSPC is a trust corporation and MIST is its sole member.

In addition to the Trust Schools, MSPC, as trustee of MIET, also acts as holding trustee for the properties of three other schools. The management of these Schools is wholly in the hands of their governing bodies, and MSPC, as trustee of MIET, is required to act under their direction. The accounts of these schools (known as "Associated Schools") are therefore not included in the consolidated accounts, but these Schools are listed on page 5 for information.

The freehold property of Lorenden and Moorlands Schools is held directly by MIST as the legal owner.

Appointment of trustees

Members of the Trust, who are the directors of the company, are appointed by the Methodist Conference. For the year ended 31 August 2025, the Articles of Association provide that the members of the Trust shall consist of the Chair, three Chairs of Governors Trustees, no more than six Connexional Council Trustees, no more than one person nominated by the District Chairs, no more than six Nominated Trustees and a Connexional Representative (who is not formally appointed Trustee). Following the external governance review, this composition has now changed to up to nine Nominated Trustees, with no Chair of Governor Trustees. MIST seeks to be a diverse and inclusive Trustee Board, and maintains a skills matrix to support the identification of those with relevant skills and experience.

The induction and training of Board members is the responsibility of its Chair and the Chief Executive, who work with the Governance Director & Company Secretary to induct all new members and provide information updates and training as necessary. All Trustees visit at least one MIST school every year. Formal induction and training events for trustees, schools Chairs of Governors and senior executive staff are held regularly. The Governance Framework is regularly reviewed by Trustees, available online and circulated to the schools.

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REPORT OF THE TRUSTEES

Organisational management and group structure

Day to day administration and the conduct of education in each Trust School are delegated to a local governing body. The local governing body of each school acts in accordance with the Governance Framework. During 2024/25, the delegation arrangements were reviewed, which will be implemented during 2025/26.

Under the Articles of Association and Governance Framework, the Trust reserves to itself sole right of jurisdiction in respect of any scheme involving the disposal of property and any expenditure beyond that previously approved. The Trust remains ultimately responsible for the schools and is also responsible for the strategic direction of the group as a whole. Trustees, supported by representatives from the schools, operate through the main Board with support from number of committees with specific responsibilities. These were refreshed during the year and now comprise of:

- a) Finance Committee,
- b) Audit & Risk Committee,
- c) People & Governance Committee,
- d) Education & Standards Committee, and
- e) Property Committee.

The Trust and most of its committees meet at least three times a year.

There are also Chairs of Governors, Chairs of Finance, Heads and Bursars meetings that take place throughout the year.

Trustee indemnity insurance is in place for the benefit of all trustees.

Key Management Personnel

The day to day running of MIST is delegated to the Chief Executive Officer (CEO), supported by a small central team. The day to day running of the schools is delegated to the respective Heads and Bursars (or their equivalent) and their Senior Leadership teams. The CEO and Executive Team of MIST attend all the Trustee Board's Committees, and the Heads and Bursars attend all meetings of their Governing Body's Committees. As such, the key management personnel for the Trust are considered to be the MIST Trustees, school governors, the CEO and Executive Directors, and the school Heads, Bursars (or equivalent) and Senior Leadership teams.

The remuneration of key management personnel (other than trustees and school governors, who are unpaid volunteers) is set by the MIST People & Governance Committee (formerly Nominations & Governance and Remuneration & Human Resources) for the MIST Executive, by school governors within a framework and salary scale provided by the MIST People & Governance Committee for Heads, and by the school governors for Bursars. The appropriateness and relevance of the remuneration policies is reviewed annually and with a view to ensuring that the Trust is sensitive to contextual issues of pay and employment conditions.

Delivery of MIST's charitable vision and purpose is primarily dependent on our key management personnel. Staff costs are the single largest element of our charitable expenditure.

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Objectives and Activities

Charitable objects

The objects of the Trust as set out in its Articles of Association are:

- The advancement of education in accordance with the principles of the Methodist Church, and
- Such other charitable purposes of the Methodist Church as the Conference shall from time to time by resolution direct.

Aims and intended impact

The Methodist Church is engaged in education as part of its Christian mission in the world. Its schools seek to extend the Methodist ethos and character and contribute to diversity in education.

The Trust's Mission Statement sets out that the Trust and its schools should aim:

- to be caring Christian family communities committed to the development of the full potential of each individual, enabling pupils and staff to live their lives to the full and transform society for the better, to the glory of God;
- to attain high educational standards that meet the needs of all children and enable them to develop their talents and skills wherever they lie;
- to work with and in the communities they serve; providing an understanding and experience of service to all communities (local, national, and global); promoting social justice and environmental sustainability;
- to uphold Christian values in practice as well as in theory; to make religious education a strong feature of the curriculum; worshipping in the Methodist tradition whilst welcoming and including people of all faiths and none;
- to counter prejudice and intolerance in whatever form that takes by encouraging mutual respect, understanding the importance of forgiveness, reconciliation, and renewal, respecting not only the beauty of cultural diversity but also our common humanity;
- to encourage pupils in a critical examination of the standards and values current in society and to discover and develop a personal faith to guide them throughout their lives; and
- to be beacons of inclusive excellence developing confident, resilient, considerate, tolerant, and enthusiastic people who enjoy working with others and are willing and able to influence the world for good.

Methodist Schools are welcoming communities where individuals are valued, good order is respected, relationships cherished, and where excellence in its widest sense (academic, extra-curricular, lifestyle) is pursued. Methodist Schools encourage a sense of belonging, seek to improve lives and boldly expect the impossible. In Methodist Schools educational experiences and activities bring mind and heart, intellect and passion together. Methodist Schools work in mutually beneficial partnerships with each other and the wider Methodist Church.

Methodist Schools welcome students from all backgrounds. Economic status, gender, ethnicity, race, religion or disability do not form part of our assessment processes, although some schools select on the basis of academic ability. We are an equal opportunities organisation and are committed to working environments that are free from any form of discrimination on the grounds of age, disability,

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gender reassignment, race, religion or belief or sex. We make reasonable adjustments to meet the needs of staff or students who are or become disabled. It is our policy to give full and fair consideration to employment applications from disabled persons having regard to their particular aptitudes and abilities.

The charity recognises the importance of internal communications and as such ensures all Head Office employees are kept informed of developments within the organisation through team briefings and one-to-one discussions. We provide regular updates to schools and hold individual and group meetings with Chairs of School Governors, Chairs of School Finance Committees, Heads and Bursars.

Our strategy is shared with schools through their Chairs of Governors, supported by regular conferences and events for Chairs, Heads and Chaplains. Our key performance indicators are communicated to schools through regular meetings and correspondence with local Chairs, Chairs of Finance and Bursars in each school. Each school is required to maintain a Business Plan, underpinned by annually updated financial forecasts that look forward five years, taking into account local priorities, the wider context and the overarching strategic aims and performance requirements of MIST. There is a process of review and feedback for these plans and forecasts. See also Section 172 information commencing on p.14 for further information about trustee engagement with employees.

Our Trustees and our schools are committed to safeguarding and promoting the welfare of our students and expect all staff and volunteers to share this commitment. Parents are given regular information about their children's social and academic progress through both formal and informal contacts from each school. There are also opportunities for parents and students to provide feedback on their experiences in our schools. All schools are inspected regularly by the Independent Schools Inspectorate (ISI), and MIST commissions regular interim safeguarding audits on behalf of the Trustees from an independent safeguarding consultant.

We treat our suppliers with respect, adopting transparent procurement arrangements and setting ourselves high standards for contract monitoring and timely payment. We aim to make a positive contribution to the local economies in which our schools operate. As a consequence, many of our suppliers have long-standing relationships with MIST, either locally or nationally.

Public Benefit

In setting their objectives and planning their activities both the Trustees and school governors have given careful consideration to the Charity Commission's general guidance on public benefit and confirm that they have given due regard to this guidance.

The Trust and its Schools provide public benefit by:

- Providing education during the year to around 5,000 children nationwide, delivering a significant saving to the public purse;
- Providing means-tested bursaries to those who would otherwise be unable to benefit from an independent education. During the year bursaries were provided to the value of £4,887,000 (see note 4 to the accounts). These include a number of full bursaries where the place is fully funded by the school;
- Working in close partnership with the Methodist Academies and Schools Trust (MAST), a separate Trust with responsibilities for Methodist publicly funded schools, including provision of back-office support and funding the post of Pastoral Visitor to both MIST and MAST schools;

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- Individual MIST schools working closely with maintained schools and academies in their local areas. MIST employees and trustees act as Governors at a number of maintained schools and academies;
- Enabling the broader use of facilities for both educational and community purposes. All MIST schools have either formal or informal partnership arrangements with local state schools for the mutual benefit of all. Activities include arranging joint events for students and staff and hosting events requiring specialist facilities. Many organisations (including local schools) use MIST school facilities during the year either free of charge or at heavily discounted rates; in addition, arts, crafts, drama and music festivals and other community events are hosted by MIST schools;
- Maintaining close links with local church, community groups, local charities, and elderly members of the community. Our schools continue to develop closer links with their local communities and make their facilities available to them, where practicable; and
- Encouraging students to be aware of their responsibilities to the local community, to their environment, and of their role as global citizens through activities including community service programmes; specific support of overseas schools and clinics; fundraising for local and national charities and the organisation of eco-projects.

Bursary and grant making policy

MIST firmly believes that access to the education we offer should not only be restricted to those who can afford our fees. Our bursary awards are important in helping to ensure that children from families who otherwise would not be able to afford the fees can access the education we offer. Bursary awards are available to all who meet the general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In assessing means, we take into account nationally accepted criteria. Several MIST schools work actively with the Royal Springboard Foundation and HMC to widen access to means tested support. Bursaries are awarded on a sliding scale in proportion to need; some awards are for a full remission of fees.

Volunteers

All the trustees of MIST and local governors in schools are volunteers. Parents and former students also help out in a variety of roles at most of the schools, and often play a key role in fundraising for specific projects.

Streamlined Energy and Carbon Reporting

UK energy use and associated greenhouse gas emissions

Calculations comply with the Streamlined Energy and Carbon Reporting Guidelines. The assessment created for Methodist Independent Schools Trust considers data directly shared by the schools and compiled by MIST's energy broker. The calculations hereby reported are based on data collated and provided by MIST Schools. The assessment methodology follows the HM Government Environmental Reporting Guidelines and guidelines provided by the Greenhouse Gas Protocol published by the World Business Council for Sustainable Development and the World Resources Institute (WBCSD/WRI Protocol), in conjunction with DEFRA's Greenhouse Gas conversion factors 2025.

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Organisational boundary

Shebbear School is no longer part of the scope of this report.

Financial Control Approach – MIST Schools report any emissions from their operations for which they have the ability to directly influence financial and operating policies to gain economic benefit.

Reporting period

The annual reporting period is 1 September to 31 of August each year and the energy and carbon emissions reported here are for 1 September 2024 to 31 August 2025.

Reported Greenhouse Gases (GHGs)

All greenhouse gas emissions are reported in tonnes of carbon dioxide equivalent (tCO₂e) to account for all six of the Kyoto Protocol GHG's.

Emissions factors

Conversion Factors used in this document correspond to the UK Government's Greenhouse Gas reporting for 2025.

Intensity Ratio

The intensity ratio is total gross emissions in metric tonnes CO₂e per 1,000 square meters. This metric is reported to reflect the energy efficiency of the buildings, which are the source of most emissions reported.

Energy consumption and associated emissions:

The summary table below shows the energy consumption and carbon emissions calculated for the schools belonging to MIST for the reporting period. A total of 10 schools were accounted for, noting that one of them was a part of the group for 8/12 of last reporting year.

The reduction in consumption is a result of the implementation of sustainability efforts across schools. These efforts include training and awareness raising for staff and students, adoption of an energy management portal for tracking energy use at a meter level, the roll-out of LED lighting, sensors and device shut-down regimes, ongoing transition to electric vehicles, and improvements to building fabric (replacement windows, insulation etc.) to improve energy efficiency.

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UK Greenhouse Gas Emissions and energy use data for the period September 2024 to August 2025	Period ended August 2024	Period ended August 2025
Total energy consumption used to calculate emissions (kWh)	30,020,959	26,237,957
Energy consumption break down (kWh):		
Scope 1	16,807,547	16,639,741
Scope 1 Voluntary ^a	2,710,406	1,603,748
Scope 2 (location-based)	7,942,952	7,303,730
Scope 2 (location-based) Voluntary	2,467,380	619,274
Scope 3: 6 Business Travel ^b	92,674	71,464
Scope 1 emissions in metric(tCO2e)		
Natural Gas	2,843.50	2,733.39
LPG	101.33	132.54
Company Owned Vehicles	222.86	266.26
Site Fuels (Kerosene, Gas Oil, Diesel) Voluntary	397.84	396.53
Biomass Voluntary	7.07	-
Refrigerant Discharge Voluntary	7.06	11.63
Scope 2 emissions in metric tonnes CO2e		
Purchased Electricity	1,644.59	1,292.76
Purchased Heat Voluntary	27.93	7.12
Scope 3 emissions in metric tonnes CO2e		
Business travel -Grey Fleet	22.41	17.40
Total gross emissions in metric tonnes CO2e	5,274.60	4,857.61
Intensity ratio tonnes CO2e/1000m1 Mandatory only	28.10	27.25
Intensity ratio tonnes CO2e/1000m2 Mandatory & Voluntary	31.40	29.80

^a Scope 1 voluntary emissions sees a considerable decrease in consumption, because Shebbear School is no longer a part of the Trust. This school used to account energy consumption from a Biomass system on site.

^b Scope 3 Business Travel saw a decrease in overall consumption, partially as a consequence of more transport routes offered by the schools through the company owned vehicles, which in turn increased, compared to last reporting year.

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Strategic report

Strategies

During the year the Trust has pursued the following strategic objectives in order to achieve and enhance its purpose and vision:

- To promote and support the schools, in acknowledgment of their accountability, through MIST, to the Methodist Conference, by playing their full part in pursuing the mission of the Methodist Church;
- To encourage and assist the schools to be faithful to our common Mission Statement;
- To work with Chairs of Governors and Heads to ensure that the schools are effectively governed, led and managed;
- To facilitate collaboration between all MIST Schools and other Methodist Schools to help raise their operating efficiency and enhance the breadth and quality of their activities;
- To ensure a culture and system for developing long term strategies and development plans in the schools;
- To facilitate guidance on educational, legislative, social, economic, and technological trends relevant to the schools and their future;
- To exercise effective and prudent stewardship of the assets of the schools; and
- To explore opportunities for the growth and development of the MIST family.

Given the challenges facing the independent education sector, the Trustee Board prioritised three areas for strategic focus in 2024/25. These were:

1. **Governance** – The implementation of the action plan following the external governance review to improve organisational effectiveness, strengthening the strategic risk position and remaining fit for purpose for the years ahead.
2. **Financial sustainability** – Adjusting to the implementation of VAT on school fees so that resources are effectively utilised. This included an expansion of financial planning, stress testing and risk mitigation.
3. **Living out Methodist Values** – Strengthening the Chaplaincy provision and accountability through the Spiritual, Ethos, Relationship & Values Evaluation (SERVE) reviews, so that the faith-based mission of the Charity is promoted and nurtured.

Fulfilling the matters set out in Section 172 (1) of the Companies Act

The table that follows sets out how MIST's Trustees have regard to the matters in Section 172 (1)(a) to (f) of the Companies Act 2006:

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Section 172 Responsibilities	Specific examples
<p>Long term results: The likely consequences of any decision in the long term</p>	<p>In order to ensure that decisions are well-informed, the Trustee Board maintains a committee system to ensure effective governance and oversight.</p> <p>The Trustee Board and Executive regularly engage with schools through All-Calls (with Chairs of Governance & Finance, Heads & Bursars), the Annual events and project groups. During the year, there was school representation on Education & Standards and Finance Committees.</p> <p>Schools prepare Performance Reports for Trustees highlighting achievements and challenges which are reviewed and discussed at Board meetings.</p> <p>Trustees review ongoing implementation of our strategy regularly. The actions to achieve the strategy are undertaken in close partnership with our schools. Preparation of our new strategy is founded on consultation with stakeholders across MIST.</p> <p>Our financial forecasting looks five years into the future, including capital investment expectations. Forecasts are updated and reviewed regularly at school and consolidated level, noting performance against KPIs, and confirming key actions both for MIST and for schools.</p> <p>Authority is delegated through a well-defined structure set out in our Governance Manual to ensure that decisions are taken by those best placed to do so. During 2024/25, many changes were implemented following the external governance review. Moving forward, this will deliver refreshed delegation arrangements, strengthened trustee assurance and improved information flows between central and local governance.</p>
<p>Our workforce: The interests of MIST's employees and volunteers</p>	<p>Trustees, the CEO and Executive visit schools regularly. MIST hosts regular events and conferences at which employees, local volunteer governors and Trustees meet to discuss a range of strategic issues, engage with training, and build positive relationships.</p> <p>MIST is a Living Wage employer. All school and Trust employees are paid at least the Living Wage Foundation minimum, and we are working with our contract partners to ensure this is the case for all their staff working in our schools.</p> <p>Staff well-being is a regular item at Trustee meetings.</p> <p>Advice and guidance are provided to school Governors and senior executives to support them in acting as good employers on MIST's behalf. Model documents are provided to support employment processes, and good practice is shared across peer networks.</p> <p>Our Pastoral Visitor provides central support and co-ordination for the work of MIST (and MAST) school Chaplains, who play an important role in the spiritual and pastoral life of our communities.</p>
<p>Our business relationships: The importance of developing MIST's business relationships with</p>	<p>Our relationships with pupils and parents are brokered by individual Schools on behalf of MIST, and we pride ourselves on the high quality of these</p>

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Section 172 Responsibilities	Specific examples
suppliers, customers, and others	<p>relationships. Our schools provide regular opportunities for parent and pupil feedback and take action where appropriate.</p> <p>We maintain clear procedures and record-keeping for any complaints at each School and we monitor and support our schools in responding appropriately to the (very few) more serious complaints.</p> <p>We strive to maintain good relationships with our suppliers, making payments in a timely way and adhering to our Finance Manual in awarding contracts in a fair and transparent manner. We encourage Schools to consider and support local suppliers where appropriate.</p> <p>MIST has good relationships with its key advisers as trusted partners whose advice and support are founded on a clear understanding of MIST's structure, objectives, and priorities. We regularly review and re-tender for group-wide services and each school reviews and re-tenders locally for the provision of local services in order to ensure ongoing quality and value for money for the charity based on a shared understanding of our current requirements.</p>
<p>The community and our environment:</p> <p>The impact of the MIST's operations on the community and the environment</p>	<p>It is very important to us that we have a positive impact in the communities in which our Schools operate. We achieve this in many ways, including through provision of bursary awards for local pupils who would not otherwise be able to attend the school, making facilities available for local and community use (including specialist sports, arts and theatre facilities), working in partnership with other local schools and supporting local and national charitable organisations through fundraising. We continue to seek ways in which we can increase the proportion and value of means-tested in order to prioritise those families for whom independent education would not otherwise be possible.</p> <p>We identify and invest in ways to reduce our impact on the environment, and to encourage our staff and students to be proactive in this regard. Various initiatives aimed at improving energy efficiency have been undertaken as described on page 13. A Property Committee includes the environmental impact of the group's estate specifically within its remit and considers the outcome and recommendations from the annual Streamlined Energy and Carbon Reporting.</p>
<p>Our desire to maintain our reputation for high standards of business conduct</p>	<p>We set ourselves high standards, which are described in our Governance Framework, Code of Conduct, Finance Manual, and associated policies. We monitor these standards through our regular interactions with schools and through the school reporting cycle.</p> <p>We run a cycle of internal audit reviews through a mixture of internal and third-line assurance reviews which consider the practices and controls operating in our Schools and check that they meet our standards – with follow-up and support as needed.</p> <p>Our Schools are regularly inspected by the Independent Schools Inspectorate and achieve strong outcomes. These inspections facilitate surveys of parents and students about their experience of the standard of business conduct by the</p>

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Section 172 Responsibilities	Specific examples
	<p>schools, and the inspection reports include any recommendations arising from these. Our Schools typically receive very positive feedback.</p> <p>We are committed to doing our utmost to ensure that modern slavery is not taking place anywhere in our own business or our supply chains. Each of our schools endorses that commitment and works proactively to fulfil it.</p> <p>As ambassadors for the Methodist Church in their communities, our Schools consciously set themselves high standards for considerate behaviour.</p>
<p>Fairness: The need to act fairly between members of MIST and its beneficiaries</p>	<p>All Trustees are encouraged to visit and get to know individual Schools, with a rotating programme of annual visits. School performance and Pathways reviews are considered and discussed by Trustees.</p> <p>School matters form part of the agenda of every Trustee meeting. Financial reporting is made available at both a School and consolidated level so that Trustees can make informed decisions. Input and feedback are sought regularly from Schools to inform Trustee and Executive activity and the strategic direction of travel.</p> <p>The salary scales for Heads and MIST Head Office staff are set centrally (and reviewed annually) by a People & Governance Committee of the Trustees; all other salary decisions are delegated to the schools.</p> <p>The relationship between beneficiaries (students and families) and MIST's Schools is governed by a standard set of contract terms based on those widely utilised across the independent sector and are regularly updated in line with best practice. Our Schools operate clear Admissions policies which explain how School places are awarded, and there is a Complaints procedure in place for use by any beneficiary who feels they have not been treated fairly. Scholarship/bursary awards are made on the basis of published criteria. Parents and students are encouraged to communicate openly and regularly with staff in Schools in order that the best possible outcomes are achieved for all our beneficiaries.</p> <p>Regular meetings of Bursars, Heads, Chairs of Governors, Chairs of Finance, Finance leads, safeguarding leads, and HR managers are facilitated by MIST in order to share good practice, offer advice and guidance (often from third party experts), provide transparency about MIST's expectations, and identify and deal with any concerns arising locally.</p>

Fundraising standards information

The MIST schools are encouraged to carry out fund-raising activities with parents and alumni to raise additional funds to support the school in fulfilling MIST's charitable objects. MIST maintains registration with the Fundraising Regulator on a group basis. There are also school foundation registrations where a local charity exists. All schools are aware of and take account of the Fundraising Standards, the Charity Commission guidance on fundraising and other relevant regulation. None of the schools used third party organisations to assist with fundraising during the year. Any fundraising activity is carefully targeted to known individuals, and notes are kept capturing contact preferences in

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line with the schools' own Privacy Notices and associated policies. There have been no complaints in relation to fundraising activity in the current or previous year.

Achievements and performance

We are proud of our achievements during 2024/25 against the key objectives set out in our Group Strategic Plan 2020-25:

Christian in Character:

During the year MIST conducted six school self/peer-evaluations using its own SERVE (Spirituality, Ethos, Relationship and Values Evaluation) framework based on the Statutory Inspection of Anglican and Methodist Schools (SIAMS) process used in the maintained sector. This captures, supports and share the means by which our schools demonstrate their distinctive Methodist character and ethos. One of these reports commented:

"Love permeates the actions of those leading the school, which is then reflected in the interactions between staff and pupils. This strong servant leadership creates a community, where pupils and staff successfully care for one another. This culture of care is embedded and secure. In discussions, the school's values were strongly and succinctly summarised by staff as: "Kindness, Community and Respect". Pupils live these values through their interactions with staff and peers giving a very real impression of Methodism in action."

Our Pastoral Visitor continued to support Chaplains in both MIST and MAST schools through a programme of visits and facilitation of the annual Chaplains' Conference.

Connected:

Work has continued to strengthen links and networks both within and beyond the Group. Peer network meetings have continued and are important forums for the sharing of information and good practice and for debate, mutual support and advice. The peer networks embrace:

- Finance,
- Human Resources,
- Designated Safeguarding Governors and Leads,
- Data Protection,
- Equity, Diversity & Inclusion.

Our schools are also members of local networks and partnerships, including with local state schools, community groups and charitable organisations.

Collaborative and Effective:

Public Examination results in Summer 2025 were very much in line with the national picture, and it was most pleasing to note that the value added for the pupils in our schools supports our deeply held view that every child can grow and succeed in their own way and time. In this way, MIST schools continue to provide an education tailored to the needs and aspirations of all pupils and each pupil.

Schools inspected by ISI during the year demonstrated compliance and high standards of educational provision. The Truro Prep School ISI inspection in January 2025 recognised good and extensive educational outcomes and safeguarding arrangements for children and young people. At the same

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time, the inspection chose to conclude standards were not met in terms of Equality based on the existence of a boys' chorister programme, run by the Cathedral, in a co-educational School, a programme that had been praised in several previous inspections in its existing form. Pleasingly, Truro School and Truro Cathedral have in response been able to agree evolution to the chorister programmes at both Prep and Senior Schools that have recently been inspected by the ISI separately across September 2025. Satisfaction with the changes was confirmed in the Prep School ISI Report published in November 2025, which recognised that all standards were being met.

Commercially Strong and Affordable:

The schools vary significantly in size, location, provision and offer, whilst having in common their commitment to the provision of education with a Methodist ethos. Given the economic and taxation changes affecting the independent schools sector, the trustees have focused on the associated financial sustainability risks to safeguard service delivery and maintain strong foundations.

The stand-alone prep sector has been under considerable market pressure. MIST also experienced this when the future prospects of Moorlands School were reviewed and considered poor. This stemmed from an over-supply of school places in the Leeds area coupled with a falling birth rate. After reviewing the circumstances, the trustees approved the closure of Moorlands School on 18 June 2025. All children were very quickly placed in other settings. The provision of education ended at Moorlands School at the end of the 2025 summer term. The process of closure will run through the period from September to December 2025, and the site will be disposed of in due course. The group provided education to 5,462 school age pupils during the year (2024: 5,603). 12% of our students were boarders (2024: 13%). All of our schools also make provision for nursery-aged children (between 3 months and 4 years old, depending on the setting).

A range of discounts are awarded by the schools to widen accessibility. Bursaries are means tested and provide for a wide range of pupils to attend who would not otherwise be able to afford to do so. There are also specific discounts available to families meeting the criteria (e.g. for staff children, for siblings, for armed forces families etc). The total remissions awarded amounted to £13.9m 12.2% of gross fee income (2024: £14.6m, 12.3%). Bursaries specifically amounted to £4.9m, 4.3% of Gross Fee Income (2024: £5.2m, 4.3%). We strive to maintain the proportion of remissions offered as means-tested bursaries in order to keep a MIST education within the reach of as many families as possible.

£7.8m of capital expenditure took place during the year (2024: £11.7m). The largest projects were the Music School at Truro School, plus the replacement of the maintenance yard buildings at Culford School, which had been damaged by fire.

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Key performance indicators

The Trustees review the following key performance indicators both for the Trust and its Schools:

Key Performance Indicator	Progress
To maintain the high level of all-round Methodist and Christian education within the Schools of the Trust.	MIST is delighted that the schools continue to demonstrate high levels of pupil achievement and ongoing care and consideration for the wider community.
To achieve a financial surplus of 5% in order to be able to make continued investment in the facilities needed to support the Trust's activities.	In a challenging year for the independent school sector, it was recognised that this goal would not be achieved. MIST achieved a surplus of £1.8m, 1.5% of gross fees. Just one of our nine schools recorded a surplus in excess of 5% of gross fees.
Free reserves to be approximately 5% of Total Income at each school.	Every school is encouraged to build up free reserves over time for the Group in order to mitigate unforeseen challenges and underpin future capital investment. Three of the schools met this target for the year.
Total internal loans to Schools to be no more than 25% annual Gross Fee income.	MIST plays an important role as a source of funding for strategic investment by the schools. During the year six schools had internal loan balances for capital works or working capital purposes. Total internal loan balances were 14% of GFI at year end.

Financial Review

Whilst the KPI target is a 5% surplus, Trustees recognised that this would not be possible in 2024/25 due to the difficult business environment for independent schools, including the introduction of VAT in-year. The Trustees are pleased to report that MIST has delivered a better-than-expected financial surplus of £1.6m, or 1.5% of gross fees (2024: £5.8m deficit).

Income increased by 0.9% year-on-year to £118.2m (2024: £117.0m). School fee income at £99.8m made up 84% of income, down on the previous year (£104.3m: 89%), indicating a greater diversification of income.

Trading income rose to £5.4m from £5.1m in 2024. Fundraising brought in £1.1m of donations income, and Trustees record their gratitude for the generosity of our donors (2024: £0.7m).

Expenses at £116.7m were significantly reduced, reflecting great efforts at cost savings across all our schools (2024: £120.1m).

The year saw an overall cash outflow of £10.6m (2024 £12.0m inflow), as the higher fees paid in advance in the prior year translated into lower cash receipts this year, combined with the impact of funding the capital programme. During the year, MIST renewed its Revolving Credit Facility with HSBC and has met the covenants associated with that facility throughout the reporting period. Nothing was drawn against this facility at year end.

Net assets stood at £76.9m (2024: £75.4m).

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Investment Policy

The trustees are responsible for the investments held by the Trust. The policy is reviewed annually, and during this year it was agreed to continue the existing policy of maximising total return. The Funds are managed by the Methodist Church Central Board of Finance (CFB), which operates a pro-active approach to ethical and socially responsible investing shaped by Christian values. CFB is a signatory to the Principles for Responsible Investment and attained the highest rating of A+ for overall Strategy and Governance in the 2020 PRI Assessment Report. The funds invested for MIST gave a rate of return in line with market conditions.

Reserves Policy

Note 21 sets out the Group and Charity Funds and describes the movement on those funds during the year, whilst note 22 sets out where those Funds are held. Note 16 shows the Total Funds by subsidiary.

Endowed and Restricted Funds are either for the provision of scholarships and bursaries or relate to donations associated with specific projects.

Unrestricted funds amount to £73.3m (2024: £72.3m), all of which are held in the Group's property assets, and MIST has made regular, strategic investment both in existing and new buildings in order to protect and enhance the value in these assets. MIST's policy is to encourage and support each school to build local reserves through the generation of regular operating surpluses. MIST operates cash pooling across the Group and utilises cash receipts as working capital in order to minimise borrowing costs.

MIST has leveraged part of the property assets as security for a revolving credit facility (RCF) which ensures appropriate access to further cash to meet MIST's obligations as needed throughout the year. This limits MIST's exposure whilst protecting flexible access to appropriate levels of funding. Trustees consider that an RCF most closely meets the Group's funding requirements, ensuring that when cash balances are strong, borrowing costs are minimal, preserving charitable funds for investment in the schools. MIST's Trustees examine the group's short-term cash flow projections on a termly basis and longer-term forecasts on an annual basis and are satisfied that they are adequate to meet ongoing obligations and support the group's future plans.

Plans for future periods

The independent sector continues to face significant economic headwinds linked to government policy. Several were experienced during 2024/25 including VAT on school fees from 1 January 2025 compounding other cost challenges, including the loss of mandatory business rate relief from April 2025 together with significant increases in National Insurance contributions from the same date. The trustees are closely monitoring the pupil roll, and we anticipate further falls as families either leave the sector, or do not join in the same numbers as previously.

MIST Trustees have adopted a financial strategy aimed at strengthening the Group's position as it faces into these challenges. Trustees are pursuing priorities associated with:

1. Culture – ensuring consistency and collaboration across the whole organisation (Trustees, Executive, Schools, Governors)
2. Education - central educational development and assurance
3. Impact and insight - shared outcomes, measured longitudinally, consistent local intelligence, growing pupil numbers, common data – enabling governance, improvement & growth.

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4. Financial Sustainability - financial margin, yielding a platform for growth.

Principal risks and uncertainties

During the year, the trustees:

- a) approved a new Risk Policy,
- b) reset its strategic risk appetite, and
- c) scrutinised its seven strategic risks.

MIST's strategic risks are comprised of: financial sustainability, governance, safeguarding & wellbeing, education & standards, people & culture, cyber and property. A strategic risk register captures the detail of these at group level, and the risks and associated mitigations are kept under regular review both at school and at MIST to minimise our exposure as far as possible. Financial sustainability presents a challenge for a number of our schools and consequently for the wider group, with an associated focus on this at both a strategic and local level.

All the Trust Schools have their own risk assessment procedures, including an (at least) annual review of the key local risks by senior staff and Governors. Formal assurances are obtained from local governing bodies in respect of the risks for which they have delegated responsibility; the risks to the Trust and to the Group as a whole are reviewed annually by the Audit Committee and by the trustees. In the 2025/26 financial year, the operational risk arrangements for schools will be refreshed promoting agility, embracing controls, fostering action and effective mitigations.

MIST sets clear expectations for the schools through published Key Performance Indicators and manages financial risk through the regular budget and forecasting cycles, by which local Governors and MIST Trustees review income, expenditure and cash flow on a termly basis and implement adjustments where necessary to return within expected parameters, including the arrangement of and draw down against MIST's borrowing facilities with HSBC in response to cash flow requirements.

MIST does not use any hedging instruments, and thus hedge accounting is not employed in these financial statements.

Credit risk primarily takes the form of our parents' ongoing ability to pay the school fees. This is managed by schools locally through careful consideration in setting school fees at a level which balances expected cost increases with the challenge such increases might present for parents, by the use of best practice contractual terms describing the mutual obligations of the school and the parents, by pro-active debt management by school finance teams, and by providing mechanisms by which families who would not otherwise be able to afford fees have access to bursary funds. Debtors are closely monitored at school and Group level, and provisions are made where it is not expected that funds will be recovered on a timely basis.

Insurance is in place across the group to mitigate the risks of adverse events (including cyber-attack).

The Trustees consider that these and other risks are properly managed and, where possible, mitigated.

Going concern

The Trustees have considered the financial status of MIST and have concluded that there is a reasonable expectation that MIST remains a going concern.

Trustees are very aware of uncertainties faced over the next 12 months. There are sector-wide concerns about the affordability of independent school fees even for affluent families, particularly

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following the addition of VAT to school fees. We expect that pupil numbers will reduce. However, our schools are well-established and continue to offer choice and quality for parents in their local and international markets, and each continues to play a key and valued role in their local community. Some schools within the portfolio are stronger financially than others, and work continues across all schools to address risk, manage costs and to secure their position, with support from the Head Office team. We continue to leverage our asset base to invest appropriately in the capital fabric of our estates.

Based on the consolidated budgets and cash flow forecasts for the year ahead, and considering the revolving credit facility from HSBC secured against school properties, the Trustees are of the view that MIST's financial commitments can be appropriately accommodated, and that MIST will continue to meet bank covenant requirements going forward.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Methodist Independent Schools Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the Trustees are required to:

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

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

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.

METHODIST INDEPENDENT SCHOOLS TRUST
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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.

The Trustees, in their capacity as directors, hereby approve the Report of the Trustees and the incorporated strategic report.



.....
Trustee & Chair of Finance Committee
John Jefferson

14 January 2026

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METHODIST INDEPENDENT SCHOOLS TRUST

Opinion

We have audited the financial statements of Methodist Independent Schools Trust (MIST) and its subsidiaries (the "group") for the year ended 31 August 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated Statement of Financial Position, Consolidated Statement of Cashflows 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 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.

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 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 trustee's 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METHODIST INDEPENDENT SCHOOLS TRUST

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 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:

- the parent company has not kept adequate accounting records; or
- the parent company 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 trustees' responsibilities statement set out on page 25 onwards, the trustees (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 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 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METHODIST INDEPENDENT SCHOOLS TRUST

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 group and the parent charity 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 Charities Act 2011, 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 group's and the parent charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and the parent charity for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, General Data Protection Regulation (GDPR), Health and safety legislation and Employment 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 - legacy income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on legacy income, school fee discounts, awards and allowances, reviewing related party declarations and the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and any other regulators where applicable, 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-

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METHODIST INDEPENDENT SCHOOLS TRUST

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.

Tina Allison

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

METHODIST INDEPENDENT SCHOOLS TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including an income and expenditure account)

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Total 2024 £'000
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	3	201	882	-	1,083	671
Charitable activity (provision of education):						
School fees	4	99,830	-	-	99,830	104,264
Other educational income	5	8,708	-	-	8,708	5,471
Other trading activities	6	5,421	-	-	5,421	5,094
Investments	8	572	12	-	584	329
Other	9	2,568	-	-	2,568	1,167
Total income		117,300	894	-	118,194	116,996
EXPENDITURE ON:						
Raising funds	10	(3,448)	(14)	-	(3,462)	(3,224)
Charitable activities	11	(113,027)	(252)	-	(113,279)	(116,899)
Total expenditure	11	(116,475)	(266)	-	(116,741)	(120,123)
Net income / (expenditure) before investment gains		825	628	-	1,453	(3,127)
Net gains on investments	16	128	-	8	136	630
(Loss) on disposal of discontinued operation		-	-	-	-	(3,289)
NET INCOME / (EXPENDITURE)		953	628	8	1,589	(5,786)
Transfers between funds	21	(29)	29	-	-	-
NET MOVEMENT IN FUNDS		924	657	8	1,589	(5,786)
RECONCILIATION OF FUNDS:						
Total funds brought forward		72,330	2,697	328	75,355	81,141
TOTAL FUNDS CARRIED FORWARD		73,254	3,354	336	76,944	75,355

CONSOLIDATED AND CHARITY STATEMENTS OF FINANCIAL POSITION
AS AT 31 AUGUST 2025

	Notes	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
FIXED ASSETS:					
Tangible assets	15	107,637	108,265	107,566	108,183
Intangible assets		27	40	27	32
Investments	16	5,932	5,796	5,760	5,626
		<u>113,596</u>	<u>114,101</u>	<u>113,353</u>	<u>113,841</u>
CURRENT ASSETS:					
Stocks		179	209	118	140
Debtors: Due within one year	17	21,473	3,100	22,945	4,936
Cash at bank and in hand		3,103	13,704	928	11,234
		<u>24,755</u>	<u>17,013</u>	<u>23,991</u>	<u>16,310</u>
LIABILITIES:					
Creditors: Amounts falling due within one year	18	(53,026)	(42,058)	(52,488)	(41,570)
NET CURRENT LIABILITIES		<u>(28,271)</u>	<u>(25,045)</u>	<u>(28,497)</u>	<u>(25,260)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>85,325</u>	<u>89,056</u>	<u>84,856</u>	<u>88,581</u>
Creditors: Amounts falling due after more than one year	19	(8,381)	(13,701)	(8,381)	(13,701)
TOTAL NET ASSETS		<u><u>76,944</u></u>	<u><u>75,355</u></u>	<u><u>76,475</u></u>	<u><u>74,880</u></u>
THE FUNDS OF THE GROUP/CHARITY:					
Endowment funds		336	328	336	328
Restricted income funds		3,354	2,697	3,286	2,629
Unrestricted funds					
Unrestricted funds		73,254	72,330	72,853	71,923
Total unrestricted funds		<u>73,254</u>	<u>72,330</u>	<u>72,853</u>	<u>71,923</u>
TOTAL GROUP/CHARITY FUNDS	21	<u><u>76,944</u></u>	<u><u>75,355</u></u>	<u><u>76,475</u></u>	<u><u>74,880</u></u>

As permitted by Section 408 of the Companies Act 2006, the Statement of Financial Activities of the parent Charity is not presented as part of these financial statements. The Charity's surplus for the year was £1,595,000 (2024 : £1,969,000).

The financial statements were approved by the board of trustees and authorised for issue on 14 January 2026 and are signed on its behalf by:



.....
Mr John Jefferson
Chair of Finance Committee

METHODIST INDEPENDENT SCHOOLS TRUST

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2025

	2025 £'000	2024 £'000
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income/(expenditure) from the reporting period (as per statement of financial activities)	1,589	(5,786)
Adjustments for:		
Depreciation and amortisation charges	5,837	5,840
Net (gains) on investment assets	(136)	(630)
Dividends and interest from investments	(584)	(329)
(Profit) on the sale of fixed assets	(808)	(126)
Loss on fixed assets on disposal	-	4,087
Interest payable	240	100
Decrease in stocks	32	3
(Increase)/Decrease in debtors	(18,373)	666
Increase in creditors	5,548	4,410
NET CASH (USED)/PROVIDED BY OPERATING ACTIVITIES	(6,655)	8,235
CASH FLOWS FROM INVESTING ACTIVITIES:		
Dividends and interest from investments	584	329
Proceeds from the sale of property, plant and equipment	3,388	161
Purchase of property, plant, equipment and intangibles	(7,810)	(11,741)
NET CASH USED IN INVESTING ACTIVITIES	(3,838)	(11,251)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest payable	(240)	(100)
Repayments of borrowings	(20)	(25)
Cash (outflow) from borrowing	-	(2,000)
Finance lease payments	(12)	17
Fees in advance scheme:		
New fees in advance money	631	17,333
Amounts repaid	(467)	(201)
NET CASH (USED)/PROVIDED IN FINANCING ACTIVITIES	(108)	15,024
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	(10,601)	12,008
Cash and cash equivalents at the beginning of the reporting period	13,704	1,696
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	3,103	13,704
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	3,103	13,704
	3,103	13,704

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies

Company information

Methodist Independent Schools Trust (the charitable company number 07649422) is a private company limited by guarantee incorporated in England and Wales. The registered office is 66 Lincoln's Inn Fields, London WC2A 3LH. The company's principal activity is disclosed in the report of the trustees.

Accounting convention

The financial statements have been prepared in accordance with the accounting policies set out below, under the historical cost convention (except as modified for the annual fair value adjustment of fixed asset investments) and comply with the Companies Act 2006, the Memorandum and Articles of Association of the charitable company, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). The charitable company meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in Sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1,000.

The principal accounting policies are set out below.

Going concern

The trustees consider that there are no material uncertainties about the charitable company's and group's ability to continue as a going concern. The trustees note that the group and charity net current liabilities of £28,264,000 and £28,497,000 respectively (2024: £25,045,000 and £25,260,000) reflect advance school fee payments and pupil fee deposits which occur in the normal course of business practice for independent schools.

The trustees' review of the Group's financial position, the availability of funding, current forecasts and future plans gives them confidence that the Group remains a going concern for the foreseeable future.

Group accounts

These financial statements consolidate the results of the charitable company and its wholly owned and controlled subsidiaries on a line by line basis.

MIST is the sole shareholder of eight trading subsidiaries, with a separate trading subsidiary being used for the non-primary purpose trading conducted by eight of the nine Trust Schools. MIST's smallest prep school does not have a subsidiary company. MIST is also the sole member of the Methodist Schools Property Company. These entities are consolidated into the group results as this sole membership confers effective control on MIST.

Income

School fees and other educational income receivable are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances and other remissions allowed by each school. Other educational income consists of extras, optional subjects and ancillaries charged to pupils.

Scholarship and bursary awards are treated as a reduction in fees in the period for which they are given.

All other types of income, including investment income, are accounted for on an accruals basis and recognised in the statement of financial activities when earned by the charitable company and its group.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

Donations are accounted for as and when the charitable company and its group has entitlement, the amount involved can be reliably quantified and a transfer of economic benefit to the charitable company and its group is probable. Donations received for the general purposes of the group are credited to unrestricted funds. Donations subject to specific wishes of donors or for a particular purpose are credited to restricted income funds or Endowed funds where the capital is permanent.

Legacies are accounted for as and when the charitable company and its group has entitlement, the amount involved can be reliably quantified and a transfer of economic benefit to the charitable company and its group is probable. Entitlement is taken to be the earlier date of the charitable company and its group being notified of an impending distribution following settlement of the estate or the legacy being received.

Investment income from securities and property is accounted for in the period in which it is receivable.

Expenditure

Expenditure is recognised as soon as a liability is considered probable. Expenditure is accounted for on an accruals basis, inclusive of irrecoverable VAT. Costs of raising funds are those costs incurred in attracting voluntary income, together with those costs incurred in trading activities that raise funds. Charitable activities comprise expenditure associated with teaching and school activities and include both direct and support costs.

Governance costs are those incurred in the governance of the charitable company, its group and its assets and are mainly associated with constitutional and statutory requirements.

Lease rentals payable in respect of assets held under operating leases are charged to the statement of financial activities over the lease period.

Employee benefits - Pensions

Retirement benefits to employees of the charitable company and its group are provided by the Teachers' Pension Scheme (TPS) in respect of some teaching staff; The Pensions Trust Growth Plan (TPTGP) and the Legal & General WorkSave Pension Plan (L&GWPP).

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charitable company and its group 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 projected unit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes. Contributions are calculated on a pay-as-you-go basis and there is no obligation to fund a past deficit.

The TPTGP is a multi-employer plan which is a money purchase scheme with guaranteed benefits. The charitable company and its group contributes at various rates on an employee by employee basis. It is not possible for the charitable company to obtain sufficient information to enable it to account for the TPTGP as a defined benefit scheme.

The TPS and the TPTGP are therefore treated as defined contribution schemes for accounting purposes and the contributions are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments. A liability is also recognised for deficit contributions arising from an agreement with the TPTGP multi-employer plan that determines how the charitable company and its group will fund a deficit. Deficit contributions are discounted when they are not expected to be settled wholly within 12 months of the period end.

The L&GWPP is a group personal pension scheme. The default investment fund is the Legal & General Multi-Asset Fund 3, which aims to provide long-term investment and growth through exposure to a diversified range of asset classes.

Employee benefits - Other

Short term employment benefits including holiday pay are recognised as an expense in the period in which the services are received from the employee involved. Termination benefits are accounted for on an accruals basis as and when employment ceases.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost of assets, other than land, less their residual values over their useful lives using the following annual percentages as the basis:

Buildings	2% on cost
Building improvements	4% on cost
Sports pitches	5% on cost
Fixtures and equipment	10% to 33.3% on cost
Vehicles	20% on cost

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

Assets in the course of construction and land are not depreciated.

Intangible fixed assets

Expenditure on the purchases and developing of computer software is capitalised where all of the criteria in FRS 102 are met. Intangible assets are stated at historical cost and amortised over the shorter of the initial contract length or their useful lives. The current annual percentage is 33% on cost.

Investments

The investments of the charitable company and its group are included in the statement of financial position at fair value (their market value determined on the basis of quoted bid price). The gains or losses arising upon their annual fair value adjustment are included in the statement of financial activities.

Stocks

Stocks are included in the statement of financial position at the lower of cost and net realisable value.

Finance leases and hire purchase contracts

Assets acquired under finance leases or hire purchase contracts are capitalised and the interest element is written off to the statement of financial activities on a straight line basis over the period of the lease.

Fund accounting

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year end are carried forward in the balance sheet. A single figure is reported for the unrestricted funds of the Charity and the Group. Trustees believe this provides reliable and relevant information about the funds position and emphasises the flexibility available to Trustees to direct funds as required.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, bank overdrafts and funds drawn against the revolving credit facility (RCF).

Deposits

Pupils joining the schools are required to pay a deposit which is then classified as a basic financial instrument. Deposits are returned when a pupil leaves the school in line with the terms and conditions set out in the parent contract. All deposits have been recorded as liabilities falling due within one year.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

Financial instruments

The charitable company applies the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charitable company and its group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest and less any impairment.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including trade, other payables, loans and bank overdrafts, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

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

2. Critical accounting estimates and areas of judgement

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

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

In addition to the trustees' assessment of the going concern status of the charitable company and its group, the following other specific judgements, estimates and assumptions were critical to the preparation of these financial statements.

Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. Useful economic lives and residual values are reviewed annually and reassessed where necessary to better reflect the actual usage of the assets involved.

Provisions relating to fee debtors

The trustees consider whether fee debtors are recoverable. Where there is an indication that recoverability is unlikely, the amounts involved are recognised as a provision for bad debts. This assessment requires an estimation of future likely cash flows in order to calculate the appropriate amount of any provision.

Pension contributions

The charitable company and its group has an obligation to make employer contributions to the pension schemes of which its employees are members. The cost of providing pension benefits and the present value of the obligations of the charitable company as an employer depends upon a number of factors, including life expectancy, salary increases, asset valuations and discount rates.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

3. DONATIONS AND LEGACIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Total 2024 £'000
Donations	201	882	-	1,083	671
	<u>201</u>	<u>882</u>	<u>-</u>	<u>1,083</u>	<u>671</u>
2024	<u>173</u>	<u>498</u>	<u>-</u>		<u>671</u>

4. SCHOOL FEES

	Total 2025 £'000	Total 2024 £'000
Gross school fees chargeable	113,704	118,886
Less:		
Scholarships awarded to pupils	(2,884)	(3,119)
Bursaries awarded to pupils	(4,887)	(5,150)
Staff, sibling and other allowances	(6,103)	(6,353)
	<u>99,830</u>	<u>104,264</u>

School fees income amounted to £99,830,000 (2024: £104,264,000) of which £225,000 (2024: £533,000) was met from restricted funds donated towards bursaries and scholarships.

5. OTHER EDUCATIONAL INCOME

	Total 2025 £'000	Total 2024 £'000
Optional subjects and pupils' extras	2,823	3,007
Other ancillary income	<u>5,885</u>	<u>2,464</u>
	<u>8,708</u>	<u>5,471</u>

2025 other educational income amounted to £8,708,000 (2024: £5,471,000) all of which was unrestricted.

6. OTHER TRADING ACTIVITIES

	Total 2025 £'000	Total 2024 £'000
Lettings income	388	536
Income from subsidiary trading activities (note 7)	<u>5,033</u>	<u>4,558</u>
	<u>5,421</u>	<u>5,094</u>

Other trading activities income amounted to £5,421,000 (2024: £5,094,000) all of which was unrestricted.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

7. INCOME FROM TRADING ACTIVITIES

Trading Activities

The charitable company and its group controls all of the issued share capital of a series of trading subsidiary companies, each of which is incorporated in England and Wales - please refer to note 16 for a list of these companies. The subsidiaries are engaged in commercial trading activities relating to and in support of their related school, and they donate all of their taxable profits to their parent entity under Gift Aid each year. The results and financial position of these trading subsidiaries is summarised in aggregate below using information extracted from their audited financial statements.

	2025 £'000	2024 £'000
Turnover	5,033	4,558
Operating costs	(3,145)	(2,968)
Profit for the year	<u>1,888</u>	<u>1,590</u>
Total assets	2,529	2,960
Total liabilities	(526)	(467)
Total funds	<u>2,003</u>	<u>2,493</u>

Fundraising Activities

The charitable company is the sole member of a foundation (Woodhouse Grove School Foundation) which is engaged in fundraising activities relating to and in support of the school. It donates all profits to the parent entity each year. The results and financial position of this fundraising subsidiary in support of the school is summarised in aggregate below using information extracted from its audited financial statements. Please refer to note 16 for further details.

	2025 £'000	2024 £'000
Income	14	61
Operating costs	(23)	(9)
(Loss)/profit for the year	<u>(9)</u>	<u>52</u>
Total assets	299	274
Total liabilities	(13)	16
Total funds	<u>286</u>	<u>290</u>

8. INVESTMENTS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Total 2024 £'000
Investment income	68	12	-	80	95
Bank and other interest	504	-	-	504	234
	<u>572</u>	<u>12</u>	<u>-</u>	<u>584</u>	<u>329</u>
2024	<u>316</u>	<u>13</u>	<u>-</u>		<u>329</u>

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

9. OTHER INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Total 2024 £'000
Other income:					
Other items	2,568	-	-	2,568	1,167
	<u>2,568</u>	<u>-</u>	<u>-</u>	<u>2,568</u>	<u>1,167</u>
2024	<u>1,167</u>	<u>-</u>	<u>-</u>		<u>1,167</u>

10. RAISING FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Total 2024 £'000
Fundraising costs	303	14	-	317	256
Cost of subsidiary trading activities	3,145	-	-	3,145	2,968
	<u>3,448</u>	<u>14</u>	<u>-</u>	<u>3,462</u>	<u>3,224</u>
2024	<u>3,206</u>	<u>18</u>	<u>-</u>		<u>3,224</u>

11. ANALYSIS OF EXPENDITURE

	Staff costs £'000	Depreciation £'000	Other £'000	Total 2025 £'000	Total 2024 £'000
Raising funds:					
Fundraising costs	2,072	12	1,378	3,462	3,224
Charitable activity (provision of education):					
Teaching costs	53,357	74	4,303	57,734	58,461
Welfare costs	4,916	-	7,099	12,015	12,428
Premises costs	6,828	3,287	10,685	20,800	22,571
Support costs	6,939	2,419	6,782	16,140	16,610
Governance costs	-	-	1,609	1,609	1,411
Charitable publicity costs	1,565	-	1,478	3,043	2,942
Finance costs	-	-	1,938	1,938	1,552
Other	-	-	-	-	924
	<u>75,677</u>	<u>5,792</u>	<u>35,272</u>	<u>116,741</u>	<u>120,123</u>
2024	<u>74,885</u>	<u>5,840</u>	<u>39,398</u>		<u>120,123</u>

Expenditure on raising funds was £3,462,000 (2024: £3,224,000), of which £3,441,000 (2024: £3,206,000) was unrestricted and £14,000 (2024: £18,000) was restricted.

Charitable activities expenditure amounted to £113,279,000 (2024: £116,899,000) of which £252,000 (2024: £573,000) was restricted.

Support costs include administration and information technology expenditure across the schools, as well as the costs of planning and facilitating pupil transport.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

12. GOVERNANCE COSTS

	2025 £'000	2024 £'000
Auditor's remuneration	132	132
Other professional fees	596	835
Governors' expenses	50	69
Other costs	831	375
	<u>1,609</u>	<u>1,411</u>

In accordance with normal commercial practice, professional indemnity insurance is taken out to cover losses arising from neglect or default by any charity trustee, employee or officer.

13. NET INCOME/(EXPENDITURE)

	2025 £'000	2024 £'000
Net income/(expenditure) for the year is stated after charging/(crediting):		
Amounts payable under operating leases	808	858
Depreciation on:		
Tangible fixed assets	5,814	5,840
Intangible fixed assets	17	30
(Profit) on disposal of tangible fixed assets	(808)	(126)
Interest payable on loans	240	100
Bad debts written off	150	288
Auditor's remuneration:		
Audit services - statutory audit of parent and consolidated accounts	107	114
Other services:		
Audit services - statutory audit of subsidiaries	25	18
Taxation compliance services	26	26

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

14. STAFF COSTS

<i>Group</i>	2025 £'000	2024 £'000
The aggregate staff costs during the year comprised:		
Wages and salaries	59,449	59,975
Social security costs	6,275	5,505
Defined benefit pension costs	6,502	7,075
Defined contribution pension costs	2,550	1,961
Termination/redundancy payments	901	369
	<u>75,677</u>	<u>74,885</u>

The defined benefit pension costs above include contributions to Teachers' Pensions Scheme and The Pensions Trust Growth Plan, which are accounted for as defined contribution schemes as outlined in note 25.

Of the termination payments identified above, none were outstanding at the Balance Sheets dates.

	2025 No.	2024 No.
The average number of employees during the year comprised:		
Teaching staff	868	861
Non-teaching staff	1,109	1,180
	<u>1,977</u>	<u>2,041</u>

	2025 No.	2024 No.
The average number of employees during the year on the full time equivalent basis comprised:		
Teaching staff	719	767
Non-teaching staff	752	807
	<u>1,471</u>	<u>1,574</u>

	2025 No.	2024 No.
The number of employees whose emoluments exceeded £60,000 during the year were as follows:		
£60,001 - £70,000	48	37
£70,001 - £80,000	20	17
£80,001 - £90,000	10	9
£90,001 - £100,000	5	6
£100,001 - £110,000	3	1
£110,001 - £120,000	4	2
£120,001 - £130,000	1	1
£130,001 - £140,000	1	4
£140,001 - £150,000	2	-
£150,001 - £160,000	2	5
£160,001 - £170,000	2	-

In respect of employees whose emoluments exceeded £60,000 during the year, total pension contributions payable during the year amounted to £1,526,000 (2024: £1,160,000).

The key management personnel of the charitable company and its group comprise the trustees, the trust executive, the school governors and the senior management teams of the schools.

The trustees received no remuneration for their services in the current year, and 13 individuals (2024: 13), who were trustees were reimbursed £14,000 for any travelling and subsistence costs incurred (2024: £20,000).

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

The aggregate remuneration of the other key management personnel, including employer's national insurance contributions, was £7,339,000 (2024: £6,952,000).

	2025 £'000	2024 £'000
Charity		
The aggregate staff costs during the year comprised:		
Wages and salaries	57,596	58,268
Social security costs	6,274	5,505
Defined benefit pension costs	6,501	7,075
Defined contribution pension costs	2,550	1,961
Termination/redundancy payments	901	369
	<u>73,822</u>	<u>73,178</u>

Of the termination payments identified above, none were outstanding at the Balance Sheet's date.

	2025 No.	2024 No.
The average number of employees during the year comprised:		
Teaching staff	868	861
Other staff	<u>1,062</u>	<u>1,154</u>
	<u>1,930</u>	<u>2,015</u>

	2025 No.	2024 No.
The number of employees whose emoluments exceeded £60,000 during the year were as follows:		
£60,001 - £70,000	48	37
£70,001 - £80,000	20	17
£80,001 - £90,000	10	9
£90,001 - £100,000	5	6
£100,001 - £110,000	3	1
£110,001 - £120,000	4	2
£120,001 - £130,000	1	1
£130,001 - £140,000	1	4
£140,001 - £150,000	2	-
£150,001 - £160,000	2	5
£160,001 - £170,000	2	-
£170,001 - £180,000	1	1

In respect of employees whose emoluments exceeded £60,000 during the year, total pension contributions payable during the year amounted to £1,526,000 (2024: £1,160,000).

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

15. TANGIBLE ASSETS

<i>Group</i>	Land and buildings £'000	Assets under construction £'000	Fixtures and equipment £'000	Vehicles £'000	Total £'000
Cost:					
As at 1 September 2024	145,931	2,980	37,489	1,759	188,159
Additions	5,903	73	1,759	63	7,798
Disposals	-	-	(2,743)	(121)	(2,864)
Transferred	228	(228)	-	-	-
As at 31 August 2025	<u>152,062</u>	<u>2,825</u>	<u>36,505</u>	<u>1,701</u>	<u>193,093</u>
Depreciation:					
As at 1 September 2024	51,540	-	27,240	1,114	79,894
Charged for the year	3,283	-	2,351	180	5,814
Disposals	-	-	(134)	(118)	(252)
As at 31 August 2025	<u>54,823</u>	<u>-</u>	<u>29,457</u>	<u>1,176</u>	<u>85,456</u>
Net book value:					
As at 31 August 2025	<u>97,239</u>	<u>2,825</u>	<u>7,048</u>	<u>525</u>	<u>107,637</u>
As at 31 August 2024	<u>94,391</u>	<u>2,980</u>	<u>10,249</u>	<u>645</u>	<u>108,265</u>

The charitable company's land and buildings comprise the freehold premises of the trust schools, seven of which are vested under the 1903 Trust Deed in the Methodist Independent Education Trustee on behalf of the Methodist Independent Schools Trust. The other two are held directly by MIST.

Some of the properties held in the group balance sheet of MIST have been pledged as security to the group's bankers in support of the overdraft and revolving credit facilities granted to MIST, which in turn enables MIST to provide loan funding to the Trust Schools. The net book value of these properties which is included in the table above amounts to £33,033,000 (2024: £33,855,000).

Some of the group's tangible fixed assets have been funded by finance leases and hire purchase contracts. During the year, depreciation of £22,000 (2024: £35,000) was charged in respect of those assets, and at the balance sheet date, the net book value of those assets amounted to £36,000 (2024: £58,000).

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

<i>Charity</i>	Land and buildings £'000	Assets under construction £'000	Fixtures and equipment £'000	Vehicles £'000	Total £'000
Cost:					
As at 1 September 2024	145,931	2,980	37,271	1,759	187,941
Additions	5,903	73	1,759	63	7,798
Disposals	-	-	(2,743)	(121)	(2,864)
Transferred	228	(228)	-	-	-
As at 31 August 2025	<u>152,062</u>	<u>2,825</u>	<u>36,287</u>	<u>1,701</u>	<u>192,875</u>
Depreciation:					
As at 1 September 2024	51,540	-	27,104	1,114	79,758
Charged for the year	3,283	-	2,340	180	5,803
Disposals	-	-	(134)	(118)	(252)
As at 31 August 2025	<u>54,823</u>	<u>-</u>	<u>29,310</u>	<u>1,176</u>	<u>85,309</u>
Net book value:					
As at 31 August 2025	<u>97,239</u>	<u>2,825</u>	<u>6,977</u>	<u>525</u>	<u>107,566</u>
As at 31 August 2024	<u>94,391</u>	<u>2,980</u>	<u>10,167</u>	<u>645</u>	<u>108,183</u>

Some of the properties held in the group balance sheet of MIST have been pledged as security to the group's bankers in support of the overdraft facility granted to MIST, which in turn enables MIST to provide loan funding to the Trust Schools. The net book value of these properties which is included in the table above amounts to £33,033,000 (2024: £33,855,000).

Some of the charity's tangible fixed assets have been funded by finance leases and hire purchase contracts. During the year, depreciation of £22,000 (2024: £35,000) was charged in respect of those assets, and at the balance sheet date, the net book value of those assets amounted to £36,000 (2024: £58,000).

16. FIXED ASSET INVESTMENTS

	2025 £'000	2024 £'000
Group - Listed investments at market value		
Balance brought forward	5,796	5,165
Additions at cost	-	-
Disposals	-	1
Net gains in the year	136	630
Balance carried forward	<u>5,932</u>	<u>5,796</u>
Historical cost	<u>2,448</u>	<u>2,448</u>
	2025 £'000	2024 £'000
Charity - Listed investments at market value		
Balance brought forward	5,626	5,014
Additions at cost	-	-
Disposals	-	1
Net gains in the year	134	611
Balance carried forward	<u>5,760</u>	<u>5,626</u>
Historical cost	<u>2,487</u>	<u>2,487</u>

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

Other investments

MIST is the sole member of the following subsidiary charities:

	Total assets £'000	Total liabilities £'000	Total - £'000	Total income £'000	Total expenditure £'000	Surplus £'000
Foundations						
Woodhouse Grove Foundation Trust	299	(11)	288	14	(23)	(9)

The Charity owns 100% of the issued ordinary share capital in the following companies:

	Total assets £'000	Total liabilities £'000	Total funds £'000	Total income £'000	Total expenditure £'000	Surplus £'000
Trading subsidiaries						
Culford School (Trading Trust) Limited	379	(379)	-	1082	(964)	118
Farringtons School Enterprises Limited	205	(205)	-	192	(47)	145
Kent College (Canterbury) Enterprises Limited	736	(736)	-	1187	(722)	465
Kent College (Pembury) Enterprises Limited	196	(196)	-	201	(55)	146
Moorlands School Enterprises Limited	9	(19)	(10)	108	(16)	92
Queen's College Taunton Enterprises Limited	277	(277)	-	757	(538)	219
Truro School Enterprises Limited	643	(643)	-	792	(449)	343
Woodhouse Grove Enterprises Limited	84	(80)	4	714	(354)	360
Methodist Schools Property Company	-	-	-	-	-	-

Details regarding the company number, charity number and registered office are included pages 3 to 5 of this report.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

17. DEBTORS

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Fee debtors	13,989	630	13,989	630
Amounts owed by group undertakings	-	-	2,011	2,469
Other debtors	4,184	717	3,650	84
Prepayments and accrued income	3,300	1,753	3,295	1,753
	<u>21,473</u>	<u>3,100</u>	<u>22,945</u>	<u>4,936</u>

All of the Group debtors represent amounts falling due within one year. Please note that as school fees are now subject to VAT, tax point dates now require early-billed fees for the following school year to be brought into these accounts, hence the apparent increase in fee debtors.

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Other loans	356	19	356	19
Finance lease obligations	12	14	12	14
Deposits (note 20)	6,797	6,639	6,797	6,639
Prepaid fees (note 20)	13,722	19,251	13,722	19,251
Composition fees (note 20)	4,792	6,224	4,792	6,224
Trade creditors	3,892	3,536	3,682	3,417
Taxation and social security costs	1,411	917	1,411	917
Other creditors	17,919	3,120	17,668	2,910
Pension deficit repayment plan	91	44	91	44
Accruals	4,034	2,294	3,957	2,135
	<u>53,026</u>	<u>42,058</u>	<u>52,488</u>	<u>41,570</u>

The bank overdraft is secured by way of a charge over certain of the group's property assets. It is subject to annual review and is arranged at a floating interest rate referencing the Base Rate.

The Group held a Revolving Credit Facility with the Group's bankers during the year which was rearranged in August 2025. It is arranged at a floating interest rate referencing SONIA. Due to the cyclical nature of the group's cashflow this facility is rolled over on a monthly basis as required. The undrawn element of this facility was £18,000,000 at 31 August 2025 (2024: £15,000,000).

The finance lease obligations are secured upon the assets to which they relate.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

2025	Due within 1 to 2 years £'000	Due within 2 to 5 years £'000	Due after 5 years £'000	2025 Total £'000
Group				
Other loans	19	67	(388)	(302)
Finance lease obligations	10	15	-	25
Prepaid fees (note 20)	126	20	-	146
Composition fees (note 20)	4,268	3,686	508	8,462
Pension deficit repayment plan	16	29	5	50
	<u>4,439</u>	<u>3,817</u>	<u>125</u>	<u>8,381</u>

2024	Due within 1 to 2 years £'000	Due within 2 to 5 years £'000	Due after 5 years £'000	2024 Total £'000
Group				
Other loans	19	36	-	55
Finance lease obligations	10	25	-	35
Prepaid fees (note 20)	623	28	-	651
Composition fees (note 20)	5,221	7,504	223	12,948
Pension deficit repayment plan	12	-	-	12
	<u>5,885</u>	<u>7,593</u>	<u>223</u>	<u>13,701</u>

2025	Due within 1 to 2 years £'000	Due within 2 to 5 years £'000	Due after 5 years £'000	2025 Total £'000
Charity				
Other loans	19	67	(388)	(302)
Finance lease obligations	10	15	-	25
Prepaid fees (note 20)	126	20	-	146
Composition fees (note 20)	4,268	3,686	508	8,462
Pension deficit repayment plan	16	29	5	50
	<u>4,439</u>	<u>3,817</u>	<u>125</u>	<u>8,381</u>

2024	Due within 1 to 2 years £'000	Due within 2 to 5 years £'000	Due after 5 years £'000	2024 Total £'000
Charity				
Other loans	19	36	-	55
Finance lease obligations	10	25	-	35
Prepaid fees (note 20)	623	28	-	651
Composition fees (note 20)	5,221	7,504	223	12,948
Pension deficit repayment plan	12	-	-	12
	<u>5,885</u>	<u>7,593</u>	<u>223</u>	<u>13,701</u>

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

20. DEFERRED INCOME

Prepaid fees and deposits

Parents pay for fees in advance and provide deposits to secure places for pupils. Movements during the year were as follows:

2025	Group £'000	Charity £'000
Balance brought forward at 1 September 2024	26,541	26,541
Amounts received during the year	9,301	9,301
Amounts recognised as income during the year	(12,600)	(12,600)
Amounts repaid to parents during the year	(2,574)	(2,574)
Balance carried forward at 31 August 2025	<u>20,668</u>	<u>20,668</u>

2024	Group £'000	Charity £'000
Balance brought forward at 1 September 2023	21,073	21,073
Amounts received during the year	26,407	26,407
Amounts recognised as income during the year	(18,874)	(18,874)
Amounts repaid to parents during the year	(2,065)	(2,065)
Balance carried forward at 31 August 2024	<u>26,541</u>	<u>26,541</u>

Composition fees

Parents may enter into a contract to pay to the school for tuition fees in advance. The money may be returned subject to specific conditions. Movements during the year were as follows:

2025	Group £'000	Charity £'000
Balance brought forward at 1 September 2024	19,172	19,172
Amounts received during the year	631	631
Interest earned on balances during the year	223	223
Amounts recognised as income during the year	(6,306)	(6,306)
Amounts repaid to parents during the year	(467)	(467)
Balance carried forward at 31 August 2025	<u>13,253</u>	<u>13,253</u>

2024	Group £'000	Charity £'000
Balance brought forward at 1 September 2023	4,325	4,325
Amounts received during the year	17,333	17,333
Interest earned on balances during the year	98	98
Amounts recognised as income during the year	(2,383)	(2,383)
Amounts repaid to parents during the year	(201)	(201)
Balance carried forward at 31 August 2024	<u>19,172</u>	<u>19,172</u>

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

21. THE FUNDS OF THE GROUP AND THE CHARITY

2025	Balance at 1 September 2024 £'000	Income £'000	Expenditure £'000	Other £'000	Balance at 31 August 2025 £'000
Group					
Endowment funds:					
Scholarships and bursaries funds	328	-	-	8 ^U	336
	<u>328</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>336</u>
Restricted income funds:					
Scholarships and bursaries funds	2,285	879	(236)	(164) ^{TU}	2,764
Appeals funds	86	-	(14)	143	215
Other restricted funds	326	15	(16)	50	375
	<u>2,697</u>	<u>894</u>	<u>(266)</u>	<u>29</u>	<u>3,354</u>
Unrestricted funds:					
Unrestricted funds	72,330	117,300	(116,475)	99 ^{TU}	73,254
Total funds of the group	<u>75,355</u>	<u>118,194</u>	<u>(116,741)</u>	<u>136</u>	<u>76,944</u>
	Balance at 1 September 2024 £'000	Income £'000	Expenditure £'000	Other £'000	Balance at 31 August 2025 £'000
Charity					
Endowment					
Scholarships and bursaries funds	328	-	-	8 ^U	336
	<u>328</u>	<u>-</u>	<u>-</u>	<u>8</u>	<u>336</u>
Restricted income funds:					
Scholarships and bursaries funds	2,217	879	(236)	(164) ^{TU}	2,696
Appeals funds	86	-	(14)	143 ^T	215
Other restricted funds	326	15	(16)	50 ^{TU}	375
	<u>2,629</u>	<u>894</u>	<u>(266)</u>	<u>29</u>	<u>3,286</u>
Unrestricted funds:					
Unrestricted funds	71,923	114,273	(113,440)	97 ^{TU}	72,853
	<u>71,923</u>	<u>114,273</u>	<u>(113,440)</u>	<u>97</u>	<u>72,853</u>
Total funds of the charity	<u>74,880</u>	<u>115,167</u>	<u>(113,706)</u>	<u>134</u>	<u>76,475</u>

^T Transfer between funds ^U Unrealised gain/(loss)

Movements in funds arising from investment gains/(losses) and transfers between funds are all included in the column headed 'Other'.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2024	Balance at 1 September 2023 £'000	Income £'000	Expenditure £'000	Other £'000	Balance at 31 August 2024 £'000
Group					
Endowment funds:					
Scholarships and bursaries funds	291	-	-	37 ^U	328
	291	-	-	37	328
Restricted income funds:					
Scholarships and bursaries funds	2,085	435	(533)	298 ^{T U}	2,285
Appeals funds	268	-	-	(182) ^T	86
Other restricted funds	315	76	(58)	(7) ^{T U}	326
	2,668	511	(591)	109	2,697
Unrestricted funds:					
Unrestricted funds	78,182	116,485	(122,821)	484 ^{T U}	72,330
	78,182	116,485	(122,821)	484	72,330
Total funds of the group	81,141	116,996	(123,412)	630	75,355
	Balance at 1 September 2023 £'000	Income £'000	Expenditure £'000	Other £'000	Balance at 31 August 2024 £'000
Charity					
Endowment					
Scholarships and bursaries funds	291	-	-	37 ^U	328
	291	-	-	37	328
Restricted income funds:					
Scholarships and bursaries funds	2,017	435	(533)	298 ^{T U}	2,217
Appeals funds	268	-	-	(182) ^T	86
Other restricted funds	315	76	(58)	(7) ^{T U}	326
	2,600	511	(591)	109	2,629
Unrestricted funds:					
Unrestricted funds	77,896	113,430	(119,868)	465 ^T	71,923
	77,896	113,430	(119,868)	465	71,923
Total funds of the charity	80,787	113,941	(120,459)	611	74,880

^T Transfer between funds ^U Unrealised gain/(loss)

Movements in funds arising from investment gains/(losses) and transfers between funds are all included in the column headed 'Other'.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

Restricted funds include amounts given to provide scholarships and bursaries to pupils at the relevant schools. In addition, subsidiary and linked charitable trusts established specifically for the purposes of providing scholarships and bursaries are also included within these funds of the group. Linked charities recorded income of £42,000 (2024: £48,000) and expenditure of £17,000 (2024: £31,000) during the year, and their net assets at 31 August 2025 totalled £646,000 (2024: £607,000).

Restricted funds also include amounts given to schools following specific appeals and are generally provided for building or other similar school development projects.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

2025	Tangible & intangible fixed assets £'000	Investments £'000	Net current assets/ (liabilities) £'000	Long term liabilities £'000	Total £'000
Group					
Endowment funds	-	336	-	-	336
Restricted funds	-	966	2,388	-	3,354
Unrestricted funds	107,664	4,630	(30,659)	(8,381)	73,254
	<u>107,664</u>	<u>5,932</u>	<u>(28,271)</u>	<u>(8,381)</u>	<u>76,944</u>

	Tangible & intangible fixed assets £'000	Investments £'000	Net current assets/ (liabilities) £'000	Long term liabilities £'000	Total £'000
Charity					
Endowment funds	-	336	-	-	336
Restricted funds	-	966	2,320	-	3,286
Unrestricted funds	107,593	4,458	(30,817)	(8,381)	72,853
	<u>107,593</u>	<u>5,760</u>	<u>(28,497)</u>	<u>(8,381)</u>	<u>76,475</u>

2024	Tangible & intangible fixed assets £'000	Investments £'000	Net current assets/ (liabilities) £'000	Long term liabilities £'000	Total £'000
Group					
Endowment funds	-	327	-	-	327
Restricted funds	-	-	2,697	-	2,697
Unrestricted funds	108,305	5,469	(27,742)	(13,701)	72,331
	<u>108,305</u>	<u>5,796</u>	<u>(25,045)</u>	<u>(13,701)</u>	<u>75,355</u>

	Tangible & intangible fixed assets £'000	Investments £'000	Net current assets/ (liabilities) £'000	Long term liabilities £'000	Total £'000
Charity					
Endowment funds	-	328	-	-	328
Restricted funds	-	-	2,629	-	2,629
Unrestricted funds	108,215	5,298	(27,889)	(13,701)	71,923
	<u>108,215</u>	<u>5,626</u>	<u>(25,260)</u>	<u>(13,701)</u>	<u>74,880</u>

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

23. OPERATING LEASE COMMITMENTS

Group - Lessee

The group has entered into operating leases in respect of certain items of school equipment. At the balance sheet date, the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £'000	2024 £'000
Within one year	525	684
Between one and two years	297	482
Between two and five years	372	454
After five years	66	2
	<u>1,260</u>	<u>1,622</u>

Charity - Lessee

	2025 £'000	2024 £'000
Within one year	525	684
Between one and two years	297	482
Between two and five years	372	454
After five years	66	2
	<u>1,260</u>	<u>1,622</u>

24. CAPITAL COMMITMENTS

At the balance sheet date, the group had capital commitments outstanding in respect of capital projects, as follows:

Group	2025 £'000	2024 £'000
Contracted for but not provided in these financial statements	3,431	8,552
Authorised but not contracted for	<u>-</u>	<u>209</u>

Charity	2025 £'000	2024 £'000
Contracted for but not provided in these financial statements	3,431	8,552
Authorised but not contracted for	<u>-</u>	<u>209</u>

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

25. PENSIONS

Retirement benefits to employees of the charitable company and its group are provided by the Teachers' Pension Scheme (TPS) in respect of some teaching staff; the Methodist Ministers Pensions Scheme for 3 school chaplains who meet the eligibility requirements; the Pensions Trust Growth Plan (TPTGP) and the Legal & General WorkSave Pension Plan (L&GWPP) in respect of all other staff.

Some of the schools participate in the Teachers' Pension Scheme ("the TPS") for teaching staff. The pension charge for the year includes contributions payable to the TPS of £4,582,000 (2024: £5,997,000) and at the year-end £469,000 (2024: £681,000) 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 set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at March 2020 and the Valuation Report, which was published in October 2023. The latest valuation showed total scheme liabilities of £262,000 million and notional assets of £222,200 million, giving a notional past service deficit of £39,800 million.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members

The contribution rate for the TPS increased from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The School is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the School 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 Methodist Ministers Pensions Scheme (MMPS) is a defined benefit scheme operated by the Methodist Church.

The TPTGP is a multi-employer plan which is a money purchase scheme with guaranteed benefits. The charitable company and its group contributes at various rates on an employee by employee basis. It is not possible for the charitable company and its group to obtain sufficient information to enable it to account for the TPTGP as a defined benefit scheme.

The TPTGP is classified as a "last man standing arrangement". Therefore, the charitable company and its group is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. If the charitable company and its group were to withdraw from the scheme it would have a liability, which at 30 September 2023 would have been £744,000 (30 September 2022: £1,353,000). There is however no plan to leave the scheme so this contingent liability has not been provided for in the financial statements.

A full actuarial valuation for the TPTGP was carried out at 30 September 2020. This valuation showed total scheme assets of £800,300,000, total scheme liabilities of £831,900,000, and therefore, a deficit of £31,600,000. To eliminate this funding shortfall, all participating employers have been asked to pay additional contributions.

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

The charitable company and its group are committed to deficit repayments in relation to TPTGP of £134,000 over a period of two years (2024: £56,000 over five years). Provision has been made for deficit repayments as follows:

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£'000	£'000	£'000	£'000
Provision at the start of the year	57	92	57	92
Unwinding of the discount factor	-	3	-	3
Deficit contribution paid	(52)	(96)	(52)	(96)
Impact of changes in assumptions	1	-	1	-
Amendments to contribution schedule	128	58	128	58
Provision at the end of the year	<u>134</u>	<u>57</u>	<u>134</u>	<u>57</u>

Contributions to pension schemes were made for all of the charitable company's and the group's employees (who have not opted out) at the standard rates applicable to the schemes involved.

Pensions costs recognised during the year were as follows:

	2025 £'000	2024 £'000
Defined benefit schemes:		
The Teachers' Pension Scheme	4,582	5,988
The Pensions Trust Growth Plan	1,900	1,061
Methodist Ministers' Pension Scheme	19	26
Defined contribution schemes	<u>2,550</u>	<u>1,961</u>
	<u>9,051</u>	<u>9,036</u>

At the balance sheet date, the following amounts were included in creditors:

	2025 £'000	2024 £'000
Defined benefit schemes:		
The Teachers' Pension Scheme	469	681
The Pensions Trust Growth Plan	274	120
Defined contribution schemes	<u>331</u>	<u>266</u>
	<u>1,074</u>	<u>1,067</u>

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

26. Related party transactions

During the year, the following transactions took place between MIST and its trading subsidiaries, resulting in the following unsecured balances owing to the Trust schools:

	Gift aid distribution to MIST		Expenses cross charged from MIST		Owed to MIST at 31 August	
	2025	2024	2025	2024	2025	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Culford School Trading Trust Limited	118	123	-	-	155	591
Farringtons School Enterprises Limited	144	148	46	57	188	99
Kent College Canterbury Enterprises Limited	465	351	520	481	644	326
Kent College Pembury Enterprises Limited	146	116	13	12	173	73
Moorlands School Enterprises Limited	99	108	2	2	14	119
Queen's College Taunton Enterprises Limited	219	63	-	-	256	173
Shebbear College Enterprises Limited	-	-	-	-	-	42
Truro School Enterprises Limited	344	312	-	-	590	232
Woodhouse Grove Enterprises Limited	360	344	228	-	(13)	310
	<u>1,895</u>	<u>1,565</u>	<u>809</u>	<u>552</u>	<u>2,007</u>	<u>1,965</u>

As permitted by the charity's Articles of Association:-

- Trustee Fiona Mynors provided professional services to the Trust during the year at a cost of £1,718.10 (2024: £661.30).
- Kent College Canterbury Governor Gerard MacMahon was paid £13,714 (2024: £4,023) for time spent overseas on school business.

These arrangements were approved by the trustees on the basis of providing value to the charity.

During 2025 there were 21 Key Management Personnel (KMP) who had close family members employed at a MIST school. Salaries paid to spouses and children totalled £745,000

METHODIST INDEPENDENT SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

27. Analysis of changes in net debt - Group

	Balance at 1 September 2024 £'000	Cash flows £'000	Other non- cash changes £'000	Balance at 31 August 2025 £'000
Cash at bank and in hand	13,704	(10,601)	-	3,103
Composition fees	(19,172)	(164)	6,083	(13,253)
Other loans	(74)	20	-	(54)
Obligations under finance leases	(49)	12	-	(37)
	<u>(5,591)</u>	<u>(10,733)</u>	<u>6,083</u>	<u>(10,241)</u>