

Company Registration No. 01067862 (England and Wales)  
Charity Registration No. 309911

**THE BEACON EDUCATIONAL TRUST LTD  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**THE BEACON EDUCATIONAL TRUST LTD**  
**COMPANY INFORMATION**  
**GOVERNORS, OFFICERS AND ADVISORS**

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The Governors who served during the year ended 31 August 2019 were as follows:-

**Directors**

N K Pandya (Vice Chairman and appointed Chairman 1 Sept 2019) (1)  
D M Hollander (Chairman) – resigned 31 Aug 2019  
D A McGregor (Vice Chairman) (4)  
S J Allcock (2)  
M Bond (2) & (4) – resigned 5 Dec 2019  
M R Francis (1) – resigned 31 Dec 2018  
R J Garrett-Bowes (1)  
S Gillam (2)  
J D R Hardman (1)  
R Herbert (1)  
S Horrocks (2) and (4)  
P J Kirkbride (1) & (3)  
P McGlone – appointed 3 June 2019  
FEM Mayhew (3)  
J R Pardon (1) and (2)  
AMS Thomson (5)  
M Thompson (4)  
A C Tomlinson (3) – resigned 31 Aug 2019

- (1) Member of the Finance and General Purposes Committee
- (2) Member of the Education Committee
- (3) Member of the Admissions and Marketing Committee
- (4) Member of the Human Resources Committee
- (5) Member of the Health and Safety Committee

**Secretary**

A C Curran – resigned 5 February 2019  
F Muzika – appointed 5 February 2019

**Company number**

01067862

**Registered Charity number**

309911

**Registered office**

Amersham Road, Chesham Bois  
Amersham  
Buckinghamshire  
HP6 5PF

**Auditors**

Crowe U.K. LLP  
Aquis House  
49-51 Blagrove Street  
Reading  
Berkshire  
RG1 1PL

**Business address**

Amersham Road, Chesham Bois  
Amersham  
Buckinghamshire  
HP6 5PH

**THE BEACON EDUCATIONAL TRUST LTD**  
**COMPANY INFORMATION**  
**GOVERNORS, OFFICERS AND ADVISORS (CONTINUED)**

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**Bankers**

National Westminster Bank plc  
Oakfield Corner, Hill Avenue  
Amersham  
Buckinghamshire  
HP6 5BU

**Officers**

The Headmaster:

W T Phelps MA (New York) BA  
AKC (Kings College London)  
A C Curran BA(Hons) ACCA  
F Muzika ACA

The Bursar (to 5 February 2019):  
Director of Finance & Operations  
(from 5 February 2019)

Clerk to the Trustees:

H J Farrelly

# THE BEACON EDUCATIONAL TRUST LTD

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# **THE BEACON EDUCATIONAL TRUST LTD**

## **ANNUAL REPORT OF THE GOVERNORS**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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The members of The Beacon Educational Trust Limited Governing Body present their annual report for the year ended 31 August 2019 under the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

#### **DIRECTORS' REPORT**

##### **Constitution and Objects**

The Beacon Educational Trust Limited is a charitable company limited by guarantee. Its Charity registration number is 309911 and the company registration number is 01067862. The registered office and principal address of the company is Amersham Road, Chesham Bois, Amersham, Buckinghamshire, HP6 5PF.

The company is governed by its Memorandum and Articles of Association, which state that its object is to advance the education of the public. In furtherance thereof, the company operates The Beacon School, a preparatory School.

#### **Aims, Objectives and Activities**

##### **Aim**

The Beacon aims to inspire boys to achieve their best within a happy, safe and stimulating environment, providing education of the highest quality delivered by caring and dedicated teachers. To achieve this, the School continues with the support of parents to:

- Promote high standards of academic achievement through consistent expectation and encouragement.
- Nurture talent and provide opportunity for all in the areas of art, drama, music, sport and technology.
- Enable pupils to develop the social and emotional skills needed to believe in themselves and to show consideration for others and value diversity.
- Foster lifelong thinking, learning and communication skills to enable pupils to work independently and as part of a team.

##### **Primary objectives**

Key elements of the School's strategy are to:

1. Maintain a broad curriculum that is directed towards independent and lifelong learning.
2. Uphold the traditional values associated with preparatory education, through its pastoral system, whilst ensuring that pupils are taught the skills and knowledge they will need to meet the challenges of the changing world.
3. Embed information technology into the curriculum as the principal means of enhancing teaching and learning.
4. Provide new and improved existing buildings and other facilities to support the educational, cultural and pastoral needs of the School.

#### **Governance and Management**

##### **Governing body**

The directors serve as trustees of the Charity and under the terms of the above Articles are also members of the company. They are elected by the Board of directors on the basis of nominations received from serving directors, the headmaster and others. Directors are selected on the basis of their skills and suitability. The chairman of the Board is responsible for the induction of new directors, which includes making them aware of their responsibilities, the governing documents, administrative procedures, the history and philosophical approach of the company and previous annual reports and accounts.

**THE BEACON EDUCATIONAL TRUST LTD**  
**ANNUAL REPORT OF THE GOVERNORS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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The first term of office for a Governor shall be: (a) for an ex officio Governor - while he or she holds office; and (b) for other Governors - three years; provided that the Governors may determine that the Governor shall in fact retire at the end of a meeting of the Board of Governors held within twelve months of the end of the Governor's term of office. A Governor who has served two consecutive terms of three years may be reappointed for a further term not exceeding two years if the Board considers that the Governor's reappointment would be in the best interests of the Charity. At the end of that term, the Governor may be reappointed by the Board for a further term not exceeding 2 years, subject to the same considerations, and may be appointed for further terms (each term not exceeding 2 years) thereafter on the same basis. A retired Governor may be reappointed to hold office, provided that a year has elapsed since he or she last held office as a Governor and provided that the Board considers that it would be in the best interests of the Charity for him or her to be eligible for reappointment.

The directors usually meet as a Board three or more times per year to determine policy and to monitor the operations of the company. Their role is assisted by the work of the Board Committees which usually meet a few weeks before each regular meeting of the Board. The day-to-day running of the School is delegated to the headmaster who, with the bursar, is assisted by other members of the School leadership team.

#### **Employment policy**

The School supports the attainment of the highest standards of education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. The School co-operates with local organisations to widen public access to its facilities.

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees has continued with the aim of taking employees into account when decisions are made that are likely to affect their interests.

#### **Remuneration Policy for Key Management**

Remuneration of the headmaster and the DFO is set by the Governing Body after appropriate consultation and benchmarking in order to ensure recruitment and retention of quality staff.

#### **PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the School's auditors are unaware; and
- that Governor has taken all steps that ought to have been taken as a Governor in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

#### **AUDITORS**

A resolution proposing the re-appointment of Crowe as auditors to the company will be put to the Annual General Meeting.

**THE BEACON EDUCATIONAL TRUST LTD**  
**ANNUAL REPORT OF THE GOVERNORS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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## **STRATEGIC REPORT**

### **Mission Statement**

The School's mission is to inspire boys to achieve their best within a happy, secure and stimulating environment, providing education of the highest quality, delivered by an enthusiastic and committed team of teachers and staff.

### **Strategies to achieve the primary objectives**

To achieve this aim the School will, with the support of parents:

- Promote high standards of academic achievement through consistent expectation and encouragement.
- Nurture talent, and provide opportunities for all, in the areas of art, drama, music, sport and technology.
- Enable pupils to develop the social and emotional skills needed to believe in themselves, show consideration for others and value diversity.
- Foster lifelong thinking, learning and communication skills to enable pupils to work independently and as part of a team.

### **Ten year plan**

The directors are two years into their ten year strategic plan entitled "The Beacon Vision" which comprises five key components: delivery of exceptional teaching and learning; development of Modern Fluencies; promotion of well-being for pupils, staff and parents; development of the School site; and the creation of a 'Beacon Network'. Success will be measured by the School's ability to encourage initiative, innovation, entrepreneurship and philanthropy in all. In setting these components and planning, the Governors have complied with their duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. The Board are comfortable with and continue to maintain progress.

### **Achievements and Performance**

Beacon boys leaving the School in years 8 and 6 have continued to attain the highest standards of excellence. Results in the 11+ (Buckinghamshire Transfer Test for grammar School entry in to Year 7) and the competitive 13+ entrance process to independent Schools remain extremely strong with scholarships won across a number of areas. Furthermore several boys in Year 8 achieved a distinction in the PSB (Prep Schools Baccalaureate).

The academic profile of the School remains one of its core strengths and the Academic Team are embarked on a number of new initiatives to continue to drive this forward. It is important to remain at the forefront of research and developments in teaching and learning to ensure ongoing best practice. Similarly in the area of technology, exciting plans are afoot to ensure The Beacon continues to provide a learning environment appropriate to boys growing up in the twenty-first Century.

We note with interest the apparent fragmentation of the 13+ entrance system for independent School entrance and the increasing tendency of senior Schools to create their own bespoke entrance systems. This creates challenges for prep Schools in terms of curriculum delivery and managing the wellbeing of our pupils (and staff). An initiative is planned to reach out to prep and senior institutions to reintroduce some uniformity, in everyone's interests.

The School recently migrated to a new MIS (Management Information System). This is a mission critical database containing a wide range of information from academic to medical. It is used by almost all staff on a daily basis and the transition was a major project which was achieved seamlessly. The School is benefitting from the significantly greater functionality of the new system.

**THE BEACON EDUCATIONAL TRUST LTD**  
**ANNUAL REPORT OF THE GOVERNORS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Public benefit**

**Bursaries and scholarships**

The Directors continue to be committed to broadening access to the School by offering means-tested bursaries of up to 100% to enable more boys whose parents would not otherwise be able to afford the fees to benefit from the School's education and facilities.

In 2018/19, six boys in the School benefited from 100% fee bursaries, two from 80% bursary, and one from a one-third bursary, to a total value of £138,166 (2018: £101,331). These bursaries also covered all educational extras, such as uniform, equipment, School trips and other extra-curricular activities.

**Beacon Bursary Fund**

The Beacon Bursary Fund is a Charity set up and run independently of the School, by four trustees. Its purpose is to assist with funding for the education of pupils of The Beacon School, whose parents encounter financial difficulties, and who might otherwise have to withdraw their son(s) from the School at a time detrimental to their educational progress. The fund derives its income from parental donations, gift aid and investment income. In 2018/19 financial assistance to the value of £27,967 (2018: £16,759) was given by the fund.

**Community links**

The School co-operates with local charities and community based organisations in order to widen public access and to share its cultural and sporting facilities. Efforts continue to develop and expand in this respect.

In particular, the School's facilities are offered for modest rents to locally based clubs, and the School hosts sporting and academic competitions in which local Schools participate.

There is a continued focus on giving support via free use of the school's facilities to The Theatre Shed whose vision is to build a sustainable theatre that brings together many more children and adults from a range of backgrounds to create wonderfully innovative, inspiring, inclusive theatre.

The School has also developed a good working relationship with the local Residents' Association in order to minimise any negative impact of the School's activities on the local community.

**Charitable Fund Raising**

The School's on-going commitment to charitable fundraising has continued as demonstrated by events to support a number of national charities including Save the Children, Duncan Dyson's Street Kids, Sport Relief, UNICEF and the Matt Hampson Foundation. We also raise money towards the Beacon Bursary Fund.

**Volunteers**

The School benefits from the fund-raising activities of parents through The Beacon Parents' Society, whose hard work and support is greatly appreciated by the directors.



**THE BEACON EDUCATIONAL TRUST LTD**  
**ANNUAL REPORT OF THE GOVERNORS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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## **Financial Review**

### **Results for the year**

Total income amounted to £8,434,790 (2018: £8,167,905). Net incoming resources for the year were £960,964 compared with £952,206 in 2017/18.

During the year a total of £409,186 (2018: £672,044) was spent on capital projects to enhance the appearance, security and functionality of the School.

### **Reserves level and policy**

The School's unrestricted funds stood at £14,895,534 (2018: £13,938,020) at the end of the period. After adjusting for unrestricted functional fixed assets for the Charity's own use, there were no free reserves remaining.

The Governors' policy is to build up the company's reserves to enable it to finance the next stages of the School's five year plan. Currently this is anticipated to require cash reserves of £3 million. This will be achieved by building reserves from the generation of a modest surplus in each of the coming 5 years.

### **FUTURE PLANS**

The company's future plans include:

- Continuing to provide education of the highest quality;
- Implementation of "The Beacon Vision";
- Maintaining sound financial management.

## **Risk Management**

The Board keeps the School's activities under review and monitors the risks that arise from time to time, together with the systems and procedures established to manage them. The Board monitors the effectiveness of the system of internal controls and other means, including insurance cover, by which those identified risks can be mitigated. The key controls used include:

- Formal agendas for all Board and committee meetings.
- Detailed terms of reference for all committees.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structure and lines of reporting.
- Formal written policies.
- Clear authorisation and approval levels.
- Vetting procedures for the protection of the children.

The major risks are maintenance of academic standards (mitigated via recruitment procedures as well as appraisal process), child protection (mitigated via strict adherence to safeguarding rules) and quality of the School facilities (mitigated by the latest School vision).

Through these procedures, the Board is satisfied that major risks should be identified and mitigated against so far as practicable whilst recognising that systems provide only reasonable but not absolute assurance that all risks are identified.

**THE BEACON EDUCATIONAL TRUST LTD**  
**ANNUAL REPORT OF THE GOVERNORS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Risks and Threats to the Independent Schools' Sector**

Through the School's links to and membership of the Independent Association of Prep Schools (IAPS) and the Independent Schools' Bursars Association (ISBA) the School keeps itself abreast of issues facing the sector as a whole. The School has absorbed the increase in teachers' pensions contributions from September 2019 and has no plans at this time to withdraw from the Teachers' Pensions Scheme.

The School monitors all threats, such as the general economic climate and BREXIT and will take appropriate action to adjust budgets and plans should it become necessary.

The directors are confident in the School's ability to manage these risks.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governors of the Beacon Educational Trust Limited on 23 March 2020 including in their capacity as company directors approving the Strategic Report contained therein and is signed as authorised on its behalf by:



**N K Pandya - Chairman**  
**Director**

## **THE BEACON EDUCATIONAL TRUST LTD**

### **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors 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 charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **THE BEACON EDUCATIONAL TRUST LTD**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BEACON EDUCATIONAL TRUST LTD**

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#### **Opinion**

We have audited the financial statements of The Beacon Educational Trust Limited for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**THE BEACON EDUCATIONAL TRUST LTD**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BEACON**  
**EDUCATIONAL TRUST LTD (CONTINUED)**

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**Other information**

The trustees are responsible for the other information. 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.

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

We have nothing to report in this regard.

**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 its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

**THE BEACON EDUCATIONAL TRUST LTD**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BEACON**  
**EDUCATIONAL TRUST LTD (CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the 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.



Alastair Lyon  
Senior Statutory Auditor

For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor  
Aquis House  
49-51 Blagrove Street  
Reading  
RG1 1PL

Date: 21 May 2020

**THE BEACON EDUCATIONAL TRUST LTD**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
<b>Charitable activities:</b>					
School fees receivable	4a	8,105,640	-	8,105,640	7,883,114
Ancillary trading income	4b	182,689	-	182,689	165,114
<b>Other trading activities:</b>					
Interest received		14,736	-	14,736	3,140
Rent and facility hire		100,493	-	100,493	98,849
<b>Donations</b>		<u>9,595</u>	<u>21,637</u>	<u>31,232</u>	<u>17,688</u>
<b>Total</b>		<u>8,413,153</u>	<u>21,637</u>	<u>8,434,790</u>	<u>8,167,905</u>
<b>EXPENDITURE ON:</b>					
<b>Charitable activities:</b>					
School operating costs		7,343,378	18,187	7,361,565	7,104,497
<b>Expenditure on raising funds:</b>					
Financing costs	6	<u>112,261</u>	<u>-</u>	<u>112,261</u>	<u>111,202</u>
<b>Total</b>	7a	<u>7,455,639</u>	<u>18,187</u>	<u>7,473,826</u>	<u>7,215,699</u>
<b>Net income and expenditure</b>		<b>957,514</b>	<b>3,450</b>	<b>960,964</b>	<b>952,206</b>
Transfer between funds		-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>957,514</b>	<b>3,450</b>	<b>960,964</b>	<b>952,206</b>
<i>Funds brought forward 1 September 2018</i>		<u>13,938,020</u>	<u>18,569</u>	<u>13,956,589</u>	<u>13,004,383</u>
<b>Funds carried forward at 31 August 2019</b>		<u><b>14,895,534</b></u>	<u><b>22,019</b></u>	<u><b>14,917,553</b></u>	<u><b>13,956,589</b></u>

All incoming resources and resources expended are derived from continuing operations.

The notes on pages 14 to 25 form part of these financial statements

**THE BEACON EDUCATIONAL TRUST LTD**  
**COMPANY NUMBER: 01067862**  
**BALANCE SHEET**  
**31 AUGUST 2019**

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	8	<u>16,826,325</u>	<u>17,242,401</u>
<b>CURRENT ASSETS</b>			
Stock		4,061	7,983
Debtors	9	130,797	118,438
Cash at bank and in hand		<u>2,334,988</u>	<u>2,857,541</u>
		2,469,846	2,983,962
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>(2,284,390)</u>	<u>(2,303,045)</u>
<b>NET CURRENT ASSETS</b>		<u>185,456</u>	<u>680,917</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		17,011,781	17,923,318
<b>CREDITORS: Amounts falling due after more than one year</b>	11a	<u>(2,094,228)</u>	<u>(3,966,729)</u>
<b>TOTAL NET ASSETS</b>		<u>14,917,553</u>	<u>13,956,589</u>
<b>Unrestricted funds</b>	13	14,895,534	13,938,020
<b>Restricted funds</b>	14	<u>22,019</u>	<u>18,569</u>
<b>TOTAL FUNDS</b>	15	<u>14,917,553</u>	<u>13,956,589</u>

These financial statements were approved and authorised for issue by the Board and were signed on its behalf on 23 March 2020.



N K Pandya  
Chairman

The notes on pages 14 to 25 form part of these financial statements



**THE BEACON EDUCATIONAL TRUST LTD**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	2019 £	2018 £
<b>Cash Flows from Operating Activities</b>		
Net movement in funds	960,964	952,206
Depreciation	825,262	738,469
Loss on disposal of tangible fixed asset	-	33,507
Decrease in stock	3,922	4,888
(Increase) in debtors	(12,359)	(5,268)
Increase/(decrease) in creditors	(8,400)	(149,048)
Interest paid	99,930	104,999
Interest received	<u>(14,736)</u>	<u>(3,140)</u>
<b>Cash Used in Operating Activities</b>	<b>1,854,583</b>	<b>1,676,613</b>
<b>Cash Flows from Investing Activities</b>		
Interest received	14,736	3,140
Purchase of tangible fixed assets	<u>(409,186)</u>	<u>(672,044)</u>
<b>Cash Provided used in Investing Activities</b>	<b>(394,450)</b>	<b>(668,904)</b>
<b>Cash Flows from Financing Activities</b>		
Repayment of long term bank loan	(1,873,051)	(411,614)
Advanced fees utilised	(755,290)	(857,179)
Receipts from advanced fees	745,585	1,155,160
Interest Paid	<u>(99,930)</u>	<u>(104,999)</u>
<b>Cash used in Financing Activities</b>	<b>(1,982,686)</b>	<b>(218,632)</b>
Change in cash and cash equivalents in the year	(522,553)	789,077
Cash and cash equivalents at the beginning of the year	<u>2,857,541</u>	<u>2,068,464</u>
<b>Total cash and cash equivalents at the end of the year</b>	<b><u>£ 2,334,988</u></b>	<b><u>£ 2,857,541</u></b>
	<b>At 31 August 2019 £</b>	<b>At 31 August 2018 £</b>
Cash at bank	<u>2,334,988</u>	<u>2,857,541</u>
<b>Total cash and cash equivalents at the end of the year</b>	<b><u>£ 2,334,988</u></b>	<b><u>£ 2,857,541</u></b>

The notes on pages 14 to 25 form part of these financial statements

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Company information**

The Beacon Educational Trusts principal activity continued to be the provision of a Day School for 3-13 year old boys. The incorporated Charity (Charity registration number 309911, Company registration number 01067862), is incorporated and domiciled in the UK. The address of the registered office is Amersham Road, Chesham Bois, Amersham, Buckinghamshire, HP6 5PF.

**2. ACCOUNTING POLICIES**

**a) Accounting Convention**

The financial statements have been prepared in accordance with 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 2015) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Beacon Educational Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**b) Going concern**

Having reviewed the funding facilities available to the School together with the expected on-going demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**c) Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**d) Incoming resources**

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Amounts billed for termly fees and extra curricula activities are recognised as incoming resources when receivable. Amounts received prior to the balance sheet date for autumn term fees are recorded as fees received in advance, as are amounts received for future fee periods under the fee prepayment scheme. Fees receivable are stated after deducting allowances, bursaries and other remissions granted by the School.

**e) Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Governance costs comprise the costs of running the company, including external audit, and legal advice for the School's Governors, and all costs of complying with constitutional and statutory requirements, such as the costs of Committee meetings and of preparing the statutory accounts and satisfying public accountability.

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**f) Tangible fixed assets**

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:-

Freehold buildings	- 2% per annum (straight line)
Minor works	- 10% per annum (straight line)
Fixtures, fittings and equipment	- 10% per annum (straight line)
Motor vehicles	- 25% per annum (straight line)
Computer equipment	- 33% per annum (straight line)

Assets under £500 are not capitalised.

**g) Pupil Fee Deposits**

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the School, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2019 have been included within current liabilities. The prior year Pupil fee deposits balance has been similarly represented.

**h) Pension costs**

The School contributes to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The scheme is a multi-employer pension scheme and is not possible to identify the assets and liabilities of the scheme, which are attributable to the School. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme.

The School also contributes to a defined contribution scheme schemes for non-teaching staff.

The contributions are charged in the Statement of Financial Activities in the year in which they are payable.

The pension costs charged in the year for the Teachers' Pension Scheme are based on the contributions made to the centralised Government pension scheme run by the Department of Education as stated in note 18 to these financial statements.

**i) Operating leases**

Rentals payable under operating leases are charged to the income and expenditure account as incurred.

**j) Taxation**

The company is a registered Charity. It has no liability to corporation tax on any of its sources of income or on any chargeable gains realised to date.

**k) Financial instruments**

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 20 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income.

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**3. Significant judgements and estimates**

In the application of the Charity's accounting policies, which are described in note 2. Trustees are required to make judgements, estimates and assumptions about the carrying values 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 on-going 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 the current and future periods.

The trustees consider there are no material sources of estimation uncertainty on the amounts recognised in the financial statements

**4a. FEES RECEIVABLE**

	2019 £	2018 £
School fees receivable consist of:		
Gross Fees	8,261,733	8,009,340
Less: Bursaries & allowances	<u>(156,093)</u>	<u>(126,226)</u>
Net Fees receivable	<u><u>8,105,640</u></u>	<u><u>7,883,114</u></u>

**4b. ANCILLARY TRADING INCOME**

Fees in Lieu of Notice	49,325	47,050
School fees refund Scheme	24,464	20,296
School bus	71,487	66,358
Registration charges	12,700	13,375
Learning support fees	6,351	9,909
After School care	11,884	4,170
Deposits forfeited	2,250	-
Music tuition and instrument hire	3,180	2,820
Miscellaneous income	<u>1,048</u>	<u>1,136</u>
	<u><u>182,689</u></u>	<u><u>165,114</u></u>

**5. STAFF COSTS**

	2019 £	2018 £
Wages and salaries	3,814,900	3,685,945
Social security costs	374,996	357,401
Pension contributions	<u>440,267</u>	<u>431,512</u>
	<u><u>4,630,163</u></u>	<u><u>4,474,858</u></u>

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**5. STAFF COSTS (continued)**

The average number of employees in the year was:-

	<b>2019 No.</b>	<b>2018 No.</b>
Teachers and teaching assistants	<b>92</b>	92
Support	<b>22</b>	20
Welfare	<b>7</b>	7
Premises	<b>5</b>	4
	<b><u>126</u></b>	<b><u>122</u></b>

The number of employees whose remuneration exceeded £60,000 was:

	<b>No.</b>	<b>No.</b>
Between £60,000 - £70,000	<b>3</b>	2
Between £70,000 - £80,000	<b>1</b>	1
Between £110,000 - £120,000	<b>1</b>	1

Of the employees whose annual remuneration exceeded £60,000, 3 (2018: 3) have retirement benefits accruing under a defined benefit scheme. Total employer contributions in the year to the defined benefit scheme were £45,022 (2018: £44,302). Of the employees whose annual remuneration exceeded £60,000, 1 (2018: 1) has retirement benefits accruing under a defined contribution scheme. Total employer contributions in the year to the Scheme were £6,368 (2018: £6,083).

None of the Governors received any remuneration during the year (2018: Nil). During the year one (2018: Nil) Governor was reimbursed travelling expenses totalling £7 (2018: £Nil).

Key management personnel consists of the Headteacher and the Director of Finance and Operations. They received aggregate remuneration (including employer's national insurance and pension contributions) of £269,074 (2018: £269,039).

During the year Beacon Educational Trust paid £nil (2018: £33,000) of redundancy costs. These expenses were approved by the Governors for payment.

**6. Interest Payable**

	<b>2019 £</b>	<b>2018 £</b>
On bank loans and overdrafts	<b>99,930</b>	105,011
Advance payment of fees discount	<b>12,331</b>	6,191
	<b><u>112,261</u></b>	<b><u>111,202</u></b>

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**7a. EXPENDITURE – Analysis of total resources expended**

<b>2019</b>	<b>Staff costs £</b>	<b>Other £</b>	<b>Depreciation £</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Charitable activities:</b>					
Teaching costs	3,644,104	425,413	268,416	4,337,933	4,212,917
Welfare costs	64,979	428,192	-	493,171	440,430
Premises costs	151,617	762,393	536,293	1,450,303	1,393,198
Support costs	769,463	257,839	20,553	1,047,855	1,032,455
Governance costs	-	32,303	-	32,303	25,497
	<u>4,630,163</u>	<u>1,906,140</u>	<u>825,262</u>	<u>7,361,565</u>	<u>7,104,497</u>
<b>Cost of generating funds:</b>					
Finance costs	-	112,261	-	112,261	111,202
<b>TOTAL RESOURCES EXPENDED</b>	<u><b>4,630,163</b></u>	<u><b>2,018,401</b></u>	<u><b>825,262</b></u>	<u><b>7,473,826</b></u>	<u><b>7,215,699</b></u>
 <b>2018</b>	 <b>Staff costs £</b>	 <b>Other £</b>	 <b>Depreciation £</b>	 <b>2018 £</b>	 <b>2017 £</b>
<b>Charitable activities:</b>					
Teaching costs	3,555,969	429,704	227,244	4,212,917	4,203,935
Welfare costs	51,572	388,858	-	440,430	425,600
Premises costs	120,336	767,827	505,035	1,393,198	1,110,211
Support costs	746,981	279,284	6,190	1,032,455	972,498
Governance costs	-	25,497	-	25,497	23,779
	<u>4,474,858</u>	<u>1,891,170</u>	<u>738,469</u>	<u>7,104,497</u>	<u>6,736,023</u>
<b>Cost of generating funds:</b>					
Finance costs	-	111,202	-	111,202	119,306
<b>TOTAL RESOURCES EXPENDED</b>	<u><b>4,474,858</b></u>	<u><b>2,002,372</b></u>	<u><b>738,469</b></u>	<u><b>7,215,699</b></u>	<u><b>6,855,329</b></u>

**7b. NET INCOMING RESOURCES**

		<b>2019 £</b>	<b>2018 £</b>
These are stated after charging:			
Auditors' remuneration	: for audit	<b>15,468</b>	15,018
Depreciation on tangible fixed assets	: owned assets	<u><b>825,262</b></u>	<u>738,469</u>

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**8. TANGIBLE FIXED ASSETS**

	Freehold land & buildings £	Assets under the course of construction £	Furniture & equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
1 September 2018	20,240,627	266,800	1,077,213	702,148	150,727	<b>22,437,515</b>
Additions	80,818	197,974	45,590	52,082	32,722	<b>409,186</b>
Disposals	(185,327)	-	(156,049)	(53,824)	-	<b>(395,200)</b>
Transfers	<u>266,800</u>	<u>(266,800)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
31 August 2019	<u>20,402,918</u>	<u>197,974</u>	<u>966,754</u>	<u>700,406</u>	<u>183,449</u>	<u><b>22,451,501</b></u>
<b>Depreciation</b>						
1 September 2018	4,188,665	-	378,506	550,510	77,433	<b>5,195,114</b>
Charge for the year	535,620	-	161,998	107,091	20,553	<b>825,262</b>
Disposals	<u>(185,327)</u>	<u>-</u>	<u>(156,049)</u>	<u>(53,824)</u>	<u>-</u>	<u><b>(395,200)</b></u>
31 August 2019	<u>4,538,958</u>	<u>-</u>	<u>384,455</u>	<u>603,777</u>	<u>97,986</u>	<u><b>5,625,176</b></u>
<b>Net book values</b>						
<b>31 August 2019</b>	<u><b>15,863,960</b></u>	<u><b>197,974</b></u>	<u><b>582,299</b></u>	<u><b>96,629</b></u>	<u><b>85,463</b></u>	<u><b>16,826,325</b></u>
<i>31 August 2018</i>	<u><i>16,051,962</i></u>	<u><i>266,800</i></u>	<u><i>698,707</i></u>	<u><i>151,638</i></u>	<u><i>73,294</i></u>	<u><i>17,242,401</i></u>

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**9. DEBTORS**

	2019 £	2018 £
Fees and disbursements	28,245	32,275
Other debtors	17,738	28,456
Prepayments	<u>84,814</u>	<u>57,707</u>
	<u><b>130,797</b></u>	<u><b>118,438</b></u>

**10. CREDITORS:** Amounts falling due within one year

	2019 £	2018 £
Bank loan and overdraft	411,614	411,614
Trade Creditors	206,621	288,179
Deposits	364,500	353,750
Other taxes and social security	94,826	89,844
Other creditors	111,069	92,983
Autumn fees in advance	801,952	755,290
Fee prepayment schedule	142,482	199,399
Accruals and deferred income	<u>151,326</u>	<u>111,986</u>
	<u><b>2,284,390</b></u>	<u><b>2,303,045</b></u>

**11a. CREDITORS:** Amounts falling due after one year

	2019 £	2018 £
Bank loans	1,753,369	3,626,420
Fee Prepayment Schedule	<u>340,859</u>	<u>340,309</u>
	<u><b>2,094,228</b></u>	<u><b>3,966,729</b></u>



**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**11b. LOAN MATURITY**

Bank loans are repayable as follows:

	2019 £	2018 £
In less than one year:	411,614	411,614
In more than one year but less than two years:	411,614	411,614
In more than two years but less than five years:	610,403	1,234,841
After more than five years:	<u>731,352</u>	<u>1,979,965</u>
	<u><b>2,164,983</b></u>	<u><b>4,038,034</b></u>

The bank loans are secured by a specific charge on the company's freehold properties.

The first bank loan has an outstanding balance at the year- end of £1,492,897 and is repayable by equal quarterly amounts over 25 years. Interest is payable at 1.75% above base rate.

The second bank loan has an outstanding balance at the year- end of £672,086 and is repayable by equal termly amounts over 20 years. Interest is payable at 2.22% above base rate.

**12. Fees in advance and Fee prepayment schedule**

Lump sums may be paid to the Trust as advance payment of future fees. Assuming students will remain in the School, advance fees received will be applied as follows:

	2019 £	2018 £
Within 1 year	944,434	954,689
Within 2 to 5 years	<u>340,859</u>	<u>340,309</u>
	<u><b>1,285,293</b></u>	<u><b>1,294,998</b></u>

The balance represents the accrued liability.

The movements during the year were:

	£
<i>Balance at 1 September 2018</i>	1,294,988
Amounts received	745,585
Amounts utilised in the payment of fees	<u>(755,290)</u>
<b>Balance at 31 August 2019</b>	<u><b>£1,285,293</b></u>

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**13. UNRESTRICTED FUNDS**

	<i>At 1 September 2018</i> £	Incoming Resources £	Resources expended £	Transfer of funds	<i>At 31 August 2019</i> £
<b>Unrestricted funds</b>	<u>13,938,020</u>	<u>8,413,153</u>	<u>(7,455,639)</u>	<u>-</u>	<u><b>14,895,534</b></u>
<b>Total</b>	<u>13,938,020</u>	<u>8,413,153</u>	<u>(7,455,639)</u>	<u>-</u>	<u><b>14,895,534</b></u>

**14. RESTRICTED FUNDS**

<b>Fund name</b>	<i>At 1 September 2018</i> £	Incoming Resources £	Resources expended £	Transfer of funds £	<i>At 31 August 2019</i> £
Restricted funds	<u>18,569</u>	<u>21,637</u>	<u>(18,187)</u>	<u>-</u>	<u><b>22,019</b></u>
<b>Total</b>	<u>18,569</u>	<u>21,637</u>	<u>(18,187)</u>	<u>-</u>	<u><b>22,019</b></u>

Restricted funds relates to donations from the Beacon Parent Society for the purchase of various assets and from leaver parents to provide bursaries.

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

<b>2019</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Tangible fixed assets	16,809,843	16,482	<b>16,826,325</b>
Net Current assets	179,919	5,537	<b>185,456</b>
Long term liabilities	<u>(2,094,228)</u>	<u>-</u>	<u><b>(2,094,228)</b></u>
<b>Total</b>	<u><b>£14,895,534</b></u>	<u><b>£ 22,019</b></u>	<u><b>£ 14,917,553</b></u>
 <b>2018</b>	 <i>Unrestricted funds £</i>	 <i>Restricted funds £</i>	 <i>Total funds £</i>
<i>Tangible fixed assets</i>	17,223,832	18,569	17,242,401
<i>Net Current assets</i>	680,917	-	680,917
<i>Long term liabilities</i>	<u>(3,966,729)</u>	<u>-</u>	<u>(3,966,729)</u>
<b>Total</b>	<u><b>£13,938,020</b></u>	<u><b>£ 18,569</b></u>	<u><b>£ 13,956,589</b></u>

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**16. COMMITMENTS**

At the year end, the School had a contracted capital commitment of £36,000 (2018: £37,816).

**17. OPERATING LEASE COMMITMENTS**

At 31 August 2019 the School had annual commitments under non-cancellable operating leases as follows:

	2019 £	2018 £
<b>EXPIRY DATE:</b>		
Less than 1 year	13,822	3,444
Between one and five years	28,493	13,776
Greater than five years	-	-
	<u>£ 42,315</u>	<u>£ 17,220</u>

**18. PENSION SCHEME**

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £403,653 (2018: £396,700) and at the year-end £52,022 (2018: £51,901) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**18. PENSION SCHEME**

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

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

***Other Pensions***

In addition to the above, the Company contributes on a defined contribution basis to personal pension plans. Contributions totalling £36,614 (2018: £34,812) were payable to these funds for the year.

There were £10,526 unpaid contributions (2018: £6,459) at the year end.

**19. RELATED PARTY TRANSACTIONS**

During the year there were amounts paid to the Beacon Educational Trust Limited from the Beacon Bursary Fund in respect of School fees of £18,128 (2018: £14,752). The year-end balance owed by Beacon Bursary Fund to the Beacon Educational Trust is £nil (2018: £5,598).

**20. FINANCIAL INSTRUMENTS**

	2019 £	2018 £
Financial assets measured at amortised cost	2,362,870	2,897,631
Financial liabilities measured at amortised cost	<u>2,998,499</u>	<u>4,884,932</u>

The group's income, expense, gains and losses in respect of financial instruments are summarised below:

	2019 £	2018 £
<b>Interest income and expense:</b>		
Total interest income for financial assets held at amortised cost	14,736	3,140
Total interest expense for financial liabilities held at amortised cost	<u>99,930</u>	<u>104,999</u>

Included within financial instruments held at amortised cost are Fees and Disbursements, other debtors, cash at bank, trade creditors, bank loans, deposits, bank overdraft and other creditors.

**THE BEACON EDUCATIONAL TRUST LTD**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2018 £</i>	<i>Total 2017 £</i>
<b>INCOME AND ENDOWMENTS FROM:</b>				
<b>Charitable activities:</b>				
School fees receivable	7,883,114	-	7,883,114	7,499,664
Ancillary trading income	165,114	-	165,114	157,057
<b>Other trading activities:</b>				
Interest received	3,140	-	3,140	6,639
Rent and facility hire	98,849	-	98,849	94,674
<b>Donations</b>	1,030	16,658	17,688	6,854
<b>Total</b>	<u>8,151,247</u>	<u>16,658</u>	<u>8,167,905</u>	<u>7,764,888</u>
<b>EXPENDITURE ON:</b>				
<b>Charitable activities:</b>				
School operating costs	7,086,796	17,701	7,104,497	6,736,023
<b>Expenditure on raising funds:</b>				
Financing costs	<u>111,202</u>	<u>-</u>	<u>111,202</u>	<u>119,306</u>
<b>Total</b>	<u>7,197,998</u>	<u>17,701</u>	<u>7,215,699</u>	<u>6,855,329</u>
<b>Net income and expenditure</b>	953,249	(1,043)	952,206	909,559
Transfer between funds	953,249	(1,043)	952,206	-
<b>NET MOVEMENT IN FUNDS</b>	953,249	(1,043)	952,206	909,559
Funds brought forward 1 September 2017	<u>12,984,771</u>	<u>19,612</u>	<u>13,004,383</u>	<u>12,094,824</u>
<b>Funds carried forward at 31 August 2018</b>	<u>13,938,020</u>	<u>18,569</u>	<u>13,956,589</u>	<u>13,004,383</u>