

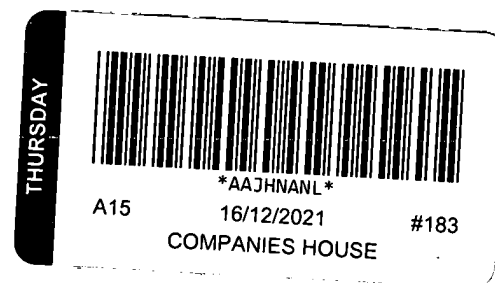
Charity Registration No. 1103326 Company Registration

No. 05011039 (England and Wales)

**WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST AUGUST 2021**



**WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED**

**COMPANY INFORMATION**

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# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## COMPANY INFORMATION

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### ***DIRECTORS AND ADVISORS at the date of signing the accounts***

<b>Directors</b>	P Owston LLB MBA (Chair and Custos) J C Barnsdale MRICS K Muthukumarappan MBBS FRCOG M Med Sci C J Peake BA PGCE A M Pepper M C Phillips BA (Hons) PGCE K Truscott MA FCIPD M P Stephenson BA (Hons) MSc N J Porter BSc MRICS R W G Ross BA (Hons) FCA N E Riley BA MBA FCA
<b>Secretary</b>	R J Dunmore BA ACA
<b>Charity No.</b>	1103326
<b>Company No.</b>	05011039
<b>Principal Address and Registered Office</b>	Worksop College Worksop Nottinghamshire S80 3AP
<b>Key Management Personnel</b>	
<b>Headmaster</b>	Dr J M Price PhD, BSc Hons
<b>Bursar</b>	A Graham
<b>Head – Senior School</b>	C E Tilley BA (Hons)
<b>Head – Preparatory School</b>	D J Thorpe BSc (Hons)
<b>Finance Director</b>	J Mouldsdales BA (Hons) (ACMA)
<b>Auditor</b>	RSM UK Audit LLP Central Square 5 <sup>th</sup> Floor 29 Wellington Street Leeds LS1 4DL
<b>Bankers</b>	Santander plc Booth Centre Merseyside L30 4GB
<b>Solicitors</b>	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## COMPANY INFORMATION

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### Investment Advisers

Cazenove Capital Management Limited  
1 London Wall Place  
London  
EC2Y 5AU

### Insurance Brokers

Marsh Insurance Brokers Limited  
Rockwood House  
9-17 Perrymount Road  
Haywards Heath  
West Sussex  
RH16 3DU

# **WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED**

## **DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021**

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The directors present their report and financial statements for the year ended 31st August 2021 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006.

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The charity was formed in 2004 and is registered with the Charity Commission as charity number 1103326. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation (charity number 1096270). The charitable company is incorporated in the United Kingdom. Directors of the Company are also Fellows (members) of the Woodard Corporation and participate in the election of its board of management and are committed to its charitable objects.

Note 33 provides details of connected charities.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

The Company is governed by Articles of Association as adopted by Special Resolution dated 20th March 2013, replacing the Memorandum and Articles of Association dated 18th March 2004 amended by Special Resolutions on 25th January 2006 and 23rd June 2009. They permit funds to be managed in such a manner as the directors see fit, provided that such powers are only exercised for the purposes of attaining the objects and in a manner which is legally charitable. The Articles of Association forbid the distribution of any property or funds, which are to be applied solely towards the promotion of the objects of the company.

#### **Governing Body**

The governors are the directors and charitable trustees of the company and comprise the governing body of Woodard Schools (Nottinghamshire) Limited and are elected to hold office for five years. The school is governed by the governing body which operates using a number of committees. Membership of each committee is outlined on page 20. The governing body met 5 times during the year.

#### **Recruitment and Training of Governors**

All governors are Corporate Fellows of the Woodard Corporation. Corporate Fellows are responsible for electing the Woodard Corporation Board. Governors are recruited on the basis of nominations from school contacts and from selection when a post becomes available. The governing body look to ensure a mix of skills and select new governors on the basis of background, competence, specialist skills and commitment to the Church of England ethos of the school. Governors are provided with induction training by the Head and staff and a wider programme of training events is organised by the Woodard Corporation. The school also encourages governors to attend events run by the Association of Governing Bodies of Independent Schools (AGBIS).

Where possible the governors consider that the skills and experience of the Board should comprise the following:

- A Governor with a legal background.
- A Governor with a financial/accounting background.
- A Governor with education experience.
- A Governor with senior managerial or business experience.
- A Governor with experience of equal opportunities or disability needs.
- At least one female Governor and at least one male Governor.

One Governor may have one or more of these skills.

#### **Volunteers**

Governors are volunteers providing their time for free to support the governance of the school. The school also relies on a number of others to undertake volunteer roles including fund raising, assisting with school events and providing other support where required.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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The Worksoop College Parents' Association organised a series of social functions for parents and staff: the focus this year has been on social, rather than fundraising events. Parents' Association volunteers also assisted at a number of Open Events and in the transition of new families to the College.

The Ranby Parents Group continued to support the activities of the Preparatory School through its programme of fundraising and social activities. A variety of successful social and fundraising events for parents, pupils and staff took place.

Volunteers have continued to run the Preparatory School's second hand uniform shop and assisted with various activities, including school trips and the weekly forest school.

### **Organisational Management**

The school is governed by the governing body which delegates work to a number of committees. Membership of each committee is outlined on page 19. The directors determine the general policy of the company.

Education Committee – takes delegated responsibility on behalf of the Board for overseeing the agreed academic, curricular and pastoral provision of the School, including the making of recommendations as appropriate to the Board, so as to provide assurance to the Board on the School's educational provision and has lead responsibility for Safeguarding.

Finance & General Purposes Committee – takes delegated responsibility on behalf of the Board for overseeing all financial aspects of the School, working alongside the Finance Director so as to provide assurance to the Board on the School's short and long-term viability.

Estates Sub-Committee – takes delegated responsibility on behalf of the Finance & General Purposes Committee (F&GP) for overseeing the School's Estate (including buildings, plant and vehicles, grounds, gardens, roadways and security); and compliance with Health and Safety requirements relating to the School's Estate, so as to provide assurance to F&GP and the Board on all Estates matters.

Governance Audit and Risk Committee – takes delegated responsibility on behalf of the Board for implementing and advising on the external audit; for examining and reviewing all systems and methods of control both financial and otherwise including risk management; and for ensuring the School is complying with all aspects of the law, relevant regulations and good practice.

Human Resources Committee – takes delegated responsibility on behalf of the Board of Governors (the Board) for overseeing all Human Resources (HR) aspects of the School, working alongside the Head of HR, so as to provide assurance to the Board on all HR matters.

The key personnel are defined as those who attend full Board meetings and include the Headmaster, The Senior School Head, the Preparatory School Head and the Bursar. The day to day management of the company is delegated to the Headmaster, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration is undertaken within the policies and procedures approved by the governors which provide for only significant expenditure decisions and major capital projects to be referred to the governors for prior approval.

The Headmaster oversees the recruitment of all educational staff whilst, under delegated authority.

The remuneration of key management personnel is set by the Human Resources Committee, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the school's success.

The appropriateness and relevance of the remuneration policy is reviewed annually by the Headmaster and the Bursar, including reference to comparisons with other independent schools to ensure that the school remains sensitive to the broader issues of pay and employment conditions elsewhere. The Executive Team determines individual salaries other than those of key management personnel within approved budget limits and recommends general salary increases for approval by the HR Committee.

# **WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED**

## **DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2021**

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We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the school's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

### **Group Structure and Relationships**

The school has a wholly owned non-charitable subsidiary, Woodard Schools (Nottinghamshire) Enterprises Limited, the activities and trading of which are described below. Note 33 provides details of connected charities.

The school has developed links with a wide range of organisations to ensure the widest possible access to our facilities and schooling. Through membership of HMC, IAPS, BSA, ISBA, AGBIS and AEGIS and through networking with peer groups we ensure that we are able to attain the highest standards of quality and performance. We encourage our pupils to develop an awareness of the social context of the all-round education they receive at the school and they are engaged in a number of activities to enhance their understanding.

We have a thriving alumni group, the Old Worksopians, who are generous in supporting the work of the school and whose support we greatly appreciate. We also seek to cooperate with many local charities in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive.

### **CHARITABLE OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES**

#### **Charitable Objects**

The charity's objects, as set out in the Articles of Association, are to promote and extend education (including spiritual, moral, social, cultural and physical education) in accordance with the doctrines and principles of the Church. The Church is defined as being the Church of England and churches in full communion with the See of Canterbury.

#### **Intended impact**

Woodard schools strive for the best all round education of every aspect of each individual; they ensure high standards of religious education; and they see themselves as communities working together for the benefit of all members, and of the Church and the nation. They are strong Christian foundations which adhere to catholic belief as found in the Church, to Christian worship focused in the Eucharist, and to the care of each individual and the whole school community particularised in the ministry of the Chaplain.

#### **Aims**

Woodard Schools (Nottinghamshire) Limited, incorporating Worksop College and Ranby House Preparatory School, are boarding and day schools for pupils from the ages of 2 to 18. The schools aim to support children in reaching their potential in all areas of their activity at the school, and in the wider community. This may be in academic subjects but could just as easily be reflected in success in art, drama, sport or music. We produce 'well rounded' individuals who are able to make a positive contribution to society. All Woodard schools aim to provide a rounded education to help the pupils to make their way in adult life.

#### **Primary objectives**

The primary objectives of Worksop College and Ranby House Preparatory School to fulfil these aims are:

- develop resilient, adaptable, independent learners;
- support, challenge and extend the academic and individual endeavour of every member of its community, regardless of ability, background, gender, nationality or creed;

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2021

- develop strength of character through a diverse extra-curricular programme, leadership and service, and the promotion of sound moral values for each individual;
- provide a supportive community, based on the House system; to act *in loco parentis* and to provide an environment that nurtures, encourages and guides pupils for their time at the school and in preparation for the future;
- build upon its charitable aims and grow its sound financial foundation for future generations.

### Strategies to achieve the primary objectives

The overarching strategies used to achieve the primary objectives are:

- Further development of the Y7 and 8 curriculum including introduction of a lesson of Outdoor Education.
- Further development of the role of the Tutor; promotion of independent study through subject clinics; we have established a dedicated team of Sixth Form Tutors led by the Sixth Form Leadership Team.
- Co-opting onto SLT of Middle Leaders to progress major projects including developing academic excellence across the school and developing and promoting activities to enhance transition.
- Continued embedding of the clearer system of academic accountability and an understanding amongst Sixth Form students of 'three strands of learning': Preparation, Review and Extension. This through the Sixth Form Team and through increased focus from departments as a result of a rigorous Quality and Standards review process.
- Introducing to younger year groups the successful initiatives from the Sixth Form, including earlier intervention to address academic underperformance, pastoral issues and development of independent learning. Appointment of a new post of Head of Key Stage 4, also incorporating Y9 will further enhance this.
- Restructuring of the Senior Leadership Team to continue with the three year programme of Team development resulting in new roles at the College (addition of Deputy Head Pastoral) and in a Leadership Team which genuinely reflects that we are one school.
- Using the skills of the Leadership Team to embed supportive means of monthly financial tracking and weekly recruitment tracking.

### Principal Activities of the Year

The principal activity of the school is the delivery of education to pupils ranging from 2 to 18 years of age. We also facilitate a number of summer school activities and the school is open at other times for use by the local community. Pupil numbers at the school during the year were as follows:

	2020/2021		2019/2020	
Senior School	369	(135 boarders)	351	(149 boarders)
Preparatory School	95	(1 boarders)	98	(1 boarders)
Pre-Preparatory School	84		68	
Total	<u>548</u>		<u>517</u>	

	2020/2021		2019/2020	
	Boys	Girls	Boys	Girls
Senior School	226	143	202	149
Preparatory School	43	52	52	46
Pre-Preparatory School	45	39	33	35
Total	<u>314</u>	<u>234</u>	<u>287</u>	<u>230</u>

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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### Public Benefit

Within the objects, the school aims to create an environment to nurture children, to get the best from them and to allow them to develop and fulfil their potential. We provide them with a first class independent education and a wide range of sporting and artistic opportunities. The aim is that the Preparatory School pupils will be sufficiently self-confident to flourish in the Senior School and that all Senior School pupils will be fully equipped for their chosen future. Our public benefit aim and on an individual basis is that all pupils will be self-confident and desire to contribute to the wider community.

In the furtherance of these aims the Worksop College and Ranby House Preparatory School governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

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

Our school is a part of a wider community and we are keen that our staff and pupils participate. Our school also offers a resource to support a range of educational activities for the benefit of local children attending state schools and their teachers. Our governors are committed to developing our programme of cooperation and joint working with local maintained sector junior and secondary schools. The activities undertaken and the success of our programme are explained in the 'review of achievements and performance for the year' section of this report.

Woodard and its schools provide a significant benefit to the public. The school strives to ensure that measures of public benefit are appropriate, and that significant sections of the public are not excluded from the opportunity to benefit from the education and facilities offered due to the need to pay a fee. In addition to significant provision of bursaries and other forms of financial support, the school provides a wide range of opportunities for community benefit and facilities and events are often open to all. Further detail of the public benefit offered is included in the section entitled 'Review of Achievements and Performance for the Year' below.

It is a key requirement of evidencing public benefit that any private benefit to individuals or elements of the charity will be incidental to the charity's objectives. An example of private benefit may be the reimbursement of travelling expenses for trustees attending training courses: any private benefit to individuals or elements of Woodard are incidental to delivery of the charitable objectives.

### Bursaries & Scholarships

#### *Bursaries*

The governors view our bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to all who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk for example in the case of redundancy. In assessing means we use the methodology promulgated by the Independent Schools' Bursars Association, which takes a number of factors into consideration including family income, investments and savings and family circumstances, for example dependant relatives and the number of siblings. Our school does not have an endowment and in funding our awards we have to be mindful that we must ensure a balance between full fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The bursary awards ranged from 5% to 95% remission of fees. Information about fee assistance through bursaries is provided to all applying to the school. We also advertise the awards. Further details of our bursary policy and how to apply are available on our website.

This year, total remissions were £1,544,256. The value of means tested bursaries totalled £360,436

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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and represented 3.93% of our gross fees. This assisted 62 of our pupils.

### **Scholarships**

The purpose of our scholarship awards is to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

Scholarships are awarded with a fixed remission of fees, typically between 5% and 25%. Where further assistance is required, scholarship awards may be supplemented by a means tested bursary. We advertise the availability of scholarship awards each year. Further details of our scholarship policy are available on our website.

The school awarded scholarships to 142 pupils, based on their educational merit and potential, totalling £705,075 and representing 7.69% of our gross fees. Of this number, 30 also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews. The availability of all such awards for fee-assistance, together with the terms and conditions for each kind of award, is advertised on our website.

### **Review**

The school includes details of the various concessions in the prospectuses and on the website. All parents making enquiries about possible entry are provided with a description of the criteria for bursaries and scholarships. In most cases the budget for bursaries is allocated using a "needs blind" approach as far as possible, whilst giving priority to the continuity of education of those pupils already at the school. All criteria and policies relating to concessions are kept under review and are updated when necessary. Bursary awards are reviewed annually.

### **Employment Policy**

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

### **Investment Policy and Objectives**

The company's Articles of Association permit funds to be invested in such manner as the directors see fit, providing that such powers of investment are only exercised for the purpose of attaining the objects and in a manner that is legally charitable.

Investment activities are managed in line with the requirements of the Trustee Act 2000. The governors have appointed Cazenove Capital Management Limited as investment managers. Our investment policy is to preserve the capital value of investments and maximise the return and income on all investments.

The investment managers have discretion about how the investments are managed within the policy parameters set by the governors. The investment targets are to preserve the real value of investments against inflation and to generate an income yield of 3%. The Board are satisfied with both the increase in the overall value of investments held and yield achieved at a time of economic uncertainty.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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### STRATEGIC REPORT

#### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

##### The Promotion of Education

During the year we educated 548 children between the ages of 2 and 18. The school provides a very high standard of education and this is validated in review of the academic results, our measurements of added value and through external inspection.

The school offers a broad curriculum and educates children with a wide range of ability. The school can demonstrate particular excellence across not only the academic spectrum but also in sport, music and the arts. The aim of the school is to support children in reaching their potential in all areas of their activity at the school. This holistic approach is reflected in success in art, drama, music or on the sports field.

The school produces 'well rounded' individuals who are able to make a positive contribution to society. A very large majority move on to higher education and achieve their first or second choice of destination. This year 80% achieved places at Russell group Universities. A growing number of cases each year sees pupils able to 'trade up' on results day. Our value added data remains robust. The quality of our University advice and preparation is now exceptional and given the unusual 'buyer's market' that now exists around University admission; this advice and the hard work of pupils contribute to our success.

##### Academic Results

**A level:** The teaching staff worked incredibly hard to ensure that fair teacher assessed grades were awarded which reflected the pupils' ability in their subject. The A level pass rate was 98.5% with A and A\* grades at 46% and A\*-C at 83%. Three pupils got straight A\*'s with another 4 pupils gaining all A\*'s or A's. 80% of pupils got into their first choice university.

**GCSE:** 96% of pupils gained an overall pass with 84% gaining all passes including English and Maths.

45% of all grades were at A\*-A.

The above results are particularly impressive given the non-selective nature of the school and value added for each pupil continues to be impressive.

##### Improving Facilities

We continue to improve facilities through constant investment in the fabric of the buildings and assets and ambitious programmes to provide the best facilities to support teaching and learning. Covid restrictions limited school refurbishment during 2020-21 but the sports hall was completely redecorated, a new ring main was installed in the senior school building.

##### Arts, Music and Drama

One of the important elements of any Woodard school is the concentration on arts, music and drama and we continue to be renowned for the arts. Unfortunately, Covid meant that our Worksop Concert Series was unable to take place but we managed to live stream weekly pupil recitals and our carol concert on our Worksop Music You Tube Channel. We also managed to perform plays at the College for year 7 & 8 pupils and at Ranby, with socially distanced audience participation for the latter. One pupil also won the Woodard Musician of the year award and the Independent Schools KS4 Musician of the year award.

Prize day at the College was recorded and sent out live to parents, but due to the smaller numbers and fair weather we were able to host Prize giving at Ranby with parents attending in the grounds. Parents enjoyed an excellent ceremony with the guest speaker being our newly appointed well-being co-ordinator, who is an Old Worksopian and former Head of School at the College.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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### Sport

Worksop College and Ranby House are rightly famous for their sporting provision and success. Despite a year which was impacted hugely by Covid we managed to maintain regular sport when the pupils were in school. In the first term the girls did play some hockey fixtures but due to the restrictions with rugby the first half of the term saw the College switch to cricket with Seniors playing a number of great games and securing victories against the likes of the MCC and the Forty Club. When schools were permitted to reopen in the summer term the boys and girls enjoyed much sport. The introduction of girls cricket proved to be a huge success with Nottinghamshire CCC assisting with coaching as the school had become their development center in this region. The boys enjoyed a number of fixtures in all age groups against many schools in the locality and beyond and against a number of county age group sides. Although relatively young, our first eleven enjoyed great success winning the region and reaching the last 8 of the national twenty over competition and making the last 16 of the 50 over competition before narrow defeat away at Rugby School. During the season and throughout the summer the school also hosted a number of Nottinghamshire county cricket club fixtures with numerous other counties enjoying playing on our grounds. In addition we hosted a professional 1st XI twenty over Nottinghamshire warm up game which was streamed live nationally. We also had the honour of hosting the MCC region city semi-finals with 5 regions and cities from all over the UK taking part in a day long competition.

Unfortunately, Covid meant that little hockey was able to be played and we were unable to defend our national independent schools under 15 title but it was a pleasure to see three Old Worksopians including captain, Adam Dixon, get their chance to represent GB in the Olympic games. Other Sporting Old Worksopians enjoyed much success, notably the England Cricket Captain, Joe Root, who had a record breaking summer in international test matches, as did Samit Patel, in the one hundred and twenty over blast competitions.

Golf has continued to thrive and in June the school became National independent school champions for the first time. We continue to attract high caliber young golfers to the school and our fixture list is ever increasing and we have enjoyed hosting many events and other schools on our College Pines course.

Our link with Loughborough lightning netball also continues to grow with the appointment of one of their players to coach our age group teams. They also continue to use our facilities for their age group coaching sessions.

This is all part of our strategy to develop close relationships with professional and local clubs in order to provide continued to development for our pupils and pathways into professional sport.

### Significant Events

In January 2020, the decision was made to change the structure of the school day and week at Worksop College. Non-compulsory Saturday attendance took effect for the first time in the school's 125 year history in September 2020 with academic lessons being brought into the school week meaning a 4.30pm finish with optional activities and homework session offered until 5.30pm. Without losing out on teaching time the timetable was adjusted to allow for slightly shorter lesson times with breaks or lunch after every two periods. The extra-curricular programme was designed around the importance of developing emotional intelligence and building CV in older pupils to enhance employer attraction on leaving the College. A range of activities are offered from Salsa dancing to Mandarin. In addition, a lifeskills programme, including such things as how to iron, cook on a budget and financial management was introduced in the Sixth Form. The Headmaster had introduced a similar course at his previous school where it had proved to be successful. The changes were well received by parents and have led to significant increase in recruitment and retention.

At Ranby the decision to extend the age range provision down to 2 years old has also proved hugely successful as has the lease of a building to house an external nursery. The introduction of the Kindergarten has also has a positive effect on the 'bottom end' of recruitment at Ranby. The quality of our remote learning provision during lockdown also attracted many new pupils to the school. During the second lockdown, as with the first, a full timetable of face to face lessons over MS teams was provided throughout the schools and the feedback regarding it was overwhelmingly positive from all parents. Parents recognised the hard work that all the staff had put in to maintain a high standard of education

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2021

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for their children, as well as a sense of normality and structure during this time. Ranby stayed open the whole time, providing schooling for our key worker children. The College also provided key worker provision and also had to host a number of boarders during half term and Easter holidays, who were unable to travel home due to restrictions. This again was well received by parents and has resulted in us maintaining a high level of interest from overseas pupils.

For the first time this year the College hosted a Finding your Futures career week for all students. This event took place on line with visiting speakers (mainly Old Worksopians and parents) from a range of professions and careers speaking to pupils about their jobs and their career path. 35 lecturers took part during the week which was fantastic and well received by pupils and parents alike. This will now become an annual event in the Spring term.

A well-being and mindfulness co-ordinator was also appointed across both schools with mindfulness and well-being session being embedded in the curriculum for pupils and also offered as lunchtime and twilight session for staff. A well-being afternoon also took place for staff during the Autumn Inset. In light of the increased issues surrounding mental health and well-being post the pandemic the school will continue to prioritise this.

Despite the positive delivery of online learning Covid-19, once more, this had a considerable impact on the income for both schools during 2020-21. Although many boarders were able to return after Christmas some were unable to due to travel restrictions and revenue was lost. A 5% concession was also given to all parents for the spring term. Although much less than in the first lock down this was generally very well received by parents who acknowledged the excellent provision that had been made during the first lockdown, with some happy to pay the full amount and not take up the concessionary offer.

Despite the challenges that were faced gain during lockdown the decisions that were taken were extremely well received by parents and the College came together as a whole community, supporting current pupils, OW's and the local area during this time.

### Wider Education

We are committed to providing opportunities for students at university to gain practical teaching experience as part of their PGCE teacher training course. During the year, 3 students were given such an opportunity. Our Graduate Assistant Programme continues to grow. In the last year, 5 University Graduates benefited from prolonged work experience at the school (the normal programme length is 9 months).

The Woodard Corporation is involved in the development of Academies as part of the government's initiative. In support of this project all Woodard schools have provided support, where asked, through provision of educational expertise, participation in governance, direct curriculum support etc.

Worksop Priory Academy benefited from one member of staff on the Governing Body. The Tuxford Primary Academy benefited with one member of staff on its Governing Body. The Independent Schools Inspectorate also benefits from two members of staff as inspectors and many staff act as examiners for public examination boards.

### Community

Through development of, and provision of access to new facilities, the school remains at the heart of the community. Facilities made open to the public include:

- The school swimming pool, which is made available to local swimming clubs and organised bodies such as Sparken Hill Academy, Splash and Worksop Dolphins swimming club.
- Our Music facilities which are made available to a wide range of local music societies. Our music school is the venue for the preliminary rounds of the annual Worksop Music Festival. We are an ABRSM examination centre which enables members of the local community to take examinations locally without travelling to unknown venues. Our Director of Music is also the Director of the North Nottinghamshire Choir, a role he takes on a voluntary basis and the Choir rehearses and performs in the school facilities.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2021

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- Our sports pitches are recognised as being of particular quality and are regularly used by Nottinghamshire County Cricket Club, Worksop Harriers Athletics Club, numerous football groups, orienteering groups and Worksop Navy Cadets.
- Our wider school grounds now host the local Junior Park Run; a national initiative to promote sport and wellbeing to children in the community.
- We have been awarded a Queen's Award for Voluntary Service, presented to us by the Lord Lieutenant and recognising the work done in the community by our students. This includes after school clubs for community children, working in local maintained schools, charity shops and homes for the elderly.

### Charitable Activities

Each House undertakes specific fundraising for projects. These causes are promoted by students, voted for by their peers and then promoted to the whole school community. The school community takes part in a wide range of sponsored events and other fundraising activities including chapel collections. In addition to the provision of PPE, much work was done during lockdown to raise monies for various charities through a series of events such as virtual runs around Woodard Schools in the UK to the furthest away pupil in a boarding house. During the year, we managed to raise £781.61 to help these projects and this has been a challenging year for people given the Covid-19 situation.

Separately £12,422.57 has been raised during the year for the Chapel roof appeal and the OW Society mainly contributed towards this appeal.

### Fundraising Performance

Grants and donations totalled £687,900 (2020: £530,022) of which £686,619 (2020: £527,472) related to Coronavirus Job Retention Scheme Grant income received and restricted income donations of £nil (2020: £ nil).

### Investment Performance Against Objectives

The company's investments are managed by Cazenove Capital Management Limited and in the opinion of the advisers the performance has met expectations. The investment performance is measured against targets agreed with the investment advisers and, given continued economic uncertainty fuelled by ongoing Brexit negotiations and other factors, the company is satisfied with the market value of its bursary and prize funds. Investments are held for the long-term and represent amounts yet to be spent on education.

## FINANCIAL REVIEW

### Results for the Year

The net resources for the year amounted to £282,246 profit position of which the operating profit on school activities was £265,507. This figure includes the sale of a property with part closure of the school providing parents with a 5% discount on day fees. Further details of these can be found in notes 8 and 2 respectively.

Our trading company, Woodard Schools (Nottinghamshire) Enterprises Limited, continues to operate the school shop and to hire out school facilities during holiday periods and school hours, as well as undertaking commercial activity on behalf of the school and externally. The company contributed £4,926 to the school's operating results, a decrease on last year's contribution of £25,274 and this was mainly due to a reduction in sales revenue due to Covid-19 and the closure of many letting activities along with a provision for stock write off.

The parents of our pupils often make significant sacrifices to pay the fees. In doing so they help to relieve the state of the financial burden of educating 548 UK based children. The saving is estimated to have a value in the last year of £3,497,336

The school is unable to recover the VAT on purchases it makes. During the past year, Woodard Schools (Nottinghamshire) Limited has paid an estimated £317,705 in VAT on goods and services.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

In addition to the very substantial benefits our school brings to our pupils, the local community and society through the education we offer, our bursary programme creates a social asset without cost to the Exchequer.

Woodard Schools (Nottinghamshire) Limited provides a pension to some staff under the terms of the Pensions Trust Growth Plan. As a result of this pension scheme being under funded, Woodard Schools (Nottinghamshire) Limited is committed to contribution to a recovery plan. During the course of the year, Woodard Schools (Nottinghamshire) Limited made contributions to the recovery plan of £30,343 and the recognised liability under the plan reduced by £34,681, with this value being recognised in the Statement of Financial Activities. Further details can be found in note 29.

### Reserves Level and Policy, and Financial Viability

It has been the school's policy to utilise funds to ensure that high quality up-to-date facilities are provided for the benefit of pupils. The aim is to budget so to provide sufficient working capital to meet the present needs and future development requirements of the school without the requirement to have recourse to sales of tangible fixed assets. Unrestricted funds increased by £270,061 to total £3,943,811, as shown in note 25.

In previous years there has been little invested into the old school buildings although there is a continuing programme set out for refurbishment, development and investment to maintain excellent teaching facilities for our pupils. In common with most independent schools, and due to having to fund their own capital investment plans, free reserves are at a negative balance illustrating the extent of the investment in our school. The school's total reserves of £4,148,331 at the year-end included £156,424 of endowed funds, £48,096 of restricted funds and £3,943,811 unrestricted funds. Within unrestricted funds, Woodard Schools (Nottinghamshire) Limited has reserves of £156,491 for the pension-funding deficit. Fixed assets held for charity use totalled £11,140,254 leaving negative free reserves of £6,991,923 (2020: £7,273,555) at the year-end.

The company's unrestricted reserves are primarily invested in tangible fixed assets which are all used for its direct charitable activities.

The group and the school have net current liabilities of £6,927,066 at 31 August 2021. This includes bank loans and overdraft of £4,094,203 which are due for repayment by October 2022 as explained further on page 16 and deferred fee income received in advance for the 2021/22 school year of £2,862,032.

There is currently no reserves policy in place, but this is under review.

Key performance indicators are monitored and reported to the Executive Team and Governors on a monthly basis. These indicators cover Income, Expenditure, Operating expenditure per pupil, and target profit or loss for the year. Please refer to the table below on the main 3 of the KPI's which are monitored:

	Actual	Budget	Variance
Financial Profit/(Loss)	£282,246	-£282,686	£564,932
Remissions	15.30%	15.50%	0.20%
Pupil numbers	548	516	32

### PRINCIPAL RISKS AND UNCERTAINTIES

The governors consider the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal risk faced by the school. The governing body decided last year not to increase fees in September 2020.

Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the campus on trips and expeditions).

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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The level and breadth of activity at the school is impressive and the risks associated with all activities are minimised by thorough planning and risk assessment.

The governing body is responsible for the identification and management of risks. The major risks to which the charity is exposed, as identified by the directors, have been reviewed and systems or procedures have been established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the Executive Officers and the process is overseen by the governing body. A formal review of the risk management processes is undertaken annually by the relevant committees of the board.

The principal risks to which the school is exposed include those affecting protection of pupils and security and preservation of charitable assets both now and in the future. Significant risk areas:

- the market in which the school operates is highly competitive and we monitor developments in education, to ensure that pupils always receive a first class, holistic and varied educational experience in our school
- we strive to ensure that all staff are able to work in a safe and supportive environment and policies, procedures and training in Human Resource management and Health and Safety help to ensure that the school meets expectations
- the school operates in a highly regulated sector, including in matters of child protection, and we appoint appropriate professional advisers to ensure that we can keep up to date with all requirements; school or individual membership of bodies being the constituent associations of the Independent Schools Council also ensure that we have access to up to date information and support
- the school operates in an increasingly litigious environment and we appoint appropriate professional advisers and purchase insurance using specialist brokers and advisers to ensure that we can keep up to date with all requirements and meet all challenges
- all organisations face difficult economic conditions and directors and senior managers in the school keep abreast of economic conditions locally, nationally and internationally to identify trends and develop plans to address issues
- changes to Teachers' Pension contributions, potential withdrawal of business rates relief and increases to the National Living Wage in excess of inflation will cause significant increases in operating costs.
- Availability and continuation of adequate banking or other finance facilities
- the impact of Covid-19 has had a considerable impact on the income for both schools during 2019-20 and 2020-21. This situation required an online provision, which was of a high standard during this challenging time, offering all students a day rate less 5% discount. Feedback from parents was overwhelmingly positive regarding the online provision and Ranby Prep School took children back into the classroom as soon as possible under Government guidelines. Pupil numbers have increased during this period for both schools, as parents were unhappy with their current on line provision, recognition that the staff worked hard to ensure children had continuity and high standards of education continued throughout this difficult time. This pandemic has created challenging times and forecasting different scenarios of future income has been necessary. This environment has created some potential risks and uncertainties.

The key controls used by the school include:

- formal agendas and minutes for all meetings of the governing body and committees
- terms of reference for all committees
- comprehensive strategic planning, financial forecasting, budgeting and management accounting
- established and identifiable organisational structures and reporting lines which are regularly reviewed
- comprehensive formal written policies
- clear authorisation limits
- vetting procedures, as required by law, for protection of the vulnerable

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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The school plans strategically having regard to risk. The executive provide the governing body with regular reports which include details of the principal strategic objectives and the actions to achieve those objectives. The school also records significant achievements and updates the governing body and Woodard on short-term plans.

The strategy is discussed between the governing body and the Woodard Board and regulations have been developed and agreed which outline the relationship between the two bodies.

### Financial risk management objectives and policies

The school uses financial instruments, other than derivatives, comprising loans, cash and other liquid resources and various other items such as trade debtors, creditors and finance lease arrangements that arise directly from operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The main issues arising from the group's financial instruments are liquidity risk and currency exchange rate risk. The school's directors adopt policies for managing each of the risks and these are summarised below:

- Liquidity risk – the school seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by producing long-range forecasts and negotiating adequate facilities with the school's bankers. The facilities currently in place are only short term, however the school is currently negotiating longer term facilities to meet future needs.
- Currency exchange rate risk – the school welcomes a number of international pupils each year and manages currency exchange risk by accepting receipts in pounds sterling only. The school recognises that in times when sterling is comparatively strong, international recruitment may be affected.

### GOING CONCERN

After review of evidence, the Board of Woodard Schools (Nottinghamshire) Limited has a reasonable expectation that the group will be able to continue operating for at least the next 12 months from the signing of these accounts and the financial statements have thus been prepared on a going concern basis. The Directors have a reasonable expectation that the group have adequate resources to continue operating.

The main factors the Directors have considered in making this decision are based on:

- A "turnaround" strategy approved by the Board at its meeting in June 2020. This focusses on cost savings and efficiencies and delivery is closely monitored by the Finance and General purposes committee
- Confidence in predicted pupil numbers and that key stakeholders i.e. the parents and carers continue to support the Schools
- Confidence in the educational offering and the College's ability to adapt to market conditions by delivering on line teaching
- The disposal of unused assets and a review of land utilisation
- The proposed re-structure of financial borrowings with a movement away from the current lender to one with a more specialised Education background and with opportunities to support the progress of the schools turnaround strategy financially. The Schools are very close to restructuring the financial borrowings within the next six months which will ensure long term financial stability and restore the loan facility to a long-term basis.

The Board is fully aware of managing cash flows and this is monitored on a weekly basis with the oversight of the Chair of the Finance and General Purposes Committee (F&GP). The Finance Director reconciles the bank on a weekly basis and this information is shared with the bank, Headmaster and Chair of the F&GP Committee, highlighting any issues or concerns or positive impacts on the cash flows compared to the forecast. Cash flows are discussed at the F&GP meetings and sent out together with the monthly Management Accounts for the Executive Team and F&GP Directors.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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The relationship with Santander remains positive with less regular meetings with the bank due to confidence of delivery of the turnaround plan. Discussions around cash flows are reviewed with the bank on a less frequent basis going into 2021-22 as these are managed well internally.

Although the relationship with the bank is positive, it has been agreed that a new lender be sought with whom the College can develop a long term relationship. The current outstanding loan with the bank has not been repaid in full, however the outstanding balance will be factored into any new lending agreement with repayments of the loan starting to be repaid again from September 2021.

As mentioned previously, the schools are working with a number of financial institutions currently to seek a new lender who will support the turnaround strategy of the schools and provide long term financial stability. This restructuring of finances will take place within the next six months.

A strategic turnaround plan has been developed by the Headmaster and members of the Executive Team, this was presented to and approved by the Board of Governors on the 17th June 2020. This outlines a number of initiatives to reduce costs, increase pupil numbers and make optimum use of the School's land and assets. Governors are fully engaged in ensuring this strategic plan is being delivered, and looks for assurance and accountability from key Executive Team members. Currently to date the turnaround strategy is being delivered and closely monitored by Board of Governors.

The pupil numbers for the future academic year are on target with additional pupils joining the school due to parents being dissatisfied with the communication and online learning with their present school during Covid-19. The feedback from our own parents have been overwhelming positive regarding the online provision, all lessons including PE and music lessons were carried out via Microsoft Teams. The Governors have full oversight of the pupil numbers in the F&GP Committee with the Director of Marketing present at this meeting. We have a number of Agents to assist with overseas pupil recruitment and new emerging markets are being sought for the future.

Covid-19 has had an impact on the teaching and learning at both of our schools and this has resulted in only a slight increase in gross fees income during 2020-2021 of around £113,000. All pupils during this time could not flexi board or when not in school had remote access to a full timetable of face to face lessons across all subjects in the Senior School. House and Headmaster assemblies took place weekly, along with Chapel services and individual tutorial sessions. For younger children at Ranby House Prep School a number of different platforms and activities were used to ensure all the children from age 3-11 were receiving a good educational offering.

During 2020-21 it was important again that the Executive Team and Governors gained access to the Government's Job Rotation Scheme and placed not only support staff on but also teachers for a period of time on the furlough scheme.

The impact of the cost of TPS during the academic year 2020-21 continued however a review took place and a new pension provision was implemented for September 2021. This project was led by the Chair of the HR Committee and HR Manager with oversight of the Chair of Governors and F&GP Committee.

Due to the Covid pandemic, Enterprises Ltd has lost income from lettings for the second year. Bookings have been moved wherever possible to future dates and events have improved from August 2021 onwards. Forecasting potential income for Enterprises for the new academic year 2021-22 is challenging however two new staff members are currently being recruited in order to drive Enterprises forward in the new year, working with the finance department with new costing models and closely monitored financial reporting on a monthly basis.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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### FUTURE PLANS

In June 2020 a Strategic Turnaround Plan was presented to the Board assisted with the support of a Consultant appointed by the bank and Woodard Corporation. The turnaround plan consists of carrying out the following:

1. A reduction of the overall cost base
2. The implementation of cost efficiencies
3. The optimisation of land utilisation and
4. The identification of assets for disposal for cash generation
5. Break-even by 2022

Within this Turnaround Plan the Governors oversee and monitor each stage of the plan in the regular meetings. Updates are also given to the Board from the individual Governors sub committees.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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### DIRECTORS WHO ARE ALSO TRUSTEES

The directors who served during the year, and the committees of which they were members, are:

P Owston (Chair)		Finance and General Purposes Committee Estates Sub-Committee Education Committee Human Resource Committee
S D Armstrong	Resigned 8 September 2020	Finance and General Purposes Committee
J C Barnsdale (Vice Chair)		Finance and General Purposes Committee Estates Sub-Committee
S Cundy		Finance and General Purposes Committee Governance Audit and Risk Committee
K Muthukumarappan		Education Committee Governance Audit and Risk Committee
C J Peake		Lead Governor for Public Benefit Governance Audit and Risk Committee
B J Peck	Appointed 28 April 2021	
A M Pepper		Finance and General Purposes Committee Estates Sub-Committee
M C Phillips	Appointed 12 Oct 2020	Education Committee Human Resources Committee
N J Porter		Finance and General Purposes Committee Estates Sub-Committee
N E Riley	Appointed 23 June 2021	Finance and General Purposes Committee
R W G Ross	Appointed 20 May 2020	Finance and General Purposes Committee
M P Stephenson		Finance and General Purposes Committee

## WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

### DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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A C Swain	Reigned 1 May 2021	Finance and General Purposes Committee
K Truscott	Appointed 27 Nov 2019	Safeguarding Governor Human Resources Committee Education Committee

Since the end of the financial year, B J Peck has resigned from the Board (9 September 2021) and S Cundy has resigned from the Board (28 October 2021).

None of the directors has any beneficial interest in the company. Woodard Schools (Nottinghamshire) Limited buys trustees and officers insurance on behalf of the directors.

Number of meetings held during the year to 31st August 2021:

Board	5
Finance and General Purposes Committee	5
Education Committee	3
Governance Audit and Risk Committee	3
Estates Sub-Committee	5

#### AUDITOR

RSM UK AUDIT LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2021

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### DIRECTORS RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these 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 (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and group will continue in business.

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

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

### Qualifying third party indemnity provisions

The charitable company has made qualifying third party indemnity provisions for the benefit of its Directors during the year. These provisions remain in force at the reporting date with an indemnity limit of £2,000,000.00.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors of Woodard Schools (Nottinghamshire) Limited on 13 December 2021 including, in their capacity as company directors, approving the Directors' and Strategic Reports contained therein, and signed on its behalf by:

Mrs P Owston  
Chairman



# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED (CONTINUED) YEAR ENDED 31ST AUGUST 2021

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### Opinion

We have audited the financial statements of Woodard Schools (Nottinghamshire) Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the Consolidated and Charity Statements of Financial Activities, the Consolidated and Charity Balance Sheets, Consolidated Cash Flow Statements and the 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 Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Material uncertainty related to going concern

We draw attention to note 1(b) in the financial statements, which indicates that the parent charitable company and group currently does not have banking facilities secured beyond October 2022. This, along with other matters set out in note 1(b), indicates that a material uncertainty exists which may cast significant doubt on the company and group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis is appropriate.

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

### Other information

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

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

We have nothing to report in this regard.

# **WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED (CONTINUED) YEAR ENDED 31ST AUGUST 2021**

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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 prepared for the purpose of company law 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 the knowledge and understanding of the group and the parent charitable company and their 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

### **Responsibilities of trustees**

As explained more fully in the Statement of Directors' responsibilities set out on page 21, 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 Directors are responsible for assessing the group's and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED (CONTINUED) YEAR ENDED 31ST AUGUST 2021

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### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Directors' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED (CONTINUED) YEAR ENDED 31ST AUGUST 2021

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### Use of our report

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

*RSM UK Audit LLP*

**Dale Thorpe BSc FCA** (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory  
Auditor Chartered Accountants  
Central Square  
5<sup>th</sup> Floor  
29 Wellington Street  
Leeds  
LS1 4DL  
Date: 14 December 2021

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2021 £	Total 2020 £
<b>Income and endowments from:</b>						
<b>Charitable Activities</b>						
School fees receivable	2	7,372,242	-	-	7,372,242	6,444,572
Ancillary trading income	3	348,866	-	-	348,866	277,160
<b>Other trading activities</b>						
Non-ancillary trading income	4	196,302	-	-	196,302	187,227
<b>Investments</b>						
Investment income	5	-	-	-	-	15,610
Bank and other interest	6	24	-	-	24	182
<b>Donations</b>						
Grants and donations	7	687,900	-	-	687,900	530,022
Other income	8	540,030	-	-	540,030	-
<b>TOTAL INCOMING RESOURCES</b>		<b>9,145,364</b>	<b>-</b>	<b>-</b>	<b>9,145,364</b>	<b>7,454,773</b>
<b>Expenditure on:</b>						
<b>Raising funds</b>						
Non-ancillary trading	9	119,476	-	-	119,476	123,464
Financing costs	10	101,980	-	-	101,980	261,607
Investment management	9	27	43	433	503	2,185
Fundraising and development		-	-	-	-	594
<b>Total</b>		<b>221,483</b>	<b>43</b>	<b>433</b>	<b>221,959</b>	<b>387,850</b>
<b>Charitable Activities</b>						
Education and grant making	9	8,657,898	-	-	8,657,898	8,625,405
<b>TOTAL EXPENDITURE</b>		<b>8,879,381</b>	<b>43</b>	<b>433</b>	<b>8,879,857</b>	<b>9,013,255</b>
Net gains/(losses) on investment assets	15	-	1,789	14,950	16,739	(1,031)
<b>Net income/(expenditure)</b>		<b>265,983</b>	<b>1,746</b>	<b>14,517</b>	<b>282,246</b>	<b>(1,559,513)</b>
Transfers between funds	26	4,078	7,233	(11,311)	-	-
<b>Net Movement in funds for the year</b>		<b>270,061</b>	<b>8,979</b>	<b>3,206</b>	<b>282,246</b>	<b>(1,559,513)</b>
Fund balances at 1st September		3,673,750	39,117	153,218	3,866,085	5,425,598
<b>FUND BALANCES AS AT 31ST AUGUST</b>		<b>3,943,811</b>	<b>48,096</b>	<b>156,424</b>	<b>4,148,331</b>	<b>3,866,085</b>

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 30 to 60 form part of these financial statements.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## CHARITY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	2021 £	2020 £
<b>Income and endowments from:</b>						
<b>Charitable Activities</b>						
School fees receivable	2	7,372,242	-	-	7,372,242	6,444,572
Ancillary trading income	3	348,866	-	-	348,866	277,160
<b>Other trading activities</b>						
Non-ancillary trading income	4	-	-	-	-	-
<b>Investments</b>						
Investment income	5	-	-	-	-	15,610
Bank and other interest	6	24	-	-	24	106
<b>Donations</b>						
Grants and donations	7	679,902	-	-	679,902	546,060
Other income	8	540,030	-	-	540,030	-
<b>TOTAL INCOMING RESOURCES</b>		<b>8,941,064</b>	<b>-</b>	<b>-</b>	<b>8,941,064</b>	<b>7,283,508</b>
<b>Expenditure on:</b>						
<b>Raising funds</b>						
Non-ancillary trading		-	-	-	-	-
Financing costs	10	100,497	-	-	100,497	260,283
Investment management	9	27	43	433	503	2,185
Fundraising and development		-	-	-	-	594
<b>Total</b>		<b>100,524</b>	<b>43</b>	<b>433</b>	<b>101,000</b>	<b>263,062</b>
<b>Charitable Activities</b>						
Education and grant making	9	8,574,557	-	-	8,574,557	8,578,928
<b>TOTAL EXPENDITURE</b>		<b>8,675,081</b>	<b>43</b>	<b>433</b>	<b>8,675,557</b>	<b>8,841,990</b>
Net (losses) on investment assets	15	-	1,789	14,950	16,739	(1,031)
<b>Net (expenditure)/income</b>		<b>265,983</b>	<b>1,746</b>	<b>14,517</b>	<b>282,246</b>	<b>(1,559,513)</b>
Transfers between funds	26	4,078	7,233	(11,311)	-	-
<b>Net Movement in funds for the year</b>		<b>270,061</b>	<b>8,979</b>	<b>3,206</b>	<b>282,246</b>	<b>(1,559,513)</b>
Fund balances at 1st September		<b>3,673,750</b>	<b>39,117</b>	<b>153,218</b>	<b>3,866,085</b>	<b>5,425,598</b>
<b>FUND BALANCES AS AT 31ST AUGUST</b>		<b>3,943,811</b>	<b>48,096</b>	<b>156,424</b>	<b>4,148,331</b>	<b>3,866,085</b>

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 30 to 60 form part of these financial statements.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31ST AUGUST 2021

	Note	Group 2021 £	2020 £	Charity 2021 £	2020 £
<b>FIXED ASSETS</b>					
Tangible assets	14	11,140,254	11,316,722	11,139,640	11,315,954
Securities Investments	15	173,622	155,957	173,722	156,057
		11,313,876	11,472,679	11,313,362	11,472,011
<b>CURRENT ASSETS</b>					
Stock		66,994	117,473	28,421	30,334
Debtors	16	1,820,474	1,651,365	1,846,540	1,692,488
Cash at bank and in hand		86,058	78,770	35,992	35,458
		1,973,526	1,847,608	1,910,953	1,758,280
<b>CURRENT LIABILITIES</b>					
Creditors payable within one year	17	(8,900,532)	(9,234,931)	(8,837,445)	(9,144,935)
<b>NET CURRENT LIABILITIES</b>		(6,927,006)	(7,387,323)	(6,926,492)	(7,385,655)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,386,870	4,085,356	4,386,870	4,085,356
<b>LONG TERM LIABILITIES</b>					
Creditors payable after one year	18	(81,948)	(27,999)	(81,948)	(27,999)
<b>TOTAL NET ASSETS EXCLUDING PENSION LIABILITY</b>		4,304,922	4,057,357	4,304,922	4,057,357
Net pension liability	30	(156,491)	(191,172)	(156,491)	(191,172)
<b>NET ASSETS</b>		4,148,431	3,866,185	4,148,431	3,866,185
<b>REPRESENTED BY:</b>					
<b>CALLED UP SHARE CAPITAL</b>	23	100	100	100	100
<b>ENDOWED FUNDS</b>	26	156,424	153,218	156,424	153,218
<b>RESTRICTED FUNDS</b>	26	48,096	39,117	48,096	39,117
<b>UNRESTRICTED FUNDS</b>					
General reserve	26	4,100,302	3,864,922	4,100,302	3,864,922
Pension reserve	28	(156,491)	(191,172)	(156,491)	(191,172)
		4,148,431	3,866,185	4,148,431	3,866,185

The financial statements were approved and authorised for issue by the Board on 13 December 2021 and signed on its behalf by

Mrs P Owston  
Chairman  
Company registration number 05011039



The notes on pages 30 to 60 form part of these financial statements

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## CONSOLIDATED CASH FLOW STATEMENT AS AT 31ST AUGUST 2021

	Note	2021 £	2021 £	2020 £	2020 £
NET CASH FLOW (USED IN) PROVIDED BY OPERATING ACTIVITIES	35		(239,407)		73,418
Cash flow from investing activities:					
Dividends, interest and rents from investments		24		15,792	
Proceeds from the sale of property, plant and equipment		540,030		(14)	
Purchase of property, plant and equipment		(117,431)		(60,902)	
Net cash provided by/ (used in) investing activities		5,786		320,421	
Investment management fees		503		2,184	
Investment write off		-		2,036	
			428,912		279,517
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayments of borrowing		-		(101,500)	
Financing costs		(101,980)		(261,607)	
			(101,980)		(363,107)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			87,525		(10,172)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR 1 <sup>ST</sup> SEPTEMBER			(1,003,920)		(993,748)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR 31 <sup>ST</sup> AUGUST	36		(916,395)		(1,003,920)

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

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### 1. ACCOUNTING POLICIES

Woodard Schools (Nottinghamshire) Limited is a private company, limited by shares and incorporated in England and Wales. The address of the Registered Office is Worksop College, Worksop, Nottinghamshire, S80 3AP. The principal activity of the company is the provision of independent education for children aged 2 to 18.

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

#### a) Basis of Accounting

The accounts of the group have been prepared under the Companies Act 2006 and in accordance with the Statement of Recommended Practice for Charities ('SORP (FRS102)') and with applicable UK Accounting Standards. They are drawn up on the historical cost accounting basis except that share investments held as fixed assets are carried at fair value.

Woodard Schools (Nottinghamshire) Limited meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details are provided in note 34, and in the accounting policies for depreciation of fixed assets, for pensions and for bad debts. The financial statements are presented in sterling (£) and the functional currency is sterling (£).

#### b) Going Concern

The Woodard Schools (Nottinghamshire) Limited Board reviews the financial information for the company and the group and considers whether the group and company are a going concern for a period of at least 12 months from the date of approval of the accounts.

The Group and school had a bank loan and overdraft totalling £4.1m and net current liabilities as at 31 August 2021 of £7.0m. As explained in the Directors' Report the current bankers remain supportive and have re-extended facilities until 31 October 2022, whilst the group look to secure new long-term banking facilities. The short-term nature of the bank's support casts significant doubt about the school's ability to continue as a going concern. However, given the progress to date with the strategic turnaround plan, the group forecasts including the reasonably expected pupil numbers in September 2021 and expected impact of Covid-19 and ongoing Government restrictions, the directors have a reasonable expectation that the company and group will be able to secure adequate banking facilities to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

It is without doubt that the coronavirus pandemic has had an impact in the short term on the School's financial performance and the ability to generate operating cash flows. While the Executive Team and Directors are taking steps to manage cash flows with reducing costs and agreeing repayment plans with creditors. For more details regarding the impact of Covid-19 on the going concern please refer to page 17.

It is important to note that all of the debt is classified as short term. This is due to the bank loan facilities being due for repayment in October 2022 when the current facility arrangement runs to.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

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**c) Group Accounts**

The financial statements consolidate the financial statements of the company, and its subsidiary company with all inter-company balances being eliminated. Entities are consolidated where Woodard Schools (Nottinghamshire) Limited exercises overall control either through ownership of shares, or through having common trustees with a common objective. Accounting policies are consistently applied between group companies.

**d) School Fees Receivable and Similar Income**

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees in Advance Scheme Contracts are those fees received in advance of education to be provided in future years under a specific contract. The fees are held within the unrestricted reserves of the school and are deemed to be repayable on demand, subject to usual notice provisions. Any surplus of assets over liabilities is held within the fund as a buffer. Bad debts are provided for on a case-by-case basis based on the entity's knowledge of the customer. Bills are raised in advance of the commencement of the term and the fees should be paid on the first day of term. Disclosure needs updating.

**e) Ancillary and Non-Ancillary Trading Income**

Ancillary trading income represents amounts from activities to generate funds within the charitable objects, for example school shop sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities out of term time and rental from spare school buildings. Income from these activities is recognised in the Statement of Financial Activities when the goods are sold or services provided.

**f) Voluntary sources, Grants and Donations**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in case of donated services or facilities.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

**g) Expenditure**

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the group bad debt policy. The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

**h) Finance and Other Costs**

Other costs include amounts accrued in accordance with the terms of Fees in Advance Scheme Contracts.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### i) Pension Costs

The school company participates in the Teachers' Pensions scheme, which is an unfunded government scheme, the Pensions Trust scheme and the Independent Schools' Pensions scheme, all of which provide benefits based on final pensionable pay. The funds of the schemes are separate from the company, although the company's share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for as defined contribution schemes. The companies also contribute to other defined contribution pension schemes for non-teaching staff.

The company offers membership of the Pensions Trust Growth Plan and the Independent Schools' Pensions Scheme to employees other than the full-time academic staff. The Pensions Trust Growth Plan and the Independent Schools' Pensions Scheme are multi-employer pension schemes where the scheme assets are pooled for investment purposes and cannot be attributed to individual employers. Benefits are paid from the total scheme assets. It is in most respects a money purchase arrangement, but has some guarantees. As a result it is not possible or appropriate to identify the assets and liabilities of the scheme which are attributable to the company, though, due to the guarantees inherent in the scheme, the companies remain potentially liable for a debt on withdrawal from the scheme. In accordance with Financial Reporting Standard (FRS) 102 (section 28) therefore, the scheme is accounted for in a fashion which is similar to a defined contribution scheme.

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises. More detail is given in notes 27 and 28.

### j) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £10,000 are capitalised. Assets in the course of construction are stated at cost less any provision for impairment. They are transferred to completed assets when substantially all of the activities necessary to get the asset ready for use are complete. Where appropriate cost includes our own labour costs in relation to construction, and directly attributable overheads.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land is not depreciated

Freehold Buildings: Computer	- Variable according to the building and written off over the expected useful life (see note below)
equipment Plant and equipment	- 20% to 25% on cost
Fixtures and fittings Motor	- 10% to 25% on cost
vehicles	- 25% on cost
	- 25% on cost

The company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. The company undertakes an annual review of all buildings assessing their useful economic life. In some cases the useful economic life of a building is anticipated to be of considerable length, often in excess of 100 years. The buildings are capitalised in the financial statements at historic cost. Where the calculated depreciation charge is a material figure, it is charged in these financial statements but, where the carrying value is not more than the estimated recoverable amount and the depreciation on the building is not material to these financial statements, it has been assessed, but not charged on the basis that it is not material. The directors will continue to carry out annual assessments of the recoverable amount and the estimated useful life of all buildings and where the depreciation is a material value, it will be charged. The review is based on the directors' assessments of the market value and the future economic benefit derived

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

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from an asset versus its carrying value in the financial statements.

When the company undertakes a significant refurbishment project that will have an economic benefit, the cost of the refurbishment is capitalised, recorded separately under 'Freehold Improvements', its useful life is estimated and it is depreciated over that useful life.

Woodard Schools (Nottinghamshire) Limited exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

### k) Financial Instruments

Woodard Schools (Nottinghamshire) Limited only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### l) Investment and Securities

Investments are carried at fair value, which is deemed to be market value as at the balance sheet date.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and cost. The revaluation reserve reflects the accumulated total of unrealised gains and losses. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

### m) Stocks

Stocks comprise raw materials, consumable stores and goods held for resale: they are valued at the lower of cost and net realisable value.

### n) Leasing Commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the Statement of Financial Activities over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

### o) Fund Accounts

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity. Endowment funds are further sub-divided into permanent and expendable, where required by the terms of the trust.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

# **WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31ST AUGUST 2021**

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**p) Taxation**

Woodard Schools (Nottinghamshire) Limited is a registered charity and as such exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010. There is no similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

The school has a subsidiary company that is subject to taxes including corporation tax and VAT in the same way as any commercial organisation. The tax charged to the profit and loss account is based on the subsidiary company's profit for the year and takes into account tax arising because of timing differences between the treatment of certain items for tax and accounting purposes. The subsidiary company distributes the majority of its profits to Woodard Schools (Nottinghamshire) Limited under Gift Aid and tax liabilities are kept to a minimum.

**q) Deposits from parents**

Amounts received in respect of pupil deposits or fees for future terms are considered to be repayable on demand and consequently recognised as current liabilities.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE

	2021	2020
	£	£
The school fees income comprises		
Gross fees	9,236,623	9,123,695
Less: Total scholarships, bursaries, etc	(1,544,356)	(1,633,226)
Less: Discounts given	(320,025)	(1,045,897)
	<u>7,372,242</u>	<u>6,444,572</u>

Further details of scholarships and means-tested bursaries are included in the Directors' Report. Discounts given relate to discounts given due to Covid-19.

### 3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2021	2020
	£	£
Extras	189,537	171,546
Entrance fees and registration fees	23,107	19,290
Fees in lieu of notice	21,667	29,001
Pupil transport	66,634	53,835
Commissions and related income	135	3,488
Sundry other income	47,786	-
	<u>348,866</u>	<u>277,160</u>

### 4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
<b>Non-ancillary trading income</b>		
Woodard Schools (Nottinghamshire) Enterprises Limited	156,887	147,668
Rents receivable	39,415	39,559
	<u>196,302</u>	<u>187,227</u>

### 5. INVESTMENTS - INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total 2021	Total 2020
				£	£
<b>Securities investment income</b>					
Fixed interest	-	-	-	-	15,610
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,610</u>

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2021

### 6. INVESTMENTS - BANK AND OTHER INTEREST RECEIVABLE

#### Group

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total 2021 £	Total 2020 £
Bank interest	20	-	-	20	173
Other interest	4	-	-	4	9
	<u>24</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>182</u>

#### Company

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total 2021 £	Total 2020 £
Bank interest	20	-	-	20	97
Other interest	4	-	-	4	9
	<u>24</u>	<u>-</u>	<u>-</u>	<u>24</u>	<u>106</u>

### 7. VOLUNTARY SOURCES - GRANTS AND DONATIONS

#### Group

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total 2021 £	Total 2020 £
Worksop College Foundation	880	-	-	880	880
General donations	401	-	-	401	1,670
Coronavirus Job Retention Scheme grant	686,619	-	-	686,619	527,472
	<u>687,900</u>	<u>-</u>	<u>-</u>	<u>687,900</u>	<u>530,022</u>

Donation income within the company also includes a distribution of profits from the wholly owned subsidiary company. Further details are included in note 29.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2021

### 7. VOLUNTARY SOURCES - GRANTS AND DONATIONS (continued)

#### Company

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total 2021 £	Total 2020 £
Workshop College Foundation	880	-	-	880	880
General donations	401	-	-	401	1,670
Coronavirus Job Retention Scheme grant	673,695	-	-	673,695	514,205
Gift aid donation from trading subsidiary	4,926	-	-	4,929	29,305
	<u>679,902</u>	<u>-</u>	<u>-</u>	<u>679,902</u>	<u>546,060</u>

### 8. OTHER INCOME

	Unrestricted Funds	Restricted Funds	Endowed Funds	Total 2021 £	Total 2020 £
Profit on sale of property	540,030	-	-	540,030	-
	<u>540,030</u>	<u>-</u>	<u>-</u>	<u>540,030</u>	<u>-</u>

### 9. ANALYSIS OF EXPENDITURE

#### Group

#### a) Total expenditure

	Staff costs (note 11) £	Support Costs £	Depreciation £	Total 2021 £	Total 2020 £
<b>Costs of raising funds</b>					
Non ancillary trading	39,856	79,466	154	119,476	123,465
Financing cost (note 10)	-	101,980	-	101,980	261,607
Investment management	-	503	-	503	2,184
Fundraising and development	-	-	-	-	594
<b>Total cost of generating funds</b>	<u>39,856</u>	<u>181,949</u>	<u>154</u>	<u>221,959</u>	<u>387,850</u>
<b>Charitable expenditure</b>					
Teaching	4,476,423	211,676	50,653	4,738,752	4,901,224
Welfare	502,126	273,628	11,383	787,137	780,989
Premises	497,917	1,091,603	231,710	1,821,230	1,839,487
School administration	634,297	633,236	-	1,267,533	1,058,293
	<u>6,110,763</u>	<u>2,210,143</u>	<u>293,746</u>	<u>8,614,652</u>	<u>8,579,993</u>
<b>Governance costs</b>	<u>-</u>	<u>43,246</u>	<u>-</u>	<u>43,246</u>	<u>45,412</u>
<b>Education and grant making</b>	<u>6,110,763</u>	<u>2,253,389</u>	<u>293,746</u>	<u>8,657,898</u>	<u>8,625,405</u>
<b>Total Expenditure</b>	<u>6,150,619</u>	<u>2,435,338</u>	<u>293,900</u>	<u>8,879,857</u>	<u>9,013,255</u>

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2021

### 9. ANALYSIS OF EXPENDITURE (Continued)

#### Company

a) Total expenditure	Staff costs (note 11) £	Support Costs £	Depreciation £	Total 2021 £	Total 2020 £
<b>Costs of raising funds</b>					
Financing cost (note 10)	-	100,497	-	100,497	260,283
Investment management	-	503	-	503	2,184
Fundraising and development	-	-	-	-	594
<b>Total cost of generating funds</b>	-	101,000	-	101,000	263,061
<b>Charitable expenditure</b>					
Teaching	4,476,423	211,676	50,653	4,738,752	4,901,224
Welfare	502,126	273,628	11,383	787,137	780,989
Premises	497,917	1,008,262	231,710	1,737,889	1,793,011
School administration	634,297	633,236	-	1,267,533	1,058,293
	6,110,763	2,126,802	293,746	8,531,311	8,533,517
<b>Governance costs</b>	-	43,246	-	43,246	45,412
<b>Education and grant making</b>	6,110,763	2,170,048	293,746	8,574,557	8,578,929
<b>Total Expenditure</b>	6,110,763	2,271,048	293,746	8,675,557	8,841,990

#### Group

#### b) Total resources expended include:

Woodard Schools (Nottinghamshire) Limited reimburses trustees for out of pocket expenses including travel subsistence and accommodation, where a claim is made. 1 trustee was reimbursed during the year, £509.96 (2020: 3 trustees reimbursed £1,801.63).

	2021 £	2020 £
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	22,050	21,000
- Other services	6,750	6,500
Depreciation of tangible fixed assets:		
- owned by the Group	255,693	268,396
- held under finance leases and hire purchase contracts	38,206	66,001
(Loss)/Profit on disposal of fixed assets	-	(14)
Operating lease rentals:		
- other assets	125,999	71,992
Reimbursement of personal expenses to governors	510	1,802

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2021

### 10. FINANCING COSTS

Group	2021 £	2020 £
Bank interest payable	22,054	27,260
Bank loan interest payable	84,237	95,414
Lease finance costs	332	1,136
Bank charges	16,102	37,756
Provision for bad and doubtful debts	13,936	130,129
Movement in pension recovery plan	(34,681)	(30,088)
	<b>101,980</b>	<b>261,607</b>

Company	2021 £	2020 £
Bank interest payable	22,054	27,260
Bank loan interest payable	84,237	95,414
Lease finance costs	332	1,136
Bank charges	14,619	36,432
Provision for bad and doubtful debts	13,936	130,129
Movement in pension recovery plan	(34,681)	(30,088)
	<b>100,497</b>	<b>260,283</b>

### 11. STAFF COSTS

Group	2021 £	2020 £
The aggregate payroll costs for the year were:		
Wages and salaries	4,923,053	5,035,991
Social security costs	449,070	444,373
Other pension costs	762,542	832,932
Private medical insurance	15,954	14,680
	<b>6,150,619</b>	<b>6,327,976</b>

Included in staff costs are redundancy or termination payments totalling £86,004 (2020: £nil). The amount outstanding at the year-end was £nil (2020: £nil).

The Heads, Senior Deputy Head, Bursar and Finance Director are classified by Woodard Schools (Nottinghamshire) Limited as being the Key Management Personnel.

None of the governors received remuneration or other benefits from Woodard Schools (Nottinghamshire) Limited or from any connected body.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 11. STAFF COSTS (Continued)

#### Company

	2021	2020
	£	£
The aggregate payroll costs for the year were:		
Wages and salaries	4,887,630	4,972,026
Social security costs	445,700	440,998
Other pension costs	761,479	831,113
Private medical insurance	15,954	14,680
	<u>6,110,763</u>	<u>6,258,817</u>

	2021	2020
	£	£
Aggregate employee benefits of key management personnel	<u>£415,671</u>	<u>£391,884</u>

The number of higher paid employees whose annual emoluments were £60,000 or more was:

	2021	2020
	No	No
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1
£100,001 - £110,000	-	1
£110,001 - £115,000	1	-

The number with retirement benefits accruing:

- in Defined Contribution schemes was - -

Of which the contributions amounted to

- in Defined Benefit schemes was 2 2

Of which the contributions amounted to £41,440 £41,440

For 2021 there was 1 employee (2020: 0) earning over £60,000 per year that has chosen not to participate in a pension scheme.

The average number of employees during the year calculated on a head count basis, was 202 (2020: 224)

	2021	2020
	No	No
Teaching	86	88
Other activities	122	136
	<u>208</u>	<u>224</u>

# **WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

***YEAR ENDED 31ST AUGUST 2021***

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### **12. DIRECTORS**

None of the directors (or any persons connected with them) received any remuneration during the year. Gross fees totalling £39,859 (2020: £43,218) were charged in respect of children of directors attending the school. Scholarships totalling £3,372 (2020: £3,446) were awarded to children of directors in accordance with the school's scholarship process.

### **13. TAXATION**

The company is a registered charity and therefore no liability to taxation arises on its charitable activities.

## WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2021

#### 14. TANGIBLE FIXED ASSETS

Group	Freehold Land & Buildings £	Plant & Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 <sup>st</sup> September 2020	13,391,814	1,969,693	822,695	88,695	16,272,897
Additions	17,950	86,122	13,358	-	117,430
Disposals	-	-	-	-	-
<b>At 31<sup>st</sup> August 2021</b>	<b>13,409,764</b>	<b>2,055,815</b>	<b>836,053</b>	<b>88,695</b>	<b>16,390,327</b>
<b>Depreciation</b>					
At 1 <sup>st</sup> September 2020	2,286,420	1,842,973	738,087	88,695	4,956,175
Charge in the year	201,790	51,098	41,010	-	293,898
Disposals	-	-	-	-	-
<b>At 31<sup>st</sup> August 2021</b>	<b>2,488,210</b>	<b>1,894,071</b>	<b>779,097</b>	<b>88,695</b>	<b>5,250,073</b>
<b>Net book value at 31<sup>st</sup> August 2021</b>	<b>10,921,554</b>	<b>161,744</b>	<b>56,956</b>	<b>-</b>	<b>11,140,254</b>
Net book value at 31 <sup>st</sup> August 2020	11,105,394	126,720	84,608	-	11,316,722

All assets are used for charitable purposes.

#### Finance leases and hire purchase contracts

Included in plant and equipment and computer equipment are assets held under finance leases which have net book values of £63,034 (2020: £nil) and £35,465 (2020: £70,931) respectively. Depreciation of £2,741 (2020: £30,536) and £35,465 (2020: £35,465) respectively was charged during the year.

## WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2021

#### 14. TANGIBLE FIXED ASSETS

Company	Freehold Land & Buildings £	Plant & Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 <sup>st</sup> September 2020	13,391,814	1,969,701	810,590	88,695	16,260,800
Additions	17,950	86,122	13,358	-	117,430
Disposals	-	-	-	-	-
<b>At 31<sup>st</sup> August 2021</b>	<b>13,409,764</b>	<b>2,055,823</b>	<b>823,948</b>	<b>88,695</b>	<b>16,378,230</b>
<b>Depreciation</b>					
At 1 <sup>st</sup> September 2020	2,286,420	1,842,973	726,758	88,695	4,944,846
Charge in the year	201,790	51,098	40,856	-	293,744
Disposals	-	-	-	-	-
<b>At 31<sup>st</sup> August 2021</b>	<b>2,488,210</b>	<b>1,894,071</b>	<b>767,614</b>	<b>88,695</b>	<b>5,238,590</b>
<b>Net book value at 31<sup>st</sup> August 2021</b>	<b>10,921,554</b>	<b>161,752</b>	<b>56,334</b>	<b>-</b>	<b>11,139,640</b>
Net book value at 31 <sup>st</sup> August 2020	11,105,394	126,728	83,832	-	11,315,954

All assets are used for charitable purposes.

#### Finance leases and hire purchase contracts

Included in plant and equipment and computer equipment are assets held under finance leases which have net book values of £63,034 (2020: £nil) and £35,465 (2020: £70,931) respectively. Depreciation of £2,741 (2020: £30,536) and £35,465 (2020: £35,465) respectively was charged during the year.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 15. SECURITIES INVESTMENTS

	Securities Investments	
	2021	2020
	£	£
<b>Company investments</b>		
At 1 September	155,957	475,285
Amounts extracted	(5,786)	(320,421)
Investment management fees	(503)	(2,184)
Investment write off	-	(2,036)
Realised gains on investments	5,801	17,990
Unrealised (losses) on investments	18,153	(12,677)
<b>Group investments at 31 August</b>	<b>173,622</b>	<b>155,957</b>
Investment in subsidiaries	100	100
<b>Company investments at 31 August</b>	<b>173,722</b>	<b>156,057</b>
<b>Investments comprise:</b>		
<b>Listed investments</b>		
Fixed interest	3,497	3,591
Equities	10,290	5,546
Multi-asset	151,050	137,546
<b>Cash</b>	<b>8,785</b>	<b>9,274</b>
<b>Group investments at 31 August</b>	<b>173,622</b>	<b>155,957</b>
Investment in subsidiaries	100	100
<b>Company investments at 31 August</b>	<b>173,722</b>	<b>156,057</b>

Woodard Schools (Nottinghamshire) Limited owns all of the share capital of Woodard Schools (Nottinghamshire) Enterprises Limited, a company incorporated in England/Wales. Further details are provided in note 29.

The main Securities Investments are managed for Woodard Schools (Nottinghamshire) Limited by Cazenove Capital Management. All investments are managed and held in the UK.

Holdings at the year-end comprising more than 5% of the total are:

Charity Multi Asset Fund Cazenove	151,050
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# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2021

### 16. DEBTORS

	Group 2021 £	2020 £	Company 2021 £	2020 £
School fees receivable	1,374,030	1,246,455	1,374,030	1,246,455
Trade debtors	54,696	21,775	29,232	16,070
Other debtors	71,631	-	71,631	-
Prepayments and accrued income	320,117	383,135	320,118	344,427
Amounts due from subsidiary company	-	-	51,529	85,536
	<b>1,820,474</b>	<b>1,651,365</b>	<b>1,846,540</b>	<b>1,692,488</b>

School fees receivable are net of £154,625 (2020: £131,179) provided for doubtful debts. £5,505 (2020: £9,118) is allocated against Enterprises Ltd.

### 17. CREDITORS: amounts falling due within one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	4,094,203	4,174,439	4,094,203	4,174,439
Net obligations under finance leases	28,227	37,332	28,227	37,332
Deposits from parents	630,723	725,805	630,723	725,805
Trade creditors	157,731	395,800	143,657	382,096
Taxation and social security	85,426	591,138	77,122	580,639
Other creditors	235,858	178,203	235,857	178,203
Fees in Advance Scheme	356,319	227,086	356,319	227,086
Accruals	450,013	302,887	409,305	237,094
Deferred income	2,862,032	2,540,293	2,862,032	2,540,293
Amounts due to parent company	-	61,948	-	61,948
	<b>8,900,532</b>	<b>9,234,931</b>	<b>8,837,445</b>	<b>9,144,935</b>

Woodard Schools (Nottinghamshire) Limited has a bank loan from Santander Bank Plc. The loan is secured by charges on the company's assets at a rate of interest of 1.75% over LIBOR and is repayable on demand.

£

### Summary of movements in deferred income

Balance at 1 September 2020	2,540,293
Additional amounts	2,862,032
Amounts transferred to SOFA	(2,540,293)
<b>Balance at 31 August 2021</b>	<b>2,862,032</b>

Deferred income arises due to school fee invoices for the autumn term being issued and applied to the fees ledger prior to the year end. The income that relates to the following term is deferred until the term to which the income relates.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 18. CREDITORS: amounts falling due after one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Net obligations under finance leases	81,948	27,999	81,948	27,999
	<u>81,948</u>	<u>27,999</u>	<u>81,948</u>	<u>27,999</u>

### 19. BANK LOAN

	2021 £	2020 £
The bank loan is repayable in instalments		
Due within 1 year	3,091,750	3,091,750
	<u>3,091,750</u>	<u>3,091,750</u>

In the prior year the bank loan was classified as current after a breach in covenants and this remains the position in the current year as the bank loan term has been negotiated with the bank and is now due for repayment within one year. The loan is secured by fixed charges over the land and buildings and floating charges over property and the undertaking of the company.

### 20. FEES IN ADVANCE SCHEME

Parents and others may enter into a contract to pay for fixed contributions towards pupil tuition fees for a number of years in advance. The money may be returned subject to specific conditions on the receipt of notice. Parents can request future payments back at any time. Assuming pupils remain in the school, fees in advance will be applied as follows:

	2021 £	2020 £
Within 2 to 5 years	115,165	10,791
Within 1 to 2 years	110,147	63,429
	<u>225,312</u>	<u>74,220</u>
Due after more than one year	131,007	152,866
Within 1 year	<u>356,319</u>	<u>227,086</u>

#### Summary of movements in liability

	£
Balance at 1 September 2020	227,086
New contracts	303,242
Amounts used to pay fees	(174,009)
	<u>356,319</u>
<b>Balance at 31 August 2021</b>	<b>356,319</b>

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2021

### 21. FINANCE LEASE OBLIGATIONS

	2021 £	2020 £
Amounts falling due:		
Within 2 to 5 years	-	-
Within 1 to 2 years	81,948	27,999
Due after more than one year	81,948	27,999
Within 1 year	28,227	37,332
	<u>110,175</u>	<u>65,331</u>

No security is held over these assets.

### 22. COMMITMENTS UNDER OPERATING LEASES

The future minimum commitments under non-cancellable operating leases are:

	Other 2021 £	2020 £
Within 1 year	138,722	136,579
Within 1 to 5 years	490,801	339,256
After 5 years	1,560	113,429
	<u>631,083</u>	<u>589,264</u>

### 23. SHARE CAPITAL

	2021 £	2020 £
<b>Authorised</b>		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

All shares are registered in the name of the Woodard Corporation. Woodard Schools (Nottinghamshire) Limited has no power to issue, allot or dispose of any other shares and the shares already issued are not transferable. Upon winding up or dissolution, and after satisfaction of all liabilities, any remaining property shall be paid to the Woodard Corporation.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 24. FUNDS

Woodard Schools (Nottinghamshire) Limited's funds are analysed under the following headings:

#### a) ENDOWED FUNDS

The endowed funds of the company include a number of individual trust and prize funds set up by donors as permanent capital. The income generated is restricted to funding scholarships, bursaries, grants and prizes. The funds were donated to the company by Woodard Schools (Midland Division) Limited who had previously administered the funds on behalf of the College. The revaluation reserve is required by the Companies Act 2006 and represents the amount by which investments exceed their historic cost.

#### b) RESTRICTED FUNDS

The income funds of the company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes. The Benefit and other minor funds provide or contribute towards the provision of education, scholarships, bursaries and prizes for the pupils at the College or in such a manner as the College Governing Body shall consider to be for the benefit of the College. The Revaluation Reserve is required by the Companies Act 2006 and represents the amount by which investments exceed their historic cost. Realised gains and losses have been disclosed separately as incoming resources or resources expended.

#### c) UNRESTRICTED FUNDS

Unrestricted funds represent accumulated income from the school's activities and other sources that are available for the general purposes of the school. Designated funds contribute towards bursaries and scholarships.

### 25. GROUP ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2021 £
Tangible fixed assets	11,140,254	-	-	11,140,254
Securities investments	2,178	18,327	153,117	173,622
Net current (liabilities)/assets	(6,960,182)	29,769	3,307	(6,927,106)
Long term liabilities	(238,439)	-	-	(238,439)
	<u>3,943,811</u>	<u>48,096</u>	<u>156,424</u>	<u>4,148,331</u>

Prior year comparative figures:

	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2020 £
Tangible fixed assets	11,316,722	-	-	11,316,722
Securities investments	5,454	12,957	137,546	155,957
Net current (liabilities)/assets	(7,429,255)	26,160	15,672	(7,387,323)
Long term liabilities	(219,171)	-	-	(219,171)
	<u>3,673,750</u>	<u>39,117</u>	<u>153,218</u>	<u>3,866,185</u>

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2021

### 26. GROUP SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sept 2020 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	At 31 August 2021 £
<b>Endowed Funds</b>						
Revaluation Reserve	1,861	-	-	-	-	1,861
Special Endowment	151,357	-	(433)	(11,311)	14,950	154,563
	<b>153,218</b>	<b>-</b>	<b>(433)</b>	<b>(11,311)</b>	<b>14,950</b>	<b>156,424</b>
<b>Restricted Funds</b>						
Revaluation Reserve	29,769	-	-	-	-	29,769
Benefit Fund	11,524	-	(25)	(10,728)	-	771
Sheila Fletcher Fund	(11,912)	-	(18)	14,238	-	2,308
Mountgarret Fund	(760)	-	-	3,424	-	2,664
Simpson Smith Fund	10,496	-	-	299	1,789	12,584
	<b>39,117</b>	<b>-</b>	<b>(43)</b>	<b>7,233</b>	<b>1,789</b>	<b>48,096</b>
<b>Unrestricted Funds</b>						
General Reserve	3,701,302	8,940,181	(8,709,735)	1,297	-	3,933,045
Pension Reserve	(191,172)	34,681	-	-	-	(156,491)
Revaluation Reserve	50,946	-	-	-	-	50,946
Endowment Fund	(560)	-	(28)	2,781	-	2,193
Workshop Foundation	113,234	884	-	-	-	114,118
	<b>3,673,750</b>	<b>8,975,746</b>	<b>(8,709,763)</b>	<b>4,078</b>	<b>-</b>	<b>3,943,811</b>
<b>Total Funds</b>	<b>3,866,085</b>	<b>8,975,746</b>	<b>(8,710,239)</b>	<b>-</b>	<b>16,739</b>	<b>4,148,331</b>

A transfer has been made in the year from Endowed and Restricted funds to Unrestricted funds to contribute towards the bursaries granted in the year.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 26. SUMMARY OF MOVEMENTS ON MAJOR FUNDS (Continued)

*Prior year comparative figures:*

	At 1 Sept 2019 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	At 31 August 2020 £
<b>Endowed Funds</b>						
Revaluation Reserve	482	-	1,379	-	-	1,861
Special Endowment	141,646	8,933	(737)	(7,282)	8,797	151,357
	<b>142,128</b>	<b>8,933</b>	<b>642</b>	<b>(7,282)</b>	<b>8,797</b>	<b>153,218</b>
<b>Restricted Funds</b>						
Revaluation Reserve	21,722	-	8,047	-	-	29,769
Benefit Fund	134,977	2,542	(517)	(123,991)	(1,487)	11,524
Sheila Fletcher Fund	29,011	704	(365)	(51,572)	10,310	(11,912)
Mountgarret Fund	1,211	65	-	-	(2,036)	(760)
Simpson Smith Fund	13,072	587	-	(1,358)	(1,805)	10,496
	<b>199,993</b>	<b>3,898</b>	<b>7,165</b>	<b>(176,921)</b>	<b>4,982</b>	<b>39,117</b>
<b>Unrestricted Funds</b>						
General Reserve	5,048,697	7,408,186	(9,020,496)	264,915	-	3,701,302
Pension Reserve	(221,260)	30,088	-	-	-	(191,172)
Revaluation Reserve	(3,266)	-	-	-	54,212	50,946
Endowment Fund	146,956	2,784	(566)	(80,712)	(69,022)	(560)
Workshop Foundation	112,350	884	-	-	-	113,234
	<b>5,083,477</b>	<b>7,441,942</b>	<b>(9,021,062)</b>	<b>184,203</b>	<b>(14,810)</b>	<b>3,673,750</b>
<b>Total Funds</b>	<b>5,425,598</b>	<b>7,454,773</b>	<b>(9,013,255)</b>	<b>-</b>	<b>(1,031)</b>	<b>3,866,085</b>

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

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### 27. PENSION SCHEMES

#### Teachers' Pension Scheme

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 £662,632 (2020: £702,450) and at the year-end £nil (2020: £72,494) 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.

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. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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 the consultation and the cost cap mechanism review are completed 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.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

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### 27. PENSION SCHEMES (Continued)

#### Pensions Trust Growth Plan

The Company participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan. Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

Woodard Schools (Nottinghamshire) Limited paid contributions at the rate of 6% or 8% for certain staff members during the accounting period. Members paid contributions at the rate of 5% during the accounting period. As at the balance sheet date there were 96 active members of the Plan employed by Woodard Schools (Nottinghamshire) Limited. Woodard Schools (Nottinghamshire) Limited continues to offer membership of the Plan to its employees.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS102 represents the employer contribution payable.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2016. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £794.9 million and the Plan's Technical Provisions (i.e. past service liabilities) were £926.4 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £131.5 million, equivalent to a funding level of 86%.

In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 27. PENSION SCHEMES (Continued)

The financial assumptions underlying the valuation as at 30 September 2017 were as follows:

	% p.a.
Annualised yield on the FTSE Actuaries' Government Securities Over 15 Year Fixed Interest Yield Index	1.4
Market implied inflation as calculated by the difference between the annualised yield on long-dated (over 15 years) fixed interest Gilts and the annualised real yield (over 5 years) on index-linked Gilts (assuming an average of 2.5% p.a. inflation)	3.3
Pre retirement discount rate	2.6
Post retirement discount rate	1.3
Inflation (RPI)	3.0

When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis). Due to a change in the definition of money purchase contained in the Pensions Act 2011 the calculation basis that applies to the Growth Plan will be amended to include Series 3 liabilities in the calculation of an employer's debt on withdrawal.

The Growth Plan is a "last man standing" multi-employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal the liability is shared amongst the remaining employers. The participating employers are therefore, jointly and severally liable for the deficit in the Growth Plan. See note 28 for further details.

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall. See note 29 for further details.

### 28. PENSION SCHEME DEFICIT RECOVERY PLANS

#### Pensions Trust Growth Plan Deficit Contributions

The company participates in the Pensions Trust Growth Plan, which is a multi-employer scheme providing benefits to over 1,300 non-associated participating employers. The scheme is a defined benefit schemes in the UK. It is not possible for the school to obtain sufficient information to enable it to account for the scheme as defined benefit schemes. Therefore, it accounts for it as a defined contribution scheme.

The schemes are subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The schemes are classified as 'last-man standing arrangements'. Therefore, Woodard schools are potentially liable for other participating employers' obligations if those employers are unable to meet their share of scheme deficits following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficits on an annuity purchase basis on withdrawal from the scheme.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 28. PENSION SCHEME DEFICIT RECOVERY PLAN (Continued)

A full actuarial valuation for the scheme was carried out at 30 September 2017. This actuarial valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid to the scheme as follows:

From 1 April 2019 to 31 January 2025:	£11.243m per annum (payable monthly and increasing by 3% each on 1st April)
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To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2016 to 30 September 2025:	£12.945m per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the employer has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

<b>Present Values of Provision</b>	<b>2021</b>	<b>2020</b>
	£	£
Present value of provision	109,486	139,299
<b>Reconciliation of opening and closing provisions</b>	<b>2021</b>	<b>2020</b>
	£	£
Provision at 1 September	139,299	165,701
Unwinding of the discount factor	677	1,456
Deficit contribution paid	(30,343)	(29,459)
Remeasurements - impact of any change in assumptions	(147)	1,273
Other	-	328
<b>Provision at 31 August</b>	<b>109,486</b>	<b>139,299</b>
<b>Income and expenditure impact</b>	<b>2021</b>	<b>2020</b>
	£	£
Unwinding of the discount factor	677	1,456
Remeasurements - impact of any change in assumptions	(147)	1,273
<b>Costs recognised in income and expenditure account</b>	<b>530</b>	<b>2,729</b>

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 28. PENSION SCHEME DEFICIT RECOVERY PLAN (Continued)

Assumptions	2021 % per annum	2020 % per annum
Rate of discount	0.63%	0.55%

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

#### Deficit Contributions Schedule

The following schedule shows the deficit contributions agreed between the company and the scheme at each year end period:

	2021 £	2020 £
Year 1	31,254	30,343
Year 2	32,191	31,254
Year 3	33,157	32,191
Year 4	14,054	33,157
Year 5	-	14,054
	<b>110,656</b>	<b>140,999</b>

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

#### Pensions Trust Independent Schools' Pension Scheme Deficit Contributions

The company participates in the scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This actuarial valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 28. PENSION SCHEME DEFICIT RECOVERY PLAN (Continued)

To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

From 1 September 2019 to 30 April 2030:	£2.387m per annum (payable monthly and increasing by 3% each on 1st September)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the employer has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

<b>Present Values of Provision</b>	<b>2021</b>	<b>2020</b>
	£	£
Present value of provision	47,005	51,873
<b>Reconciliation of opening and closing provisions</b>	<b>2021</b>	<b>2020</b>
	£	£
Provision at 1 September	51,873	55,559
Unwinding of the discount factor	442	584
Deficit contribution paid	(4,918)	(4,775)
Remeasurements - impact of any change in assumptions	(392)	505
<b>Provision at 31 August</b>	<b>47,005</b>	<b>51,873</b>
<b>Income and expenditure impact</b>	<b>2021</b>	<b>2020</b>
	£	£
Interest expense	442	584
Unwinding of the discount factor		
Remeasurements - impact of any change in assumptions	(392)	505
<b>Costs recognised in income and expenditure account</b>	<b>50</b>	<b>1,089</b>

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 28. PENSION SCHEME DEFICIT RECOVERY PLAN (Continued)

Assumptions	2021 % per annum	2020 % per annum
Rate of discount	1.09%	0.90%

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

#### Deficit Contributions Schedule

The following schedule shows the deficit contributions agreed between the company and the scheme at each year end period:

	2021 £	2020 £
Year 1	5,066	4,918
Year 2	5,218	5,066
Year 3	5,374	5,218
Year 4	5,535	5,374
Year 5	5,702	5,535
Year 6	5,873	5,702
Year 7	6,049	5,873
Year 8	6,230	6,049
Year 9	4,278	6,230
Year 10	-	4,278
	<u>49,325</u>	<u>54,243</u>

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

### 29. SUBSIDIARIES

The Company owns all of the share capital of Woodard Schools (Nottinghamshire) Enterprises Limited, a company incorporated in England and Wales (Company number: 05181900) whose registered office is Worksop College, Worksop, Nottinghamshire, S80 3AP. This company carries out trading activity on behalf of the school including commercial letting and sales from the school's tuck shop.

Woodard Schools (Nottinghamshire) Enterprises Limited had a turnover of £278,142 (2020: £257,747), gross profit of £10,070 (2020: £26,369), and a profit before tax and gift aid of £4,926 (2020: £25,274). At 31 August 2021 the company had shareholder's funds of £100 (2020: £100).

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### 30. Consolidated Statement of Financial Activities – Comparative figures by fund type

Year Ended 31 August 2020	Unrestricted	Restricted	Endowed	Total
	£	£	£	£
<b>Income and endowments from Charitable activities</b>				
School fees receivable	6,444,572	-	-	6,444,572
Ancillary trading income	277,160	-	-	277,160
<b>Other trading activities</b>				
Non-ancillary trading income	187,227	-	-	187,227
<b>Investments</b>				
Investment income	2,784	3,893	8,933	15,610
Bank and other interest	177	5	-	182
<b>Voluntary sources</b>				
Grants and donations	530,022	-	-	530,022
Other incoming resources	-	-	-	-
<b>Total Incoming Resources</b>	<b>7,441,942</b>	<b>3,898</b>	<b>8,933</b>	<b>7,454,773</b>
<b>Expenditure on:</b>				
<b>Raising funds</b>				
Non ancillary trading costs	123,464	-	-	123,464
Financing costs	261,607	-	-	261,607
Investment management	566	882	737	2,185
Fundraising and development	594	-	-	594
<b>Total Deductible Costs</b>	<b>386,231</b>	<b>882</b>	<b>737</b>	<b>387,850</b>
<b>Charitable activities</b>				
Education and grant making	8,634,831	(8,047)	(1,379)	8,625,405
<b>Total resources expended</b>	<b>9,021,062</b>	<b>(7,165)</b>	<b>(642)</b>	<b>9,013,255</b>
Net (losses)gains on investment assets	(14,810)	4,982	8,797	(1,031)
<b>Net income/(expenditure)</b>	<b>(1,593,930)</b>	<b>16,045</b>	<b>18,372</b>	<b>(1,559,513)</b>
Transfers between funds	184,203	(176,921)	(7,282)	-
<b>Net movement in funds for the year</b>	<b>(1,409,727)</b>	<b>(160,876)</b>	<b>11,090</b>	<b>(1,559,513)</b>
Fund balances at 1 <sup>st</sup> September 2018	5,083,477	199,993	142,128	5,425,598
<b>Fund Balances at 31<sup>st</sup> August 2019</b>	<b>3,673,750</b>	<b>39,117</b>	<b>153,218</b>	<b>3,866,085</b>

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

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### 31. CONTINGENT LIABILITIES

The Company has been notified by The Pensions Trust of the estimated employer debts on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2020. As of this date the estimated employer debt for the Company for withdrawal from The Pensions Trust was £382,525 (2020: £688,482.10), including Series 3 liabilities.

### 32. ULTIMATE CONTROLLING PARTY

The Woodard Corporation Limited is the ultimate controlling party, a registered charity number 1096270, Company number 04659710, which is incorporated in England and Wales. Copies of the financial statements of the Woodard Corporation can be obtained from High Street, Abbots Bromley, Rugeley, Staffordshire, WS15 3BW. The accounts of Woodard Schools (Nottinghamshire) Limited are included within the consolidated financial statements of the Woodard Corporation Limited.

### 33. RELATED PARTIES

As stated in note 29, Woodard Schools (Nottinghamshire) Limited is a wholly owned subsidiary of The Woodard Corporation. An amount of £83,341 (2020: £46,683) was paid during the year to Woodard Corporation by way of a levy to meet running costs. There is no monies outstanding to the Woodard Corporation as at 31 August 2021 (2020 - £nil).

The company also controls a subsidiary trading company, Woodard Schools (Nottinghamshire) Enterprises Limited (registered number 05181900), the results of which are included in these financial statements.

During the year, Woodard Schools (Nottinghamshire) Limited recharged costs to the subsidiary company amounting to £83,341 (2020 - £46,447). The subsidiary company recharged costs to Woodard Schools (Nottinghamshire) Limited amounting to £68,916 (2020 - £57,253) and paid donations under Gift Aid to Woodard Schools (Nottinghamshire) Limited of £4,296 (2020 - £25,274). An amount of £30,559 was owed by Woodard Schools (Nottinghamshire) Enterprises Limited at 31 August 2021 (2020 - £56,231).

Further information in respect of transactions with directors is given in note 11 to the financial statements.

There are no further third party related transactions to report.

### 34. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the directors are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cashflows. Accounting policies are shown at note 1 to the financial statements.

#### **Provision for bad debts**

Debts should be provided for if not recovered within one term. Normally 10% provision will be allocated against bad debts during the year and this is reviewed on a monthly basis.

#### **Depreciation, impairment and residual values of fixed assets**

Judgement is exercised in estimating the residual values of the fixed assets, the selection of appropriate rates for depreciation and for matters of impairment.

#### **Pension scheme deficit reduction payments**

As explained at note 28, there is a deficit reduction plan in place in respect of Woodard Schools (Nottinghamshire) Limited's membership of the Pension Trust's Growth Plan. FRS 102 requires a liability to be recognised in respect of the present value of future contributions payable under the terms of the deficit recovery plan. The incorporation of this liability in the financial statements involves the exercise of judgement in a number of areas, including the selection of an appropriate discount rate.

# WOODARD SCHOOLS (NOTTINGHAMSHIRE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST AUGUST 2021

### *Pension scheme contingent liability*

As explained at note 31, there is a contingent liability in the event that Woodard Schools (Nottinghamshire) Limited were to withdraw its membership of the Pension Trust's Growth Plan. The independent qualified actuaries advising the Pensions Trust in respect of the contingent withdrawal liability exercise significant judgement in determining the amount of that liability. Judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates.

### 35. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	282,246	(1,559,513)
Adjustments for:		
Depreciation charges	293,899	334,397
(Gains)/ losses on investments	(23,954)	(5,313)
Dividends, interest and rents from investments	(24)	(15,792)
Financing costs	101,980	261,607
Loss/(profit) on the sale of fixed assets	(540,030)	14
decrease in stocks	50,479	15,632
(Increase)/decrease in debtors	(169,109)	511,657
(Decrease)/increase in creditors	(234,894)	530,729
Net cash provided by (used in) operating activities	(239,407)	73,418

### 36. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	2021 £	2020 £
Cash at bank and in hand	86,058	78,770
Overdraft facility repayable on demand	(1,002,453)	(1,082,690)
Total cash and cash equivalents	(916,395)	(1,003,920)