

**ALDWICKBURY SCHOOL TRUST LIMITED**  
**(A Charitable Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

**Company Number: 950339**  
**Registered Charity Number: 311059**

**ALDWICKBURY SCHOOL TRUST LIMITED**  
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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2019**

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**GOVERNORS, OFFICERS AND ADVISERS**  
**FOR THE YEAR ENDED 31 JULY 2019**

**GOVERNORS, DIRECTORS AND CHARITY TRUSTEES**

The Governors of Aldwickbury School Trust Ltd (the School) are the School's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year are detailed below.

Mr J. Bromfield, MBE, BA, PGCE (Chair) <sup>1,2,4,5</sup>  
Dr R. Axworthy, PhD, BA <sup>1,4</sup>  
Mr P. Barr, BEd (Hons) (Appointed 27 November 2018) <sup>5</sup>  
Mrs A. Beaty, BA, TEP <sup>2,3</sup>  
Mr E. Bond, BA (Hons) <sup>5</sup>  
Mr C. Boothby, BSc (Econ) Hons <sup>3</sup>  
Miss J. Bryant, MA, LL.M. <sup>3,4,5</sup> (Vice-Chair)  
Mr J. Cavanagh, QC, MA, LL.M. (Resigned 16 August 2019)  
Mr A. Coley <sup>1</sup>  
Mrs R. Cooke, B.A. (Hons) <sup>2</sup>  
Mr C. Dinwoodie, LLB (Hons), MBA, ACII (appointed 1 September 2018) <sup>1,5</sup>  
Mrs C. Dugmore, BA (Hons), ACA (Appointed 27 November 2018) <sup>1</sup>  
Mr A. Hine, OBE, MA (appointed 1 September 2018, resigned 8 May 2019) <sup>2</sup>  
Mr J. Hodgson, BA (Hons), PGCE (Cantab)

<sup>1</sup> Member of the Finance and General Purposes Committee

<sup>2</sup> Member of the Nominations and Governance Committee

<sup>3</sup> Member of the Marketing Committee

<sup>4</sup> Member of the Remuneration Committee

<sup>5</sup> Member of the Education Committee

During the year the activities of the Governing Body were carried out through five committees. The membership of these committees is shown above for each Governor.

**OFFICERS**

Headmaster: Mr V.W. Hales, BEd (Hons)

Bursar: Mrs J. Hill, BA (Hons), ACA

**PROFESSIONAL ADVISERS**

Bankers: Barclays Bank PLC  
West Hertfordshire Business Banking Team  
PO Box 87  
22-24 Upper Marlborough Road  
St Albans  
Hertfordshire  
AL1 3HJ

Auditors: Moore Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

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**ANNUAL REPORT OF THE GOVERNORS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2019**

The Board of Governors present their Annual Report for the year ended 31 July 2019 under the Companies Act 2006 and the Charities Act 2011, consisting of the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

## **DIRECTORS' REPORT**

### **CONSTITUTION AND OBJECTS**

Aldwickbury School Trust Ltd is a charitable company founded in 1969. Its charity registration number is 311059 and company registration number is 950339. The liability of its members is limited to a maximum of £1 each by guarantee. The Registered Office and principal address of the Company is Wheathampstead Road, Harpenden, Hertfordshire, AL5 1AD. The Company is governed by its Articles of Association.

The Objects of the Company, in accordance with its Articles of Association, are primarily to carry on a school and other educational activities and to promote the fundamental principles of the Christian Religion. In the furtherance of these Objects the Directors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement under that Act.

### **AIMS, OBJECTIVES AND ACTIVITIES**

#### **Aims**

The School's aims are:

- To maintain the School as a predominantly day school with boarding opportunities in the upper years, in which there are strong and active partnerships between parents and the School and between the local community and the School;
- To offer all pupils a range of opportunities so that they can achieve to the best of their ability within a framework of the shared Aldwickbury Values and standards;
- To value and nurture pupils as individuals, giving them a sense of their own self-worth and of the value of service to others, thus preparing them for life beyond the School.

#### **Primary objectives**

The primary objectives of the School to fulfil these aims are:

- To provide high standards of teaching so that all boys achieve their potential;
- To encourage the boys in becoming independent learners, able to think for themselves;
- To provide a broad and balanced curriculum from which all boys will enjoy and benefit;
- To provide opportunities for the boys to live out the Aldwickbury Values, which are broadly based in the Christian Faith, developing them as their own;
- To encourage the boys to take full advantage of every opportunity presented to them;
- To create an outward looking community, including boys, staff, parents and governors, where mutual respect is encouraged and expected.

These objectives are set out in the School's Strategic Plan, within five strands as follows:

Strand 1	Building on current strengths
Strand 2	Promoting outstanding teaching and learning
Strand 3	Promotion of the extra-curricular provision and the extended day activities
Strand 4	Using ICT for teaching, learning, administration and communication
Strand 5	Enhancement of community links



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**ANNUAL REPORT OF THE GOVERNORS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2019**

**GOVERNANCE AND MANAGEMENT**

**Governing Body**

The Directors are closely connected with the School, usually through status as the parents of past pupils, old boys and/or having connection with the educational world. They have special skills, for example in education, law, finance, property and planning. Candidature is considered by the Nominations and Governance Committee, which presents recommendations to a full meeting of the Governors for approval.

**Governor training**

New Governors are inducted into the workings of the School and of the Company as a registered Charity, including strategy, policies and procedures, by the Chairman, the Clerk and the Headmaster. A comprehensive induction pack is provided and training needs are reviewed on an individual basis. Where training is undertaken, it is arranged via seminars and workshops organised externally by specialist providers. Additional training is also undertaken at the annual Strategy Day.

**Organisational Management**

The Governors meet as a Board at least three times a year to determine the general policies of the School and to review its overall management and control for which they are responsible.

Oversight of the School's finances is provided by the Finance and General Purposes Committee, chaired by Dr R.L. Axworthy, which meets before each meeting of the full Governing Board.

The Marketing Committee, chaired by Mr C. Boothby, meets at least three times per year and oversees the strategy of the various marketing activities within the School, with the aim of ensuring a coherent and focussed Whole School Marketing Policy. The Nominations and Governance Committee, chaired by Ms A. Beaty, meets as needed with the primary purpose of ensuring good governance including succession planning.

In autumn 2018, the Governors established the Education Committee which is chaired by Mr E. Bond and meets three times per year.

The day to day management of the School is delegated to the Headmaster and the Bursar, who involve the Senior Management Team in delivering the services provided by the School, and together this group are the key management personnel. The Headmaster and Bursar attend as required all meetings of the Governing Body and Committees.

**Remuneration Policy**

Remuneration of staff is determined by the Board on the advice of the Remuneration Committee, with the objective of providing appropriate incentives to encourage and enhance performance and of rewarding fairly and responsibly individual contributions to the School's successes. The appropriateness and relevance of the remuneration policy is reviewed annually, and the remuneration of senior staff is considered alongside national benchmarks.

**Structure and Relationships**

The School does not have any subsidiaries neither is it a subsidiary of any other entity. The Headmaster is a member of the Independent Association of Prep Schools (IAPS) for the promotion and maintenance of preparatory school standards generally, the School is a member of the Boarding School Association (BSA) for boarding matters, the Independent Schools' Bursars Association (ISBA) for support and development of business management and the Association of Governing Bodies of Independent Schools (AGBIS) for the promotion and support of good governance. The School is also a member of the International Boys' Schools Coalition (IBSC).

The School co-operates and works with local charities and educational establishments in its ongoing endeavours to widen public access to the schooling provided, to optimise the educational use of sporting facilities, to develop access to cultural facilities at the School and to awaken in its pupils an awareness of the wider social context of the education they receive at the School.

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**ANNUAL REPORT OF THE GOVERNORS (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2019**

**Employment policy**

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.

**STRATEGIC REPORT**

**MISSION STATEMENT**

The School's principal activity continues to be devoted to its objects as a charitable company for educational purposes, by educating boys from 4-13 years of age. The Board's main objective has continued to be to educate all the School's pupils to as high a standard as the individual's potential will allow, in both academic and non-academic areas.

**STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES**

Central to the main objective of educating boys to as high a standard as possible, significant investment continues to be made in the School's facilities for education, as outlined below under 'Site development'.

**ACHIEVEMENTS AND PERFORMANCE**

**Review of achievements and performance for the year**

Aldwickbury celebrated another year at Prizegiving with a full marquee, bringing the whole community together to recognise the many achievements of the boys. This year our Year 8 leavers headed to their senior schools ready to make the most of new opportunities, having worked hard and having many successes. Thirteen Scholarships were won, including 5 academic, 6 sports, 1 music and 1 all-rounder award. The destinations of the leavers were: St Albans, Bedford, Haileybury, Berkhamsted, St Columba's and Rushmore. In other year groups we had success in early entry tests in a range of schools such as St Albans, Bedford, Haileybury and Harrow.

In other academic areas we saw great success in the SATIPS GK challenge, with one of our boys as the senior champion, whilst another boy came 5<sup>th</sup> in the Under 11 entry. A large number of boys entered the UKMT Maths Challenges, this year we had 7 gold winners putting them in the top 5% nationally out of 250,000 entries.

Educating the whole boy is crucial to our philosophy, and we genuinely have a wide range of opportunities that are not interrupted by exams and entry tests. Our performing arts once again provided some of the great events, with our production of "The Wizard of Oz" being the highlight of the numerous productions. The musicians gave some excellent performances, with the biggest team in the school being the choir, with some 90 boys involved!

On the sports field we were, as always busy. Some of the highlights have included:

- Two IAPS National fencing champions
- One boy representing England at Fencing
- Six skiers selected for the English Schools' Training Squads
- Under 13 County champions at Hockey and Tennis
- One boy won a bronze medal on the National Prep School Athletics finals
- Quarter finalists in the national prep schools tournaments in both football and cricket
- Our rugby team were undefeated at the Rosslyn Park National Sevens tournament

On top of these successes we are equally proud that every boy represented the School from Year 3 to 8 on the games field and that we continue to have games every day, providing an increasingly wide range of activities, such as orienteering and volleyball.

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**Pupil numbers**

The demand for places at Aldwickbury remains strong, with waiting lists for places in several year-groups. A summary of the last two academic years is as follows:

	<b>As at July 2018</b>	<b>As at July 2019</b>
Pre-Prep (Reception – Yr 2)	115	112
Main School (Yrs 3-8)	<u>254</u>	<u>266</u>
Total pupils	<u>369</u>	<u>378</u>

100 boys from Year 5 to 8 (2018: 89) have taken the opportunity during the year to enjoy the flexible boarding opportunities offered by the School.

**Site development**

During the financial year, the School has continued to invest in its facilities with projects including the following:

- Continued investment in site security including an entrance gate and further CCTV cameras
- Upgrade of classroom interactive teaching panels (second year of a three year roll out across the School)
- Additional drainage and a new cricket square on the School playing fields including one artificial wicket to allow boys to play even in wetter conditions
- Refurbishment of the conservatory area

Plans for future site development are set out below within the Financial Review section of this report.

**PUBLIC BENEFIT**

The School's strategic aim as a charitable independent school is to promote high academic standards and to seek to develop the talent of individual boys to the full. It does so in the context of the provision of a public benefit, whereby as many others as possible may benefit from the School's strategic aims and by aiming to play a responsible, generous role in the community within a Christian framework (the School is designated as a Church of England School by the Department for Education).

As a charity, all the income of the School must be applied for educational purposes. As an educational charity we enjoy tax exemptions on our educational activities provided these are applied for our charitable aims. As a charity we are also entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive for these tax exemptions are all applied for educational purposes and indirectly help us to maintain our bursary policies. However, as an educational charity we are unable to reclaim VAT input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the PAYE and national insurance contributions we make.

The Governors recognise that, under the Charities Act 2011, the School must ensure that its aims are for the public benefit. In determining the School's objectives, the Governors confirm that, during the year in question, they have fulfilled their legal duty to have due regard in general to the Charity Commission's published guidance and, in particular, to its supplementary public benefit guidance on advancing education and on fee-charging, both in meeting the public benefit requirement and in discharging their responsibilities as trustees.

**Widening access: Bursaries**

The School's fees are set at a level to ensure the financial viability of the School and promotion of education, including the ability to continue to invest in first-class facilities for pupils. However, it is important to the School that access to the education that it offers is not restricted only to those who can afford to pay fees and thus the School's Bursary Policy contributes to a widening of access to the education the School offers and the facilities available. The Governors continue to review the School's

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Bursary policy in order to ensure that children are able to accept places offered at the School even if they are unable to afford the fees. The availability of bursaries is publicised in all advertisements and other marketing materials produced by the School. The School does not have an endowment fund so must also ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their children's education, and those benefitting from the awards.

Under the Bursary programme, support is available for up to 100% of fees for a limited number of pupils on a means-tested basis. Six grants were in place during the year, two of which provided 100% support and all of which provide assistance to boys who otherwise could not afford to come to the School (2018: five grants of which one at 100%). The School also offers assistance for the continued education of children from families experiencing unforeseen or temporary financial hardship. The total amount of discounts was £114,340 (2018: £105,279) of which the total amount of bursaries and hardship assistance during the year was £74,354 (2018: £59,095).

The School continues to provide Bursaries for families who otherwise could not afford the fees and is providing support to six families in the 2019-2020 financial year.

### **Academic**

The School recognises that it should ensure that access to its educational expertise and facilities are made available in order to enhance the educational provision in the local community. The School runs various initiatives that involve several local primary schools, with all of the costs for these events being borne by the School. Some such events are detailed below.

- The School ran the largest Royal Institution Mathematics Master Classes programme in the country. Visiting speakers, who are experts in their field, were invited to give lectures designed for enthusiastic mathematicians. Local primary schools were invited to send children to take part in the lectures and their teachers were invited so that they can enhance their own knowledge to use within their own teaching.
- Mathematics Challenges for different year groups are hosted by Aldwickbury, run by an outside provider. Primary schools from Harpenden and other local towns are invited to bring teams. These provide a wonderful competitive framework for children to take on a variety of mathematical challenges.
- The School organised a Mathematics Challenge held at Bernards Heath School, St. Albans, for 90 Year 6 pupils. The Challenge was run by the Head of Mathematics and he was assisted by Year 8 boys as part of their Leavers' programme.
- Creative writing courses were run for gifted and talented young writers. The School invited a children's author to run workshops to which local primary schools are invited to bring a group of children and staff. As well as creating opportunities for children to interact from differing schools, their teachers gain ideas and inspiration to develop their own practice.
- Seven members of staff are Governors at local schools. The School supports their requirement for leave of absence to allow them to fulfil their roles as Governors.
- The School has worked with other independent schools in the area to discuss their own public benefit strategies and to share ideas as to how to improve their academic offering.
- The School has offered tailored work experience programmes for students of Sir John Lawes.

### **Partnership with The Shared Learning Trust**

Over the past two years, the School has built a partnership with The Vale and Linden Academies based in Dunstable and Luton respectively. The two primary schools are part of The Shared Learning Trust (TSLT), a multi-academy trust. Over the course of the year, the School has collaborated with TSLT in a number of areas to share best practice.

- In July, the School and TSLT signed a 'Memorandum of Understanding' formalising the partnership between the organisations.
- TSLT's Senior Leadership team attended an INSET event at the School. They participated in a workshop with all staff led by Will Fraser on 'The Saracen's way'.
- The School's Senior Management team and TSLT's Senior Leadership team then attended a joint workshop with Will Fraser. They discussed their School Values and the behaviours that support them.



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- A trainee teacher was offered support by The Vale Academy to help give guidance on behaviour management and Special Educational Needs.
- TSLT has provided the School with CPD opportunities for their staff.
- The School's Head of Individual Development was Governor for SEND at The Vale Academy and has recently been replaced by a Year 4 teacher.
- TSLT and the School have worked together to discuss specific strategies for children with special educational needs.
- TSLT and the School have discussed the issues surrounding the recruitment of academic staff.

Aldwickbury has offered tailored academic support to TSLT in a number of areas. The School has supported TSLT's Social, Moral, Spiritual and Cultural (enrichment) programme in a number of different ways.

- The Head of Latin taught an 'Introduction to Latin' class at both schools.
- Languages Day was celebrated with a French breakfast for Year 3 children hosted at Aldwickbury School.
- During Black History week, Year 8 boys from The School led a session on the life of Walter Tull and 100 years since the end of WW1. Every Year 5 child was presented with a copy of 'A Medal for Leroy' by Michael Morpurgo.
- During 'Rocket week', Year 6 students from the Vale and Linden Academies attended a 'Rocket' workshop in the Science laboratories at The School.
- A group of Year 5 & 6 children from The Linden and The Vale attended a Macbeth workshop run by the Young Shakespeare Company.
- The Head of Drama led sessions based around 'Winter Poetry' for Year 2 students. A group of Year 7 boys supported her in running the sessions.
- The School's Chamber Choir worked with Year 4 pupils to perform songs around the theme of 'Animals'.
- Both schools attended Mathematics Masterclasses and Challenges.
- Children's author, Fred Sedgwick, hosted a special Poetry workshop for Year 6 children.
- Children from The Linden School attended a special hockey training camp run by Rob Schilling, United States International player.

Aldwickbury has made Academic support available to children considered 'Gifted and Talented' as well as those that are recognised as being from 'Pupil Premium' backgrounds.

#### **Facilities and Community Access**

The School is keen to share its facilities for the enjoyment and benefit of the local community. During the year covered by this report, this has included the following:

- Aldwickbury continues to strengthen its links with local schools by making its pool available for three local primary schools to provide weekly swimming lessons to their pupils. As of January 2017, the School makes no charges to the schools for the use of the pool.
- Since January 2017, the School has increased its number of Gap Year Tutors from two to three so that one of the Tutors can provide free coaching to the junior team of a local cricket club.
- From autumn 2019, the School will also be building connections with Harpenden Rugby club.
- A local music group and a local children's dance school have enjoyed using the School's Concert Hall at a significantly reduced cost.
- The School's sports facilities are used weekly by two community sports groups.
- Visits to the School by a local church community care group, where the visitors were able to enjoy tea and an afternoon concert hosted by the School's Year 7 boys.
- Year 1 pupils visit Willow Court care home to read with their elderly residents. Each of the boys has a 'reading buddy'.

#### **Charitable Giving**

The School facilitated many fundraising events during the year, allowing boys and staff to raise over £1,900 for a number of local, national and international charities including COSMIC, the School's

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chosen charity for the current year, and Jeans for Genes. In addition, the School hosted the Aldwickbury Friends Association (AFA)'s annual bazaar in November 2018, where the School's pupils, parents and staff worked together to raise money for both AFA and charitable causes, resulting in a donation of over £6,000 from AFA to COSMIC. A Barn Dance and Year 8 disco raised a further £9,000 for COSMIC. In total, the School and Parents will have raised over £17,000 for AFA this year.

## **VOLUNTEERS**

AFA has continued to make a substantial contribution to the events at the School and is busy planning for the forthcoming academic year. Parents have helped with various activities, some of which have provided the boys with valuable opportunities to develop their skills as well as raising funds for charities and special projects at the School.

## **FINANCIAL REVIEW**

### **Results for the Year**

Total income and operational expenditure for the year were largely on budget, resulting in an overall net surplus of £640,284 (2018: £456,628) as reported in the Statement of Financial Activities on page 15.

### **Assets and Obligations**

Tangible Fixed Assets are shown at a net book value of £9,079,770 (2018: £9,073,824) in note 8 to the financial statements, including assets under construction of £358,340 (2018: £121,528) for which a depreciation charge has not been made. Assets under construction consist of professional fees incurred as part of the School's planning for a future new Sports Hall and Maintenance Department, along with the first contractor payment for Phase one, details of which are contained in the 'Future Plans' section of this report.

The School has continued to invest in developing its site during the year, as outlined in the Site Development section of this report, above. As a result, total capital expenditure during the year ended 31 July 2019 was £490,315 (2018: £422,073), all of which was funded from the School's own reserves.

### **Reserves Policy**

The free reserves of the School, as defined by the Charities SORP (FRS 102), are those reserves which have not been spent, committed or designated. They therefore exclude all restricted funds, designated funds and unrestricted fixed assets and represent the funds which are freely available to the School to spend as the Governors see fit on charitable activities. Under this definition, the School's total funds are £8,428,235 (2018 £7,787,951) of which unrestricted general funds of £8,428,235 (2018: £7,724,950) are tied up in its land and buildings.

Each year a detailed budget is produced for the following year and period performance is monitored against those figures. In setting the budget, the Governors' policy is to generate sufficient reserves each year to enable the School to invest in its facilities and fulfil its objectives, to support and service its borrowings, and to provide working capital. The School utilises all of its reserves in meeting these aims and does not expect to generate free reserves over and above the level required to meet them.

As at 31 July 2019, the School's designated fund balance is £Nil (2018: £63,001). The designated fund related to a donation received in 2017 from Chidell Scholarship Trust, a registered charity set up and funded by the School and remaining under the control of the School due to two of its three trustees also being trustees of the School. The Chidell Scholarship Trust was wound up during the 2016/2017 year with all funds being returned to the School. In accordance with the wishes of all three trustees of the Chidell Scholarship Trust, the School's Trustees have agreed that the funds received by the School are to be designated and used to fund financial assistance to pupils in accordance with the School's existing bursary policy, such that all funds have been depleted by 31 July 2019 due to bursaries awarded during the past two academic years.

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**Investment Policy and Objectives**

The School has absolute powers of investment of its corporate reserves. The funds at the year end, together with future surpluses, will be used to repay the balances on the outstanding loans, which have been obtained to develop the school buildings.

**FUTURE PLANS**

The number of pupils in the School has reached the maximum that can easily be sustained by the resources available and it is not the intention in the short-term to increase these numbers substantially.

In line with the policies outlined above, the School will continue to build its reserves to finance the ongoing capital expenditure needed to continue to upgrade facilities in order to keep pace with what has become expected of it as a leading educational establishment.

Strategic plans are determined by the Board in consultation with senior staff. Any further building development at the School would need to be progressed with prudence, financed by, and therefore entirely dependent on, sustaining the pupil numbers at the School.

Planning for a new sports hall continued during the current financial year and the School obtained planning permission to replace its current facilities with a larger sports hall and maintenance department. The first phase of construction started in July 2019, with infrastructure works and construction of a new maintenance store due for completion in October 2019.

In the shorter term, investment during 2019/20 will be mainly be focussed on the priorities of the current five-year maintenance plan for maintaining and updating existing assets. Investment in ICT for teaching and learning has continued, with the third phase of classroom interactive panels installed in the Pre-Prep Departments during the summer of 2019 and significant investment in iPads planned for the next two years. A new play area for the Reception boys was completed in September 2019 and is already a big hit with our newest pupils.

Trustees are mindful of, and are currently looking at options to address the impact of, the September 2019 increase in employer contributions to the Teachers' Pensions Scheme.

**RISK MANAGEMENT**

The Board continues to keep the activities of the School under review, particularly with reference to any major financial and non-financial risks to which the School is exposed and is satisfied that systems are in place to mitigate those risks so far as is reasonably possible.

The School maintains a Risk Register which Governors review regularly, in which the key risks that have been identified include the following:

- Effectiveness of Governance & Management, to include compliance with changing regulations as set out by the Charities Commission and the Department for Education;
- Effectiveness of operations, to include environmental considerations, such as traffic movements on site, waste management and essential plant services;
- Effectiveness of safeguarding procedures;
- Ensuring the financial health and stability of the School, to include the retention of pupils in challenging economic times.

Risk management procedures include the following:

- The School has a Risk Assessment Policy and risk assessments are carried out by the School in all areas requiring risk assessment, including areas such as fire safety and educational trips and visits and curriculum subjects including Science and Design Technology. All members of staff receive induction training in risk assessments tailored to their specific areas.
- The School's policy is not to carry out any high risk activity or any activity where the residual risk following implementation of all reasonable control measures remains unacceptable. Activities involving boys are normally low risk. The School undertakes a few medium risk activities with pupils, such as swimming and pond dipping; but only using appropriate/qualified

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instructors/supervisors. Pupils are always given a safety briefing before participating in these activities, and are expected to follow instructions.

- The focus of the School's pastoral policy is to ensure that every pupil leaves as a confident, articulate young person capable of keeping himself safe at school, in the home and in all situations. PSHEE programmes, IT lessons and Assemblies help towards promoting an increasing understanding as the pupil develops, of the risks that exist in both the real and the electronic worlds, and on sensible precautions that should be taken. Science lessons encourage students to conduct their own safety-related research into the potential hazards of chemicals, gas, electricity and flammable materials.
- All members of staff are given induction training into the school's arrangements for risk assessments and health and safety, followed by ongoing training and updates as required. The Health & Safety Committee, whose membership consists of both teaching and support staff drawn from all key areas of the school, meet twice a term to review all aspects of Health & Safety.
- External financial factors which are outside of the School's control but have the potential to cause financial difficulties for the School, such as changes in the Teachers' Pensions Scheme (TPS), taxation legislation and Brexit, are regularly monitored by Governors and the School's Senior Management Team. For example, a Pension Working Party has been set up as an active response by the Board of Governors to the managing of an externally imposed risk arising from the TPS changes.



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**FOR THE YEAR ENDED 31 JULY 2019**

**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The members of the Governing Body (who are also the directors of Aldwickbury School Trust Limited for the purposes of company law and Trustees for the purposes of charity law) are responsible for preparing the Annual Report and the financial statements with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governing Body to prepare financial statements for each financial year. Under that law the Governing Body has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Company law requires the members of the Governing Body to prepare financial statements for each financial year. Under company law the Governing Body members 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 Governing Body members are required to:

- select the most appropriate accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 members of the Governing Body 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.

**Relevant Audit Information**

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware. Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Governing Body of Aldwickbury School Trust Limited on 26 November 2019, including, in their capacity as company directors, approving the Directors' and Strategic Reports contained therein, and signed on its behalf by:



J. Bromfield  
Chair of Governors

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALDWICKBURY SCHOOL**

## **TRUST LIMITED (A Charitable Company Limited by Guarantee)**

### **Opinion**

We have audited the financial statements of Aldwickbury School Trust Limited ('the company') for the year ended 31 July 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 July 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.

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **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 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 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.

### **Other information**

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALDWICKBURY SCHOOL**

### **TRUST LIMITED (A Charitable Company Limited by Guarantee)**

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 the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11, 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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALDWICKBURY SCHOOL

## TRUST LIMITED (A Charitable Company Limited by Guarantee)

### 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Moore Kingston Smith LLP

**Shivani Kothari**  
Senior Statutory Auditor  
For and on behalf of  
Moore Kingston Smith LLP  
Statutory Auditor

Devonshire House,  
60 Goswell Road,  
London, EC1M 7AD

10<sup>th</sup> December 2019

# Aldwickbury School Trust Limited

(a Charitable Company Limited by Guarantee)

## Statement of Financial Activities

(Incorporating Income and Expenditure Account)

for the year ended 31 July 2019

		Year ended 31-Jul 2019 Total funds	Year ended 31-Jul 2018 Total funds
Income from:	Notes	£	£
<b>Charitable activities</b>	3		
School Fees receivable		5,586,586	5,189,448
Other educational activities		410,387	358,181
Other ancillary activities		84,962	73,198
<b>Voluntary Sources</b>			
Grants & donations		1,498	906
Activities for generating funds	4	3,342	6,980
<b>Investments</b>			
Investment income		9,308	5,087
<b>Profit on disposal of fixed assets</b>	8	100	8,317
<b>Total Incoming Resources</b>		<b>6,096,183</b>	<b>5,642,117</b>
<b>Expenditure on:</b>			
<b>Raising funds</b>			
Financing costs	7	36,644	49,859
<b>Total deductible costs</b>		<b>36,644</b>	<b>49,859</b>
<b>Charitable Activities</b>			
Education	7	5,419,255	5,135,630
<b>Total expenditure</b>		<b>5,455,899</b>	<b>5,185,489</b>
<b>Net movement in funds for year</b>		<b>640,284</b>	<b>456,628</b>
Fund balance brought forwards 1 August 2018	15	7,787,951	7,331,323
<b>Fund balance carried forward at 31 July 2019</b>	15	<b>8,428,235</b>	<b>7,787,951</b>

The notes on pages 18 to 27 form part of these financial statements.

All of the above activities are classed as continuing.



# Aldwickbury School Trust Limited

(A Charitable Company Limited by Guarantee)

## Balance Sheet as at 31 July 2019

	Note	31 July 2019		31 July 2018	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	8		9,079,770		9,073,824
<b>Current Assets</b>					
Debtors	9	227,897		238,355	
Bank balances and cash		1,431,105		1,350,491	
		<u>1,659,002</u>		<u>1,588,846</u>	
<b>Current Liabilities</b>					
Creditors payable within one year	10	<u>(1,200,783)</u>		<u>(1,601,614)</u>	
<b>Net Current (Liabilities)/Assets</b>			<u>458,219</u>		<u>(12,768)</u>
<b>Long-term Liabilities</b>					
Creditors payable after one year	11		(1,109,754)		(1,273,105)
<b>Total Net Assets</b>			<u><u>8,428,235</u></u>		<u><u>7,787,951</u></u>
<b>Represented by:</b>					
<b>Funds:</b>					
<b>Unrestricted funds:</b>					
General fund			8,428,235		7,724,950
Designated funds			-		63,001
	15		<u><u>8,428,235</u></u>		<u><u>7,787,951</u></u>

Approved and authorised for issue by the Board on behalf of the Council on 26 November 2019

J. Bromfield

Chair of Governors



The notes on pages 18 to 27 form part of the financial statements.

# Aldwickbury School Trust Limited

(A Charitable Company Limited by Guarantee)

## Cash Flow Statement

For the year ended 31 July 2019

	Notes	Year Ended 31 July 2019 £	Year Ended 31 July 2018 £
<b>Net cash inflow from operating activities</b>		<u>1,264,318</u>	<u>974,289</u>
<b>Cash flows from investing activities</b>			
Payments to acquire tangible fixed assets		(490,315)	(413,973)
Proceeds on sale of tangible fixed assets		100	218
Interest received		9,308	5,087
<b>Net cash used in investing activities</b>		<u>(480,907)</u>	<u>(408,668)</u>
<b>Cash flows from financing activities</b>			
Interest paid		(36,644)	(49,859)
Borrowings repaid		(666,153)	(186,868)
<b>Net cash used in investing activities</b>		<u>(702,797)</u>	<u>(236,727)</u>
<b>Increase in cash in the year</b>	19	<u>80,614</u>	<u>328,894</u>
Cash and cash equivalents at the beginning of the reporting period		1,350,491	1,021,597
<b>Cash and cash equivalents carried forward at the end of the period</b>	19	<u><u>1,431,105</u></u>	<u><u>1,350,491</u></u>

### Reconciliation of net income to net cash flow from operating activities

	Year Ended 31 July 2019 £	Year Ended 31 July 2018 £
Net incoming resources	640,284	456,628
Elimination of non-operating cash flows:		
- Interest received	(9,308)	(5,087)
- Interest paid	36,644	49,859
(Profit)/Loss on sale of tangible fixed assets	(100)	(8,317)
Depreciation charge	484,370	458,389
(Increase)/decrease in debtors	10,458	(102,865)
Increase/(decrease) in creditors	101,970	125,682
<b>Net cash inflow from operating activities</b>	<u>1,264,318</u>	<u>974,289</u>

The notes on page 18 to 27 form part of these financial statements.

# Aldwickbury School Trust Limited

(A Charitable Company Limited by Guarantee)

## Notes to the Financial Statements

For the year ended 31 July 2019

### 1 Accounting Policies

#### Basis of preparation and change in accounting policy

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit company for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), published 16 July 2014, the Companies Act 2006 and the Charities Act 2011.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest pound.

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 and consider that there were no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities.

The School is a Public Benefit Entity registered as a charity in England and Wales (charity number: 311059) and a company limited by guarantee (company number: 950339).

#### Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Governors are required to make judgement, estimates, and assumptions about the carrying value 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 current and future periods.

Apart from assumptions made about the estimated useful economic life of fixed assets, as explained on page 19, in the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.



**Aldwickbury School Trust Limited**  
(A Charitable Company Limited by Guarantee)  
**Notes to the Financial Statements**  
**For the year ended 31 July 2019**

**1 Accounting Policies (Cont.)**

**a) Fixed Assets**

The capitalisation threshold for fixed assets is £1,000 per asset or group of related assets.

*Depreciation*

Depreciation is provided on all fixed assets, other than freehold land, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows:

Freehold buildings	-	over 50 years
Furniture, fixtures and equipment	-	over 5 years
Garden machinery and motor vehicles	-	over 5 years
Computer equipment	-	over 3 years

*Finance Costs*

Finance costs incurred which are directly attributable to the construction of fixed assets are capitalised over the period of construction and depreciated in the Statement of Financial Activities over the useful life of the asset.

**b) Value Added Tax**

Value added tax is not recoverable and is therefore included in the expenses to which it relates.

**c) Donations**

Donations received for the general purpose of the School are credited to the School's general fund. Donations subject to specific wishes of the donors are carried to a relevant restricted fund.

**d) Incoming Resources**

All incoming resources are included in the Statement of Financial Activities when the school is legally entitled to the income and the amount can be quantified with reasonable accuracy.

School fees that have been received prior to the year end, and which relate to activities in subsequent years, are treated as deferred income in the year of receipt and are released in the relevant period thereafter.

**e) Resources Expended**

All 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 apportioned to activities on a basis consistent with use of the resources.

# Aldwickbury School Trust Limited

(A Charitable Company Limited by Guarantee)

## Notes to the Financial Statements

For the year ended 31 July 2019

### 1 Accounting Policies (Cont.)

#### *Resources Expended (Cont.)*

Costs of raising funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Direct costs relate to staff costs and are attributable to specific activities. Support costs are those costs incurred in support of expenditure on the objects of the school. Governance costs are those incurred in connection with governing of the school and compliance with constitutional and statutory requirements.

#### f) *Financial Instruments*

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year-end exchange rate.

#### g) *Pension Costs*

The school contributes to the Teachers' Pension Scheme on behalf of eligible teaching staff. The school contributes towards a group personal pension scheme for the other eligible employees. The amount charged to the Statement of Financial Activities for all schemes is the contributions payable in the year.

#### h) *Operating leases*

Annual rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

#### i) *Fund Accounting*

Where the school receives funds which are restricted in their usage, they are disclosed as restricted funds. The school also earmarks all funds for set purposes and these are classed as designated funds.

### 2 Charitable Status

The Company is registered as a charity, registration number 311059, and in consequence is exempt from taxation on income arising from and expended on its charitable activities.

**Aldwickbury School Trust Limited**  
(A Charitable Company Limited by Guarantee)  
**Notes to the Financial Statements**  
For the year ended 31 July 2019

**3 Income from Charitable Activities: School**

	<b>Year Ended 31-Jul-19 £</b>	<b>Year Ended 31-Jul-18 £</b>
Gross Fees receivable	5,700,926	5,294,727
Less total discounts	(114,340)	(105,279)
	<u>5,586,586</u>	<u>5,189,448</u>
Other educational activities:		
Extracurricular lessons & wraparound care	379,470	317,691
Registration fees	5,940	7,500
Sundry fees	24,977	32,990
	<u>410,387</u>	<u>358,181</u>

**4 Activities for Generating Funds**

	<b>Year Ended 31-Jul-19 £</b>	<b>Year Ended 31-Jul-18 £</b>
Hire of facilities	750	1,650
- Hall & Gym		
- Pool	2,592	5,330
	<u>3,342</u>	<u>6,980</u>

**5 Staff Costs**

	<b>Year Ended 31-Jul-19 £</b>	<b>Year Ended 31-Jul-18 £</b>
Staff costs comprise:		
Wages and salaries	2,724,498	2,604,636
Social Security costs	257,132	249,200
Other pension costs	410,760	374,612
Settlements	-	11,770
	<u>3,392,390</u>	<u>3,240,218</u>

The 2018 settlement agreements balance related to one employee.

The average number of employees during the year was made up as follows:

	<b>Year Ended 31-Jul-19 No.</b>	<b>Year Ended 31-Jul-18 No.</b>
Academic	72	73
Non-academic	28	22
	<u>100</u>	<u>95</u>

**Aldwickbury School Trust Limited**  
(A Charitable Company Limited by Guarantee)  
**Notes to the Financial Statements**  
**For the year ended 31 July 2019**

**5 Staff Costs (continued)**

The number of employees whose emoluments were in excess of £60,000 is as follows:

	Year Ended 31-Jul-19 No.	Year Ended 31-Jul-18 No.
£60,001 - £70,000	1	2
£70,000 - £80,000	1	-
£100,001 - £110,000	1	1
	<u>3</u>	<u>3</u>

Two of the individuals (2018: two individuals) are members of the Teachers' Pension Scheme, details of which are set out in note 18. One of the individuals is a member of the School's Group Personal Pension Scheme, a defined contribution scheme for eligible non-teaching staff.

Members of the Board of Governors, who are the directors of the Company, as defined by the Companies Act 2006, received £Nil remuneration during the year (2018: Nil.)

Five members of the Board received reimbursement of travel expenses totalling £683 during the year (2018: £1,053 expenses reimbursed to five members).

**6 Key Management Personnel**

The School's Key Management Personnel consist of its Governors along with the Headmaster (V. Hales), Bursar (J. Hill) and four additional members of the Senior Management Team (2019: five additional members): the Deputy Head, Head of Pre-Prep, Director of Studies and Head of Marketing.

	Year Ended 31-Jul-19 £	Year Ended 31-Jul-18 £
Aggregate employee-benefits of key management personnel	519,355	484,246

**7 Analysis of Total Resources Expended: Year ended 31 July 2019**

	Staff Costs £	Other Costs £	Depreciation £	2019 Total £	2018 Total £
<b>Charitable Activities</b>					
<b>Financing costs</b>					
Loan interest	-	36,644	-	36,644	49,859
<b>School operating costs:</b>					
Teaching costs	2,730,881	289,530	121,093	3,141,504	2,623,293
Welfare costs	70,261	373,111	14,531	457,903	462,388
Premises	177,512	557,837	319,684	1,055,033	941,184
Support costs for schooling	413,736	303,318	29,062	746,116	1,091,514
Governance costs	-	18,699	-	18,699	17,251
	<u>3,392,390</u>	<u>1,542,495</u>	<u>484,370</u>	<u>5,419,255</u>	<u>5,135,630</u>
<b>Total resources expended</b>	<u>3,392,390</u>	<u>1,579,139</u>	<u>484,370</u>	<u>5,455,899</u>	<u>5,185,489</u>

**Aldwickbury School Trust Limited**  
(A Charitable Company Limited by Guarantee)  
**Notes to the Financial Statements**  
For the year ended 31 July 2019

**7 Analysis of Total Resources Expended (Continued)**

	<b>Year Ended 31-Jul-19 £</b>	<b>Year Ended 31-Jul-18 £</b>
Governance costs consist of:		
Auditor's remuneration - for audit	15,273	14,760
Auditor's remuneration - for other services	1,440	1,200
Governor training, meeting and travel expenses	1,986	1,291
	<b>18,699</b>	<b>17,251</b>

The totals shown above for 2018 are made up as follows:

	<b>Staff Costs £</b>	<b>Other Costs £</b>	<b>Depreciation £</b>	<b>2018 Total £</b>
<b>Charitable Activities</b>				
<b>Financing costs</b>				
Loan interest	-	49,859	-	49,859
<b>School operating costs:</b>				
Teaching costs	2,570,601	257,594	114,597	2,942,792
Welfare costs	77,509	371,127	13,752	462,388
Premises	152,193	486,454	302,537	941,184
Support costs for schooling	439,815	304,597	27,503	771,915
Governance costs	-	17,251	-	17,251
	<b>3,240,118</b>	<b>1,437,023</b>	<b>458,389</b>	<b>5,135,530</b>
<b>Total resources expended</b>	<b>3,240,118</b>	<b>1,486,882</b>	<b>458,389</b>	<b>5,185,389</b>

The allocation basis of staff costs has been changed since 2018 so a presentational change has been made such that the amounts stated above have been restated to reflect the changed allocation basis for staff costs for teaching and support, but the overall total staff costs has not changed.

**8 Tangible fixed assets**

	<b>Freehold Property &amp; Pool £</b>	<b>Assets Under Construction £</b>	<b>Furniture Fixtures &amp; Equipment £</b>	<b>Garden Machinery £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 August 2018	10,428,007	121,528	1,672,029	66,725	69,427	12,357,716
Additions	-	366,075	84,411	29,642	10,188	490,315
Transfer	-	-129,263	129,263	-	-	-
Disposals	-	-	(103,375)	(9,300)	(25,172)	(137,848)
<b>At 31 July 2019</b>	<b>10,428,007</b>	<b>358,340</b>	<b>1,782,328</b>	<b>87,066</b>	<b>54,443</b>	<b>12,710,183</b>
<b>Depreciation</b>						
At 1 August 2018	1,988,220	-	1,164,591	61,654	69,427	3,283,892
Charge for the year	208,864	-	264,353	9,115	2,038	484,370
Disposals	-	-	(103,375)	(9,300)	(25,172)	(137,848)
<b>At 31 July 2019</b>	<b>2,197,085</b>	<b>-</b>	<b>1,325,568</b>	<b>61,469</b>	<b>46,292</b>	<b>3,630,414</b>
<b>Net Book Value</b>						
At 1 August 2019	8,230,922	358,340	456,760	25,597	8,151	9,079,770
At 1 August 2018	8,439,787	121,528	507,438	5,071	-	9,073,824

All tangible fixed assets are held for use on charitable activities. As detailed in Note 11, Barclays PLC holds charges over the School's Freehold Property and other assets in relation to two loans (2018: three loans).

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	Year Ended 31-Jul-19 £	Year Ended 31-Jul-18 £
<b>9 Debtors</b>		
Trade debtors	89,568	90,505
Sundry debtors	4,270	-
Prepayments and accrued income	134,059	147,850
	<u>227,897</u>	<u>238,355</u>

	Year Ended 31-Jul-19 £	Year Ended 31-Jul-18 £
<b>10 Creditors: payable within one year</b>		
Loans	156,768	659,570
Trade creditors	189,394	159,813
PAYE and NI Contributions	66,667	65,284
Deferred income (see Note 12)	342,704	303,250
Other creditors	75,821	71,230
Accruals	369,429	342,467
	<u>1,200,783</u>	<u>1,601,614</u>

	Year Ended 31-Jul-19 £	Year Ended 31-Jul-18 £
<b>11 Creditors: payable after one year</b>		
Loans due in more than five years	801,260	977,361
Deposits (due after one year)	308,494	295,744
	<u>1,109,754</u>	<u>1,273,105</u>

During the year, the School's total loan liabilities from decreased by from £1,636,931 to £958,028 as a result of repaying one loan and making capital repayments.

The School's loan balances as at 31 July 2019 consist of:

- £1,209,640 Barclays PLC loan drawn down in 2007 to finance the redevelopment of the Dining Hall and Kitchen, of which the remaining balance at the reporting date is £343,693 (2018: £443,155). This loan is secured on a charge over the school's assets and undertakings, including freehold property. Interest is charged at 0.95% over Bank of England base rate. The amount is being repaid over fifteen years.

- Two subsequent loans of £761,250 and £659,375 drawn down from Barclays PLC in 2013 to finance the Chidell Hall development, of which the remaining balances at the reporting date are £342,693 and £Nil respectively (2018: £419,558 and £502,802 respectively). These loans are similarly secured, with the first at a fixed rate of interest of 5%, to be repaid over ten years. The second loan was repaid in full during the year when its initial five year term ended.

- An unsecured loan facility from a private individual of £249,857 was drawn down in 2015 in order to fund the tennis court and cricket net refurbishment. The capital is to be repaid at the end of a 10 year period, together with the interest, which accrues on a straight line basis at 2%. The total amount outstanding at the year-end, including accrued interest is £272,077 (2018: £271,419).

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	<b>Year Ended 31-Jul-19 £</b>	<b>Year Ended 31-Jul-18 £</b>
<b>12 Deferred Income</b>		
Opening deferred income	303,250	276,669
Amount released to income in the year	(303,250)	(276,669)
Amount deferred in the year	342,704	303,250
	<u>342,704</u>	<u>303,250</u>

Deferred income consists of fees paid in advance for the following term.

	<b>Year Ended 31-Jul-19 £</b>	<b>Year Ended 31-Jul-18 £</b>
<b>13 Capital Commitments</b>		
Capital expenditure contracted but not provided in the financial statements	<u>389,526</u>	<u>63,885</u>

**14 Commitments Under Operating Leases**

As at 31 July 2019 the company has commitments under non-cancellable leases as follows:

	<b>Year Ended 31-Jul-19 £</b>	<b>Year Ended 31-Jul-18 £</b>
Plant and machinery		
- Expiring within one year	10,928	11,224
- Expiring within two to five years	19,914	30,845
- Expiring after five years	-	-
	<u>30,842</u>	<u>42,069</u>

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**15 Unrestricted Funds**

	Year Ended 31 July 2019			Year Ended 31-Jul-18
	Unrestricted General Funds	Designated Fund	Total Funds	Total Funds
	£	£	£	£
Funds at start of year	7,724,950	63,001	7,787,951	7,331,323
Incoming resources	6,096,183	-	6,096,183	5,642,117
Expenditure	(5,455,899)	-	(5,455,899)	(5,185,489)
Surplus for year	640,284	-	640,284	456,628
Transfers	63,001	(63,001)	-	-
Funds at end of year	8,428,235	-	8,428,235	7,787,951

The Designated Fund consists of a donation from the Chidell Scholarship Fund (Registered Charity 282642). The Fund was wound up during 2016/17, with the proceeds of £122,000 donated to Aldwickbury School Trust Ltd. The Governors of Aldwickbury School agreed to use the donation to fund bursaries and means tested support for pupils and as such designated it as a separate fund. The transfer of £63,001 from the Designated Fund to Unrestricted General Funds was used to fund means tested bursaries given to pupils during the current financial year.

**16 Share Capital**

The company is limited by guarantee and has no share capital, the members having a liability not exceeding £1 each.

**18 Pension Commitments**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £361,069 (2018: £299,782) and at the year-end £86,661 (2018: £40,023) 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 that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

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.



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## Notes to the Financial Statements

For the year ended 31 July 2019

### 18 Pension Commitments (continued)

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.

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.

The School participates in a Standard Life Group Personal Pension Scheme for its eligible non-teaching staff. The pension charge for the year includes contributions payable to Standard Life of £49,691 (2018: £49,343) and at the year-end £7,394 (2018: £6,229) was accrued in respect of contributions to this scheme.

### 19 Cash flow Information

#### Analysis of cash and cash equivalents

	<b>1 August 2018 £</b>	<b>Cash Flow £</b>	<b>31 July 2019 £</b>
Cash at bank and in hand	1,350,491	80,614	1,431,105
Total cash and cash equivalents	<b>1,350,491</b>	<b>80,614</b>	<b>1,431,105</b>

### 19 Related Party Transactions

#### Ainsley & Partners

The Partnership, of which one governor is a managing partner, was retained to provide surveying and project management services in relation to the planning application and project management for the new sports hall and maintenance facilities. Fees totalling £54,780 including VAT have been paid to the company (2018: £86,600), with £6,180 outstanding at the year-end (2018: Nil). All transactions so made were done so at arm's length.

#### Association of Governing Bodies of Independent Schools (AGBIS)

AGBIS, of which one governor is an employee, provides advisory and training services to independent schools so Aldwickbury School has paid an annual membership fee to AGBIS during the year along with fees for governors and senior staff to attend training courses. Total fees paid to AGBIS during the year are £934 (2018: £583), of which £Nil (2018: £Nil) due at year-end.

### 20 Financial Instruments

At the balance sheet date the charity held financial assets at amortised cost of £93,838 (2018: £90,505) and financial liabilities at amortised cost of £1,901,166 (2018: £2,506,185). Gains, losses, income and expenditure on financial assets held at fair value taken through the Statement of Financial Activities (Income and Expenditure) during the year was £9,308 (2018: £5,087).