

**Company number: 714698**

**Birchfield Educational Trust Limited**

**Financial Statements**

**Year ended 30th August 2019**

(Charity number: 528420)

**Birchfield Educational Trust Limited**  
**Financial Statements for the year ended 30th August 2019**

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**Birchfield Educational Trust Limited**  
**Financial Statements for the year ended 30th August 2019**

**Legal and administrative information**

**TRUSTEES AND DIRECTORS**

The directors of the limited company are trustees of the charity and also governors of the School. They have all served throughout the year except where indicated.

Adam Frankling (Chair)  
Stewart Legge  
Lynne Statham  
John Squire  
Paul Reynolds (Appointed 1 October 2018)  
James Parkhouse (Appointed 3 December 2019)  
Clare Norton (Resigned 1 May 2019)  
Christopher Berriman (Resigned 31 August 2019)  
Alison Pass (Resigned 31 August 2019)  
Jonathan White (Resigned 13 December 2019)  
Tracy K Carver (Resigned 6 May 2020 )

The board is a self-appointing body. A third of directors retire each year and are eligible for re-election.

**KEY MANAGEMENT**

<b>Head</b>	Sarah Morris
<b>Bursar</b>	Clare Norton

<b>Registered Office</b>	3rd Floor Regent House Bath Avenue Wolverhampton WV1 4EG
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<b>Website Address</b>	<a href="http://www.birchfieldschool.co.uk">www.birchfieldschool.co.uk</a>
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<b>Trading Name</b>	Birchfield School
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<b>Registered Number</b>	714698 England and Wales
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<b>Charity Number</b>	528420
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<b>Auditors</b>	Muras Baker Jones Limited Bath Avenue Wolverhampton WV1 4EG
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<b>Bankers</b>	Barclays Bank PLC Wolverhampton Business Centre Queen Square
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## **Birchfield Educational Trust Limited**

### **Report of the trustees and directors (incorporating Strategic Report) For the year ended 30th August 2019**

The Trustees and Directors submit their report together with audited financial statements of the company for the year ended 30th August 2019. The legal and administrative information set out on page 1 forms part of this report.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Reference and administrative information**

The company is limited by guarantee and is a registered charity number 528420, governed by its Memorandum and Articles of Association. The Company's registration number is 714698.

### **Governing Document**

The Charity is governed by its Trust Deed dating from 1935 and its Memorandum of Association were last amended on 30th October 2007.

### **Governing Body and the Recruitment of new Governors**

The School's Governing Body is its Board of Directors; a list of its members is given on page 1. Their method of appointing Governors originates from nominations from current Governors.

## **OBJECTIVES, AIMS AND ACTIVITIES**

### **Charitable Objects**

The Charity's object, as set out in the Memorandum of Association, is the advancement of education of children for the public benefit. In the furtherance of this object, the Directors, as the Charity Trustees, have complied with the duty in Section 4 of the Charities Act 2006 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.

### **Strategic Aims, Public Benefit and Intended Impact**

The Board's strategic aim is the attainment of the highest levels of academic achievement with an all round wide education for all pupils whatever their ability benefitting from Birchfield's broad curriculum to develop a lifelong love of learning. The School also engages with local schools in the maintained sector by hosting sporting events as well as offering our facilities for use by local community groups.

It is intended to inspire all pupils to achieve their full potential, to instil a lifelong passion for teaching, to create a willingness to contribute to the community, respect for all, and to encourage pupils leading to successful outcomes at their chosen senior school.

### **Principal activities of the year**

The principal activity of the year has been the provision of education within a wide ranging academic, cultural, artistic and sporting curriculum.



## **Birchfield Educational Trust Limited**

### **Report of the trustees and directors (incorporating Strategic Report) For the year ended 30th August 2019**

#### **Objectives for the year ended 30th August 2019**

The Board's main objectives were:

- The continuing enhancement and development of the School's educational provision and wide curriculum.
- To ensure the education we provide is personalised to suit individuals.
- To ensure the highest educational standards are achieved throughout the School coupled with continuous improvements in teaching and learning.
- To act in line with the Charity Commissions guidance on public benefit, advancing education and fee charging.
- To maintain and increase pupil numbers.

#### **Strategies undertaken to achieve those objectives**

The School will continue to develop the School's sports programme both through increasing the activities available to our pupils as well as increasing links to local maintained and independent schools through fixtures and tournaments.

The School will continue to encourage pupils to participate in musical, artistic, theatrical, and other cultural activities and provide a progressive framework within which pupils can develop their sense of citizenship and social responsibility.

The School continued to maximise academic performance by excellent educational provision. Key to this was recruitment of a new Head in September 2018.

We set our fees to reflect the high standard of all round education we provide but as to ensure the financial viability of the School. The School welcomes pupils from all backgrounds.

## **REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD**

### **Operational performance of the School**

All of our leavers at 13+ went on to their first choice senior schools including, Shrewsbury School, Malvern College, Repton School, Ellesmere College, Wrekin College and King Edwards with Year 8 pupils being awarded 8 scholarships and Year 6 pupils 2 scholarships. Scholarship awards reflected the all-round ethos of Birchfield and were awarded across the fields of academic, sport, music and the arts.

We hosted the Area Heat of National Key Stage 2 General Knowledge Inter-School Quiz Championship in January and will continue to compete in this competition with impressive levels of knowledge from our teams. In languages, the school trip to the Mont Saint Michel in France was a highlight of the year with pupils immersing themselves in French culture and speaking French at every opportunity with the locals. Pupils performed well in the annual Wrekin College Maths Challenge and also the Repton Challenge which encourages teamwork and leadership as well as problem solving skills.

In sport, one of our Year 8 girls became the inaugural winner of the Rachael Heyhoe Flint Cricket Award at Malvern College, reported in the national newspapers a newsworthy achievement. Our U11 and U13 tennis squads won the Moreton Hall Tennis Tournament and we sent a squad of tennis players to the ISA National Tennis Championships where a Year 8 pupil was named National Champion. In football Malvern College provided visiting coaches for Netball and Rugby training. In football our U9 and U11 squads competed successfully in the ISA Football tournament and at the ISA Cross Country tournament our U9 girls took 2<sup>nd</sup> place overall and the U9 boys won the title. The annual Cross Country Invitational Event saw six local primary schools competing at Birchfield and was a very popular event.

## **Birchfield Educational Trust Limited**

### **Report of the trustees and directors (incorporating Strategic Report) For the year ended 30th August 2019**

We competed in the Shrewsbury School U11 hockey tournament with performances to be proud of. In cricket, our girls performed superbly, winning the Packwood U11 tournament and training regularly at school.

In the arts, a Year 8 pupil won the ISA Midlands Art competition and went on to come 2nd in the ISA National competition. With pupils also competing and winning prizes in the prestigious Shrewsbury School Art competition. Our Years 1,2 and 3 performed well in the Albrighton Christmas Card competition with the first prize won by a Year 1 pupil. Music remained a strong performer in the curriculum with pupils learning a wide variety of instruments from the drums to the clarinet and trombone and singing thrived with individual tuition for ABRSM exams and junior and senior choirs, who were invited to perform at Chillington Hall Christmas Celebration in December. Our drama department continued to thrive with 31 pupils from across the school undertaking LAMDA exams – with a pleasing 20 Distinctions. Years 5 and 6 delivered their play ‘Rock Bottom’ with a stone-age comedy theme and the Years 3 & 4 play Zoom was performed to much acclaim from parents.

The year saw a whole range of experiences and trips for our pupils. One of the highlights was a trip to Wolverhampton Wanderers to see a premier league football game. A large group of skiers headed to Zee Am See in April for an instructive and enjoyable week of skiing. Nick Arnold, the author of the Horrible Science series came in to talk to our pupils and further inspire their science learning. Meanwhile, Years 1 and 2 undertook a fun STEM workshop at RAF Cosford and visited the MAD Museum at Stratford. Other trips included Walsall Art Gallery, Cannock Woods, Blists Hill Victorian Village, Carding Mill Valley, Roman Chester and Warwick Castle. A notable day in the year’s calendar was the Mindfulness Themed Day in February where pupils from across the Prep School took part in a range of activities to support their mental health such tai chi, breathing, meditation sessions from a parent psychologist and positive thoughts.

## **FINANCIAL REVIEW**

### **Results and dividend**

The results for the year are detailed on page 10 of the financial statements. As a company limited by guarantee, the payment of any dividend is prohibited.

### **Taxation**

The company is exempt from corporation tax because of its status as an Educational Trust.

### **Fixed assets**

Details of changes in fixed assets are given in the notes to the financial statements.

### **Reserves Policy**

Notes 10 and 11 to the financial statements shows the assets and liabilities attributable to the various funds, movements in the year and the purpose of the funds. No General funds were held at 30<sup>th</sup> August 2019 and this is further explained in the following Going concern note. The revaluation reserve was crystallised in November 2020 as a result of selling the company fixed assets and this was utilised to repay creditors.



## **Birchfield Educational Trust Limited**

### **Report of the trustees and directors (incorporating Strategic Report) For the year ended 30th August 2019**

#### **Going Concern**

The year ended 30<sup>th</sup> August 2019 experienced lower pupil numbers resulting in a reduction in fee income. This continued into 2020 and with the resulting necessity for increased bank borrowings the Trustees had to explore new avenues to ensure the continuance of the school. In November 2020 Birchfield Educational Trust sold Birchfield School as a going concern to Birchfield School Limited from when it will be operated under the umbrella of St Phillip's Education. The purchaser's intention is to continue to provide the high standard of education, sporting facilities and care that past & current pupils have enjoyed with the added advantage of greater funds available to invest in facilities which being part of a larger organisation brings.

As a result of the sale Birchfield Educational Trust was able to repay its bank borrowings and will be able to repay all of its other creditors with expected surplus funds available to distribute in accordance with its charitable objects. Following the disposal of the school the trustees have followed paragraph 32.7 of FRS 102 and have prepared these financial statements on a basis other than going concern. The effect of not preparing the accounts on a going concern basis has resulted in fixed assets being written down to sales value. An impairment of £726,000 resulted as disclosed in note 6 to the financial statements.

#### **PLANS FOR FUTURE PERIODS**

Following the sale of the school in November 2020 the company will clear its liabilities and expects to have a small surplus remaining. This will be distributed to a similar charitable organisation prior to winding up the trust.

#### **RISK MANAGEMENT**

The Directors being the Board of Governors continue to review and manage any major risks faced by the School together with the Head and Senior Management Team. Risks are identified, assessed and controls established throughout the year. The School has insurance cover where appropriate as well as certain sub-committees, including health and safety to implement and review policies and procedures.

#### **PUBLIC BENEFIT STATEMENT**

The School does not prescribe to a specific fund for bursaries however the School does give due consideration to financial support where appropriate and possible where parents / guardians have incurred financial difficulty. Bursaries are means tested.

In additional financial assistance was awarded to 6 children of personnel in the Armed Forces.

The School is committed to supporting local community groups who use our facilities. Such groups include croquet, cricket and football. We have also opened up our facilities to local Schools.

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year.

In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in operation.

**Report of the trustees and directors (incorporating Strategic Report)  
For the year ended 30th August 2019**

**DIRECTORS' RESPONSIBILITIES STATEMENT (Continued)**

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Statement of Recommended Practice for Charities. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- There is no relevant audit information of which the company's auditors are unaware; and
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

Approved by the Board on 30 November 2020 and signed on their behalf by:



.....  
**Adam Frankling**  
Trustee and director



## **Independent Auditor's Report to the members of Birchfield Educational Trust Limited.**

### **Opinion**

We have audited the financial statements of Birchfield Educational Trust Limited for the period ended 30th August 2019 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards, including FRS 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 company's affairs as at 30th August 2019, and of its loss for the period 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 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.

### **Emphasis of matter – non-going concern basis of preparation**

We draw attention to the disclosures made in note 1k to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

### **Other information**

The directors 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.

## **Independent Auditor's Report to the members of Birchfield Educational Trust Limited.**

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### **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 directors' report and the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report and the incorporated strategic report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report and the incorporated strategic 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 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 6 the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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.



## **Independent Auditor's Report to the members of Birchfield Educational Trust Limited.**

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As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 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 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.

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
**T P Brueton BA FCA (senior statutory auditor)**  
**For and on behalf of Muras Baker Jones Limited**  
**Chartered Accountants and Statutory Auditors**  
**Regent House**  
**Bath Avenue**  
**Wolverhampton**  
**WV1 4EG**

**30 November 2020**



**Birchfield Educational Trust Limited**  
**Statement of Financial Activities incorporating Income and Expenditure Account**  
**for the year ended 30th August 2019**

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Notes	2019 £	2019 £	2019 £	2018 £
<b>INCOME</b>					
<b>Income from charitable activities</b>					
School fees		1,278,682	-	1,278,682	1,478,422
<b>Income from other trading operations</b>	2a	43,895	-	43,895	43,065
<b>Donations and Legacies</b>	2b	15,614	-	15,614	85,322
<b>Total income</b>		<b>1,338,191</b>	<b>-</b>	<b>1,338,191</b>	<b>1,606,809</b>
<b>EXPENDITURE</b>					
<b>Costs of raising funds</b>	3a	40,557	-	40,557	35,925
<b>Expenditure on charitable activities</b>	3b	1,543,643	-	1,543,643	1,628,014
<b>Total expenditure</b>		<b>1,584,200</b>	<b>-</b>	<b>1,584,200</b>	<b>1,663,939</b>
<b>Net (expenditure) for the year</b>	4	<b>(246,009)</b>	<b>-</b>	<b>(246,009)</b>	<b>(57,130)</b>
<b>Transfers between funds</b>	11	<b>53,853</b>	<b>(53,853)</b>	<b>-</b>	<b>-</b>
<b>Other recognised losses on impairment of fixed asset through revaluation reserve.</b>	6	<b>(726,000)</b>	<b>-</b>	<b>(726,000)</b>	<b>-</b>
<b>Net movement in funds for the year</b>		<b>(918,156)</b>	<b>(53,853)</b>	<b>(972,009)</b>	<b>(57,130)</b>
<b>Reconciliation of funds</b>					
<b>Total Funds brought forward</b>		<b>1,267,775</b>	<b>75,000</b>	<b>1,342,775</b>	<b>1,399,905</b>
<b>Total Funds carried forward</b>	11	<b>349,619</b>	<b>21,147</b>	<b>370,766</b>	<b>1,342,775</b>

All income and expenditure derive from activities which ceased during November 2020

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 20 form part of these financial statements.

**Birchfield Educational Trust Limited**  
**Balance Sheet as at 30th August 2019**

		<b>2019</b>		<b>2018</b>	
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible Assets	6		1,496,501		2,222,597
Investments	7		-		1
<b>CURRENT ASSETS</b>					
Stocks		2,981		1,859	
Debtors	8	32,456		78,166	
Cash at Bank and in Hand		1,528		1,634	
		<u>36,965</u>		<u>81,659</u>	
<b>CREDITORS: Amounts falling due within one year</b>	9a	<u>(919,009)</u>		<u>(705,657)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(882,044)</u>		<u>(623,998)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			614,457		1,598,600
<b>CREDITORS: Amounts falling due in more than one year</b>	9b		(243,691)		(255,825)
<b>TOTAL NET ASSETS</b>	10		<u><u>370,766</u></u>		<u><u>1,342,775</u></u>
<b>FUNDS</b>					
Restricted	11		<u>21,147</u>		<u>75,000</u>
Unrestricted funds:					
Unrestricted General fund		(34,714)		157,442	
Revaluation reserve		<u>384,333</u>		<u>1,110,333</u>	
			<u>349,619</u>		<u>1,267,775</u>
<b>TOTAL FUNDS</b>			<u><u>370,766</u></u>		<u><u>1,342,775</u></u>

These financial statements were approved by the board on 30 November 2020 and signed on its behalf by:



**Adam Frankling**

Trustee and director

Company registration number: 714698

The notes on pages 13 to 20 form part of these financial statements.

**Birchfield Educational Trust Limited**  
**Cash Flow Statement for the year ended 30th August 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash used by operating activities	12	<u>(46,397)</u>	<u>(20,063)</u>
<b>Returns on investments and servicing finance</b>			
Finance costs paid		(29,781)	(23,746)
Purchase of tangible fixed assets		<u>(47,439)</u>	<u>(10,746)</u>
<b>Net cash used in investing activities</b>		<u>(77,220)</u>	<u>(34,492)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(12,133)	(12,134)
<b>Net cash used in financing activities</b>		<u>(12,133)</u>	<u>(12,134)</u>
<b>Change in cash and cash equivalents in the year</b>		(135,750)	(66,689)
Cash and cash equivalents brought forward		(464,690)	(398,001)
<b>Cash and cash equivalents carried forward</b>	13	<u><u>(600,440)</u></u>	<u><u>(464,690)</u></u>



**1 Principal accounting policies**

**(a) Basis of preparation of financial statements**

Birchfield Educational Trust Limited is an incorporated charitable company which is limited by guarantee. The school's registered address is given in the information on page 1.

The school constitutes a public benefit entity under FRS 102.

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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared under the historical cost convention modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the school and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**(b) Fees**

Fees consist of charges for the School year ending August, less any scholarships and allowances. Fees received in advance are disclosed in creditors and released to income in the term when used.

**(c) Donations and fund accounting**

Donations are credited to the Income and Expenditure Account on receipt.

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the School 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. The aim and use of each restricted fund is set out in the notes to the financial statements.

**(d) Resources expended**

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. All expenditure is shown inclusive of VAT. Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the Governors and all costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

**(e) Tangible fixed assets.**

Fixed assets are carried in the Balance Sheet at cost less accumulated depreciation and impairment.

Freehold property is included at deemed cost being its fair value on transition to FRS 102.

Assets costing more than £100 are capitalised.

Depreciation is provided on the original cost of fixed assets to write off each asset over its estimated useful life at the following annual rates.

Motor Vehicles	25% Straight Line
Equipment and Furniture	10% - 20% Straight Line
Computer Equipment	33% Straight Line
Temporary Classroom Block	20% Straight Line
All Weather Pitch	Straight line over 15 years
Freehold Buildings	Straight line over 50 years
Freehold Land	Not depreciated

**1 Principal accounting policies (continued)**

**(f) Pension costs.**

Contributions payable by the company to employees' pension schemes and Teachers' Superannuation Scheme are charged to the Income and Expenditure Account in the period to which they relate.

The Teachers' Superannuation scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore the School accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of Financial Activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period.

**(g) Stocks.**

Stocks are valued at the lower of cost and net realisable value.

**(h) Operating leases**

Rentals payable under operating leases are charged to the Income and Expenditure Account in the period to which they relate.

**(i) Leases and Hire Purchase Contracts**

Assets held under hire purchase contracts and the related obligations are initially included in the balance sheet at cost. Depreciation is calculated to write off the capitalised cost over their estimated useful lives. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

**(j) Critical accounting estimates and areas of judgement**

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

**(k) Going concern**

As explained in Note 20, the company has ceased trading since the balance sheet date. The financial statements have therefore been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the company's assets to net realisable value.

**1.1 Judgements in applying accounting policies**

**Going concern**

As a result of the company ceasing to operate Birchfield School in November 2020 the directors have reassessed the carrying value of its assets in the Financial Statements. Note 1k contains more information in this respect.



# Birchfield Educational Trust Limited

## Notes forming part of the Financial Statements for the year ended 30th August 2019

2a Activities for generating funds	2019	2018
	£	£
Hire of school facilities	40,926	39,204
Catering income	2,969	3,861
	<u>43,895</u>	<u>43,065</u>

2b Voluntary Income	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2019	2019	2019	2018
	£	£	£	£
Donations from Friends of Birchfield	14,882		14,882	9,662
Other donations	732		732	75,660
	<u>15,614</u>	<u>-</u>	<u>15,614</u>	<u>85,322</u>

### 3 Total resources expended by expenditure type

	Staff Costs	Other	Depreciation	Total	2018 Total
	£	£	£	£	£
3a Costs of generating funds	<u>10,543</u>	<u>30,014</u>	<u>-</u>	<u>40,557</u>	<u>35,925</u>
3b Analysis of expenditure on charitable activities					
Teaching Costs	843,647	86,361	13,285	943,293	1,019,190
Welfare	114,676	16,627	214	131,517	146,380
Premises	41,637	147,704	33,871	223,212	185,318
Administration of school	67,954	166,407	165	234,526	249,978
Governance Costs	1,060	10,035	-	11,095	27,148
	<u>1,068,974</u>	<u>427,134</u>	<u>47,535</u>	<u>1,543,643</u>	<u>1,628,014</u>
	<u>1,079,517</u>	<u>457,148</u>	<u>47,535</u>	<u>1,584,200</u>	<u>1,663,939</u>

3c Interest payable	2019	2018
	£	£
On bank overdraft	19,286	14,622
On bank loan repayable within 5 years	10,495	9,124
	<u>29,781</u>	<u>23,746</u>

### 4 Net expenditure/income for the year

This is stated after charging:	2019	2018
	£	£
Depreciation of owned tangible fixed assets	47,535	46,175
Operating lease rentals - equipment	20,937	22,578
Auditors' remuneration - statutory audit	5,820	5,376
- other services	16,858	31,692



**5 Staff costs**

	<b>2019</b>	<b>2018</b>
	£	£
Wages and salaries	903,854	987,236
Social security costs	74,719	82,626
Pension costs	100,944	91,409
	<u>1,079,517</u>	<u>1,161,271</u>

The average number of employees in the year, calculated on a full time equivalent basis was 45 (2018 - 46).

The average number of employees based on a head count was 49 (2018 - 50).

The total remuneration and benefits received by key management personnel ( Head and Bursar) for the year was £82,872 (2018 - £89,211).

No employee received remuneration of more than £60,000.

No trustee received any emoluments during the year ended 30th August 2019 (2018 - £Nil)

No trustee received any reimbursement for out-of-pocket expenses during the year ended 30th August 2019 (2018 - £Nil).

**6 Tangible fixed assets**

	<b>Freehold Property</b>	<b>Motor Vehicles</b>	<b>Equipment and Furniture</b>	<b>Total</b>
	£	£	£	£
<b>Cost</b>				
At 30th August 2018	2,200,000	4,800	807,608	3,012,408
Additions	15,905	-	31,534	47,439
At 30th August 2019	<u>2,215,905</u>	<u>4,800</u>	<u>839,142</u>	<u>3,059,847</u>
<b>Depreciation</b>				
At 30th August 2018	30,800	4,800	754,211	789,811
Charge for the year	30,800	-	16,735	47,535
Impairment charge	726,000	-	-	726,000
At 30th August 2019	<u>787,600</u>	<u>4,800</u>	<u>770,946</u>	<u>837,346</u>
<b>Net Book Value</b>				
At 30th August 2019	<u>1,428,305</u>	<u>-</u>	<u>68,196</u>	<u>1,496,501</u>
At 30th August 2018	<u>2,169,200</u>	<u>-</u>	<u>53,397</u>	<u>2,222,597</u>

Freehold property "cost" at 30 August 2018 was included at deemed cost of £2.2 million. The historical cost value of £1,089,667, at 1 September 2015, was uplifted by £1,110,333 and this amount is shown in the revaluation reserve (note 11).

Since the balance sheet date the freehold property has been sold for £1,390,000 resulting in an impairment of £726,000 which has been set against the revaluation reserve.

# Birchfield Educational Trust Limited

## Notes forming part of the Financial Statements for the year ended 30th August 2019

### 6 Tangible fixed assets continued

Had the freehold property been measured at historical cost the amounts would be:

	2019	2018
	£	£
Cost	1,522,718	1,522,718
Accumulated depreciation	553,051	523,051
Carrying value	<u>969,667</u>	<u>999,667</u>

### 7 Investments

Griffin Promotions Limited was a separate limited company, a wholly owned subsidiary, formed by the Trust to operate the School shop. The company was registered in England and Wales, Number 6687660. The Trust held the total share capital of one £1 ordinary share.

The company ceased trading during the year ended 31 August 2016 and was struck off on 2nd July 2019.

### 8 Debtors

	2019	2018
	£	£
Fees outstanding	12,974	46,139
Amount due from Griffin Promotions Limited	-	33
Prepayments and accrued income	19,482	31,994
	<u>32,456</u>	<u>78,166</u>

### 9a Creditors: amounts falling due within one year

	2019	2018
	£	£
Bank loan and overdraft	614,102	478,458
Fees received in advance	156,386	95,846
Trade creditors	94,357	46,883
Other taxation & social security costs	18,708	19,564
Other creditors	16,700	15,706
Accruals and deferred income	18,756	49,200
	<u>919,009</u>	<u>705,657</u>

2018 - Accruals and deferred income include £20,243 deferred income in respect of a 2018/19 school trip.

### 9b Creditors: amounts falling due in more than one year

	2019	2018
	£	£
Bank Loan	<u>243,691</u>	<u>255,825</u>

The bank loan and overdraft are secured by a debenture on the banks standard form.

The loan was repaid on 14 October 2020.

# 10 Analysis of net assets

	Fixed assets £	Net current assets (liabilities) £	Long-term liabilities £	Fund balances at 30th August 2019 £
Unrestricted fund	1,496,501	(903,191)	(243,691)	349,619
Restricted fund		21,147	-	21,147
	<u>1,496,501</u>	<u>(882,044)</u>	<u>(243,691)</u>	<u>370,766</u>

# 11 Funds

## Movements in funds in the year

	Balance at 31st August 2018 £	Income £	Expenditure £	Transfer between funds £	Balance at 30th August 2019 £
<b>Restricted fund</b>					
Squire Sponsorship fund	75,000	-	-	(53,853)	21,147
<b>Unrestricted fund</b>					
General fund	157,442	1,338,191	(1,584,200)	53,853	(34,714)
Revaluation reserve	1,110,333		(726,000)		384,333
<b>Total funds</b>	<u>1,342,775</u>	<u>1,338,191</u>	<u>(2,310,200)</u>	<u>-</u>	<u>370,766</u>

Freehold property was revalued at fair value on transition to SORP FRS (102) as detailed in note 6. The uplift in value of £1,110,333 was credited to the revaluation reserve. The property has been sold since the balance sheet date resulting in an impairment of £726,000 to reduce to net realisable value.

During the year the company purchased IT equipment £10,434 sports equipment £8,520 and improved swimming pool, perimeter fencing and school gates with contributions from the Squire Sponsorship fund.

# 12 Reconciliation of net movement in funds to net cash from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of financial activities)	(246,009)	(57,130)
<b>Adjustment for;</b>		
Financing costs	29,781	23,746
Depreciation	47,535	46,175
Decrease/(increase) in stocks	(1,122)	(1,859)
(Increase)/decrease in debtors	45,710	(18,673)
(Decrease)/increase in creditors	77,708	(12,322)
<b>Net cash provided by operating activities</b>	<u>(46,397)</u>	<u>(20,063)</u>

# 13 Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	1,528	1,634
Overdraft	(601,968)	(466,324)
	<u>(600,440)</u>	<u>(464,690)</u>



**14 Members**

The company is limited by guarantee. Each member has undertaken to contribute a sum not exceeding one pound in the event of a winding-up. At 30th August 2018 there were 9 members.

**15 Pension schemes****Teachers' Pension Scheme**

The company participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff until 31 August 2019. The pension charge for the year includes contributions payable to the TPS of £92,947 (2018 - £86,959) and at the period end £11,400 (2018 - £10,768) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Regulations 2014. 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.

On 1 September 2019 the company implemented a new teachers pension scheme with Aviva APTIS.

**Workplace Pension Scheme**

The company also operates a defined contribution scheme in respect of its non-teaching staff.

The pension charge for the year includes contributions to the NEST scheme of £7,997 (2018 £4,450) of which £1,648 (2018 £3828) is included in Other Creditors.

**16 Capital Commitments**

At 30th August 2019 there were no capital commitments (2018 - £Nil).

**17 Operating lease commitments**

At 30th August 2019 the total of the company's future minimum lease payments under non-cancellable operating leases was:

	2019	2018
	£	£
Amounts payable		
Within one year	16,667	18,218
Between one and five years	33,435	47,202
Total	<u>50,102</u>	<u>65,420</u>

## **Birchfield Educational Trust Limited**

### **Notes forming part of the Financial Statements for the year ended 30th August 2019**

#### **18 Contingent liabilities**

There were no material contingent liabilities at 30th August 2019.

#### **19 Members' Funds**

The company is limited by guarantee and does not have a share capital.

The members of the company are the directors named on page 1.

The liability of each member is limited to £1 in the event of winding up the company.

#### **20 Post Balance Sheet Events**

In November 2020 Birchfield Educational Trust Limited sold Birchfield School as a going concern to Birchfield School Limited from when it will operate under the umbrella of St Phillip's Education. The purchaser's intention is to continue to provide the high standard of education, sporting facilities and care that past & current pupils have enjoyed with facilities which being part of a larger organisation brings.

As a result of the sale Birchfield Educational Trust was able to repay its bank borrowings and will be able to pay its other creditors. The expected surplus funds will be available to distribute in accordance with its charitable objects.

#### **21 Comparative figures**

Comparative figures are in respect of the period from 1 September 2017 to 30 August 2018 or as at 30 August 2018 as appropriate.