



Bridgewater  
School

WHERE INDIVIDUALS COUNT

# Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

Registered Charity Number: 1105547  
Company Limited by Guarantee Number: 05190072



# Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

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### Trustees' Report

The Trustees of the charity, who are directors for the purposes of company law and Governors of Bridgewater School, present the Annual Report together with the Financial Statements and Auditors' Report of the charitable company for the year ended 31<sup>st</sup> August 2021.

#### Objects, Aims, Objectives and Policies

##### Charitable Objects

In 1950, a group of parents wanted to find an alternative to schools in the area, believing that every child deserved access to the best education possible. Out of this shared vision, Bridgewater School was born and today this aspiration remains at the heart of everything we do.

The objects of the charity are to advance education and training for the public benefit, which is currently delivered through the provision of independent education for boys and girls aged between 3 and 18 years.

##### Aims

Ever since the school's inception our ethos has ensured that every young person is treated very much as an individual whilst recognising their role within the wider school community. The school is committed to retaining the foundations upon which it was established and, as a family-focused school, nurturing individuality lies at the heart of everything we do.

Bridgewater is a school where all pupils are encouraged to grow and become learners for life. Here a holistic approach to education is taken, seeking to offer an extensive range of opportunities through which to enhance, diversify and develop our curriculum, enrich students' experiences and enhance their personal development.

The school's unchanging standards of endeavour, personal discipline and excellence aim to inspire high standards of behaviour amongst pupils as well as building a mature awareness of their personal and social responsibilities. This unique, outwardly focused approach to education helps ensure that students become happy, fully-rounded individuals who take pride in their achievements, attaining their full potential in every aspect of school life. Thus enabling all to achieve the highest academic qualifications of which they are capable.

This vision is facilitated by a diverse, vibrant and dynamic school community, where parents and teachers work together to provide pupils with all the guidance, support and encouragement needed to succeed.



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### School Ethos

To encourage all pupils to grow and become learners for life in a caring, family school where quality work and endeavour is celebrated and pride is shared in personal, individual and group achievement.

To develop pupils' spiritual, moral, social and cultural understanding and to learn sensitivity to each others' needs and the needs of the world outside school.

The key aims of Bridgewater School are:

- To provide an aspirational and challenging environment where each student is encouraged to take responsibility for their own learning to achieve their personal best.
- To help our students to develop confidence, personal integrity and a sense of responsibility for others in a tolerant and inclusive community which respects fundamental British values.
- To help our students become well-balanced individuals by setting the highest academic, creative and physical challenges and embracing the importance of a broad range of interests.
- To produce resilient young people who will flourish as adults by developing the ability to learn from life.

### Objectives and Policies

The school's ongoing strategy involves the creation of a three-year Strategic School Development Plan and Annual Development Plans to address both the ongoing maintenance of the fabric of the school and the provision of added amenities to attract students from within the local community and further afield.

Eight visions have been identified as providing the framework for the strategic plan:

1. To ensure outstanding individual academic achievement
2. To deliver an effective level of learning support
3. To maintain outstanding pastoral care and promote emotional and physical wellbeing
4. To deliver an outstanding extra and co-curricular programme
5. To maintain outstanding provision for Early Years Foundation Stage
6. To ensure outstanding quality of leadership, management and governance
7. To deliver an effective marketing and communication strategy
8. To maintain and enhance a high standard of staff welfare and professional development.



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Clearly, the current economic climate poses the challenge of balancing future development versus the size and requirements of the student body. In this matter the need for marketing, public awareness and publicity for the school will be of paramount importance to attract students from families seeking independent school education.

The Senior Leadership Team, together with support from the Governing Body and key senior managers, continue to underpin this process in negotiation with bankers and will also seek the support of the school community with fundraising events to raise money to purchase equipment and undertake small refurbishment projects. The global pandemic has prevented the school carrying out any events that would bring groups of people together and has therefore restricted money raised for school projects.

Ultimately, the strategy is to develop and regenerate the existing school complex, to continue to replace and rejuvenate classrooms and facilities to a high standard and to maintain Bridgewater School's excellent reputation, both in terms of results, development of individuals and provision of facilities / curriculum.

### **Access Policy**

At Bridgewater School we provide independent education to students from a wide social, cultural and economic background, reflecting not only our inclusive approach but also the diverse community within which we are based. The school encourages admission by pupils from all walks of life, irrespective of circumstance and, with that aim in mind, the school offers scholarships, school bursaries and limited public benefit places to talented individuals who would otherwise not have the opportunity to discover their full potential.

### **Bursaries & Scholarships Policy**

Through the school's own means-tested bursary scheme, currently funded solely through school funds, financial assistance is provided to over one hundred pupils every year, with the overall intention to create opportunities for children whose parents find an independent school beyond their means.

The school also awards a number of scholarships based on excellence in academia, sport and performing arts.

This year the value of bursaries and scholarships totalled £651,698, providing assistance to 151 pupils, representing 32% of our student population.

### **Assistance Policies**

The school recognises that families need to plan their finances carefully when funding education; therefore flexible payment schemes provide parents with different ways to schedule and pay school fees and any other additional costs.

A sibling discount is also available to families with two or more children who have successfully secured a place.



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### Performance and Achievements

As at 9<sup>th</sup> July 2021, Bridgewater School pupil numbers were 300 in the Senior School (including Sixth Form) and 167 in the Preparatory Department. An increase of 4.5% and 14.4% year-on-year for Seniors and Prep respectively.

#### Academic Performance

Due to the continued disruption caused by the pandemic, all external examinations were replaced in summer 2021 by Teacher Assessed Grades. An extremely rigorous process was followed during an intense period of assessment across the summer term and an outstanding body of work with which to support the grades was submitted.

**GCSE** – Our aim at Bridgewater is for every student to achieve their personal best and Year 11 students continued to achieve and exceed their targets, achieving more than double the proportion of top grades compared to baseline targets. The work completed for the GCSE cohort was of a consistently high academic level with 74% of students achieving a grade 6 or above and 61% receiving a grade of 9-7 for their GCSE courses.

**A-level** – Here we pride ourselves not only on our students' results, but also on the superb individual guidance they receive that enables virtually every student to secure a place at their first choice university or Higher Level Apprenticeship. In summer 2021 85% of all A-level grades achieved were at A\*-B and degree courses successfully secured in such subjects as History, Radiography, Politics and Equine Management, reflecting the diverse and individual nature of our student body.

#### Enrichment and Extra-Curricular Achievements

Pupils' experiences are enriched by an extensive range of extra-curricular activities and, whilst the ongoing pandemic continued to restrict opportunities, pupils were still able to pursue their passions and participate in a number of virtual events such as the Senior Art Showcase, Prep Carol Concert and an on-stage performance of The Demon Headmaster which was livestreamed to a virtual audience.

Inter-school opportunities were also limited by the ongoing pandemic; however students enjoyed the chance to represent Bridgewater School and compete in a range of virtual sporting competitions to great success. Team achievements for the 2020-21 academic year included: Lady Barn House ISA Indoor Athletics Champions: Under 7s (Boys and Girls), Under 10s (Boys), Under 11 (Boys) and ISA Virtual National Athletics Championships North Team Winners. Individual successes were also celebrated on a regional, national and international level in art, football, cricket, athletics and synchronised swimming.

Sporting and cultural tours, educational visits and residential trips remain an integral part of the enrichment programme provided by the school. A programme designed to inform and energise learning experiences and subject choices. Whilst Government restrictions prevented residential trips both within the UK and abroad, from April 2021 schools were able to consider day trips and visits were quickly organised to local places of interest across the summer term and planning resumed for UK-based residentials.



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### Development and Improvement

The school is committed to a programme of continuous development and improvement, investing many millions of pounds to improve the facilities that complement the neo-Elizabethan house which sits at the heart of the site.

In the last ten years a purpose-designed EYFS facility has been added, in part to maintain and increase the number of younger students and also to assist in the marketing of this very important element of the curriculum and of Bridgewater School. More recently, the school has invested in the EYFS outdoor provision, which has further enhanced access to continuous play.

Following on from the most recent Independent Schools Inspectorate (ISI) inspection the school has strived to build upon the praise which was received and also to address the suggestions for further development. The delivery of a 3G all-weather pitch has enabled the school to deliver a comprehensive sports plan across the whole school and the school community also received a much awaited adventure play area with multiple climbing frames suitable for all ages.

Over the last two years, work has been carried out across various areas of the school to provide new equipment and improved facilities. A new, much needed support classroom has been created from an old storage area, providing up-to-date technology and additional space. This extra classroom was pivotal in enabling the school to expand its Prep VI to two forms for the 2019/20 school year. Over the summer a much needed refurbishment of one of the science laboratories was also carried out to offer a brighter and more engaging learning environment.

New spaces have been created as an extension to classrooms for Prep I and II, providing a safe, secure outdoor learning environment for pupils. The addition of outdoor gym equipment and a second phase of the play area have created further enrichment opportunities for students across all areas of the school.

The school continues to review and invest in its IT infrastructure, providing a stable platform for delivering education across all year groups. Specific investment has been made to enable all teaching staff to deliver a full curriculum remotely during the pandemic. The addition of trolleys of Chromebooks in both the Prep and Senior departments has been a great advantage and provides excellent research opportunities. Chromebooks have also been purchased for use in the Art department and Sixth Form. During lockdown, the school also loaned IT equipment to pupils who would otherwise not have access, to enable them to engage in remote lessons.

Email, the school's website and other digital channels such as the school-managed social media platforms, continue to create the ideal medium for the relay of information between the school and the parent body. The Senior School continues to use MILK, an online student planner system which replaced the old homework diary and provides an additional communication tool allowing both parents and students to log on and monitor homework, rewards and sanction. The utilisation of Tapestry in EYFS enables parents to stay in touch with teachers for advice and for assessment of the children's work and acquiring their Early Learning Goals.

Over recent years the school has sought to deliver a high standard of learning support, appointing an overarching Head of Learning Support with responsibility for the whole school, 3-18 years. The Head of Learning Support is a highly qualified member of staff supported by an experienced team including two SENCO representatives from the Prep Department, two Teaching Assistants within the Prep Department and a Higher Level Teaching Assistant within the Senior School.



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A continuing priority remains the recognition and support given to pupils experiencing a range of mental health challenges. The school now has two mental health first-aiders and the Head of Learning Support meets with the Head at least once a week. A dedicated office provides privacy, confidentiality and a safe space within which students can feel secure, and a 'Den' in the Prep Department is currently being developed to provide a reflective space for our younger children.

### **Environmental Initiatives & Awareness**

The school is aware of its responsibility in the threat of climate change across the globe and, whilst there is work to be done to affect permanent change, longer term strategies include:

- Switching to a renewable energy supplier that uses wind or solar power instead of gas and coal
- Encouraging students and staff to walk or cycle to school. Traffic is a major source of CO<sub>2</sub> emissions and air pollution
- Use less energy by teaching pupils and staff to reduce the school energy usage and encourage them to develop new ideas on saving energy.

Strategies already in place include changing to energy saving lightbulbs, switching off lights in empty classrooms and halls, avoiding leaving computers and printers on standby and turning down the school's heating by a degree. The school further uses the services of a specialist waste management company. Through this partnership, the school is able to cover all its waste management needs with all onsite waste diverted from landfill and recycled where possible. Currently 99% of all waste is processed at the company's own local materials recycling facility.

The school has also created a new role within the Sixth Form Leadership team of Environmental Officer with a view that the holder will work with the school to champion environmental campaigns across the whole school.

### **Public Benefit**

As a school we understand the importance of community. Our own community is a vibrant one where individuals and teams can thrive and flourish and it is this positive attitude that continues to underpin our relationships with those around us.

The school is aware of its responsibility to achieve public benefit by working closely with the local community, whilst also developing links with other schools, charities and local organisations and the school and its Trustees follow the guidance from the Charities Commission regarding public benefit and how this is being delivered by the school.

Primarily public benefit undertaken by the school is summarised as:

- Bursarial assistance
- Letting and use of school facilities across the community and at rates below market average
- Invitation to local school children to partake in performances
- The use of facilities to host various events with other schools within the community.



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The school continually strives to broaden this across the school and students are encouraged to become involved in the wider community, whether through charitable fundraising, volunteering, or supporting a common cause, and we work hard to ensure Bridgewater School gives back in a multitude of ways.

The Sports Complex & Drama Studio, which was designed with the community in mind both in terms of aesthetics and environmental impact, provides facilities which are otherwise few and far between in the local area. These include: Sport-England standard sports hall, drama studio and lecture theatre, kitchen and dining hall and high-specification classrooms, together with shower / changing facilities.

These facilities are consistently used throughout the year for various activities open to children from outside of Bridgewater School, particularly so during school holiday periods when activity camps run by other companies make block bookings. Local community groups and sports clubs also make use of the available facilities on a weekly basis for events and training, within the parameters of COVID-19 restrictions. The school also plays host to a local amateur theatre group as well as providing a base for an external performing arts school.

### **Charitable Support**

As a school, we understand the importance of community. Our own community is a vibrant one where individuals and teams can thrive and flourish and it is this positive attitude that underpins our relationships with those around us. Learning sensitivity to each other's needs and the needs of the world outside school is vital and students are actively encouraged to look outside of their own community and into the wider world that they will experience as adults.

Charitable fundraising and support is central to the charitable ethos of Bridgewater School and involves the whole school community, with participation from Kindergarten up to Sixth Form. Seasonal fundraising activities and events provide regular support for local charities within the Salford and Greater Manchester area and help for organisations further afield.

The Bridgewater community consistently raises over £10,000 each year for charitable causes; however the impact of COVID-19 is evident. This year fundraising events were severely restricted with limited visitors to the site and pupils unable to mix outside of year group bubbles. Yet, despite this, the school's commitment to charitable giving continued with school-only activities raising financial support to the sum of £2,600 for the following charities: Macmillan, Young Minds, Breast Cancer Now, Children in Need, Save the Children, Alzheimer's Society and Comic Relief. In addition, the school supported pupils' individual fundraising activities which raised a further £5,300 for Manchester Foundation Trust.

However, it is not just financial help that the school provides. This year, we were once again able to facilitate CPR training for over 150 Senior School students in support of the British Heart Foundation, raise awareness and support for the Anti-Bullying Alliance, deliver Harvest Festival supplies, warm winter coats and Christmas gifts for the homeless and vulnerable, uniform items and water bottles to local children living in poverty, and books and schoolwear to children in Africa.



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### **Fundraising**

Opportunities to host fundraising events were severely limited by the pandemic; therefore the school prioritised charitable donations for this academic year, targeting all fundraising efforts towards the support of local, national and international causes.

### **Impact of COVID-19**

When the school returned in September 2020 we were required to comply with the government's COVID-19 operational guidance document together with the local requirements of Salford Local Education Authority. An in-depth and suitable risk assessment had to comply with a large number of restrictions including children operating in year group bubbles, the wearing of face coverings in all indoor areas and complying with our local public health guidance when reporting any cases of COVID-19. This operated alongside a thorough cleaning process during the school day and after school hours, once students had left the site.

The impact of the government guidance meant that the enrichment and extra-curricular life of the school was interrupted as day and residential trips, both in the UK and abroad, were prohibited. The school created dedicated recreation spaces for all year groups as the mixing of year groups was not permitted.

The above arrangements and many more restrictions naturally had an impact on our community as we were prevented from face to face meetings with our parents, which meant that, as an example, parents' evenings had to be completed remotely. This was a challenge for the school as we operate very much in partnership with our parents but unfortunately the school had no alternative. It should be recognised that all members of the school community, employees, parents and students, worked in a cooperative and supportive manner as we moved through the year.

Unfortunately, in January 2021 with less than 24 hours' notice, the country was placed in lockdown once again and school gates closed to all students with the exception of critical workers. This position did not change until 7<sup>th</sup> March when we were able to open our school doors. During this period the school operated a high standard of remote learning which mirrored the daily timetable, including breaks and lunchtime, from morning registration through to the end of the school day. This enabled the children to experience as much normality as possible and prepare for a seamless transition back into the classroom.

Once pupils were readmitted the school had to conform to a thorough and detailed testing regime for children in years 7 through to 13, where lateral flow tests were conducted twice weekly with each year group on site, together with continued twice-weekly testing for all employees.

This experience was not unique to Bridgewater but was an expectation of all schools across the country. During the academic year the school learnt to adapt and adjust to the ever-changing situation and we received guidance from the DfE and Salford on a daily basis.



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### Financial Review

#### Financial Activities and Results

The Financial Statements which follow reflect the school's financial activities. The principal funding source is the fees charged by the school. These are supplemented by the other income opportunities created by the rental of school facilities to clubs and the local community.

The school continues to closely monitor its financial performance, both in terms of expenses and income, balanced against the ability to recruit new students and the new need to take the school to a higher level in terms of facilities and innovation.

Despite the constant pressure on pupil numbers and the ongoing need for bursaries, the school's close control of the finances has resulted in minimal impact on the school's cashflow.

The school's Marketing and Development Manager continues to assist in the delivery of the SSDP (Strategic School Development Plan) in relation to Fundraising and Marketing across the whole school as well as raising the social media profile of the school.

The Finance Committee's ongoing task is to evaluate the school's operating efficiencies, streamlining / consolidating where necessary in order that sufficient surplus funds are generated to aid future / ongoing development and maintaining the very high level of service and facilities provided.

The Governors consider the school's assets are available and adequate to fulfil its obligations.

The school's profit for 2020/21 was £126k, which is £67k higher than the budgeted profit of £59k and £2k lower than the prior year's profit of £128k. The school's cashflow remained strong throughout the year, with no use of the overdraft occurring.

Understandably, staffing is the largest cost.

Percentage of staff costs to total income = 72% (73% in 2019/20)

Percentage of staff costs to total costs = 74% (76% in 2019/20)

The decrease of 1% and 2% for staff costs to total income and total costs respectively from prior year is primarily based on movement in pension schemes for teachers, reducing employer contributions from October 2020 from 23.68% to 19.1%, and significant investment around the school site in the 2020/21 year.

Unlike previous years, bursarial assistance has significantly decreased (by over 18%); however the school has still continued to support 99 families, in line with the school's public benefit obligations, and awarded 52 scholarships across Years 7 to 13, which is a 5.8% decrease from the prior year.

EBITDA required by the bank is 110%. The school exceeded this all year, achieving an EBITDA ratio at August 2021 of 279%, which is a 27% decrease from the prior year.



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### Development and Investment

Following on from the profit of £126k for the 2020/21 year, the school is forecast to make a profit of over £100k for 2021/22. The plan was to reinvest this in the school buildings in line with the 5 year building plan. However, following the COVID-19 outbreak, all building investment has been placed on hold.

As the pandemic impacted on the possibility of open days etc. the school invested in creating a virtual tour of the whole school site. This allows potential parents to take a full tour of the school and its facilities, as well as viewing interviews with the Headmistress and key members of staff, at a time convenient for them. The school is aware that some recent enquiries are as a consequence of the virtual tour, although the school planned for a return to a full open day in November 2021.

There has also been significant investment in IT equipment to enable uninterrupted teaching for all pupils from KG to Year 13 during periods of remote teaching. This resulted in providing a structure to reflect as normal as possible a school day and there was exceptional support from parents for this.

The school has a bank loan that is split 50% fixed and 50% variable, with the overall outstanding balance at August 2021 at £1.9m. The fixed element of the loan is to be renewed at the 10-year mark in September 2025. The loan repayments in 2020/21 totalled £143k and the loan interest paid totalled £68k.

### Principal Risks and Uncertainties

The Trustees of Bridgewater School have a Risk Assessment Policy in place which is reviewed annually. The school has collated a Risk Register which has identified Strategic, Operational, Regulatory and Financial risk. Likelihood and impact of the risks have been assessed and methods of avoiding, transferring and mitigating these have been taken into consideration. Principal risks have been identified as those which affect the running of the school such as a major incident e.g. fire, flood and storm. It also includes those which affect the financial aspect of the school such as reputational damage potentially impacting on pupil numbers on roll and possible fraud. Other risks identified are risk to injury to those on site and also potential loss of school's data.

The school acknowledges the impact of COVID-19 and the potential financial uncertainties, of which pupil numbers is the largest challenge, both in terms of retention and recruitment. As always, the school's key recruitment areas are Early Years, Year 7 and Year 12 and marketing strategies have been implemented for this. As Senior School numbers are currently buoyant, the marketing focus will be on Prep recruitment, in particular Early Years and Key Stage 1.

Key risks identified have been the increase in gas and electric prices, which are set to have a significant impact on the day-to-day running costs of the school. Other risks to highlight are government and politically driven issues, including potential VAT on school fees, minimum wage rises and loss of rate relief for independent school charities.



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### Reserves Policy

The school has a cash reserves policy in place where a minimum of £50,000 per annum is to be transferred into a separate bank account. The reserves may be used for investment round the school site, which is in line with the school's 5 year building strategy, or to provide additional working capital should this be required. The transfer of reserves has been incorporated into the cashflows.

The school recognises that the current cash reserves held are insufficient for the purposes of covering a significant cost, such as three months' salaries. However, the current cash balance of £150k in reserves is for the purpose of contributing towards future building projects and a minimum of £50k per year will continue to be transferred.

The total funds held by the charity is £3.8m, all unrestricted. Fixed assets total £5.6m, which leaves free reserves at a negative £1.8m. It is the school's aim that as each year passes, the cash balance will increase and the loan balance will decrease thus improving the free reserves balance.

### Future Plans

The Trustees consider the school to be a going concern, especially based on the strong pupil numbers in the Senior School. The necessary steps were taken to futureproof the school regarding pension contributions and the school has the security of having set the employer pension contributions for teaching staff at 19.1%.

A key factor for the ongoing success of Bridgewater School is the retention and recruitment of pupil numbers. This is grounds for the continued focus and diligence in respect of the high standards of teaching provided and the environment in which the school operates. The school acknowledges the risk of reducing pupil numbers and the costs / budgets across the whole school are continually renewed.

The Board of Governors is acutely aware of the need to provide the highest possible standard of education whilst remaining attractive and affordable to the local community and the Board will continue to strive to keep the fees as low as possible.

The finance department will continue to utilise forecasts and budget controls, monitoring the position on a monthly basis, planning for future improvements to the school in terms of facilities, classrooms, playgrounds etc. and also in terms of infrastructure, i.e. buildings, IT hardware etc. which is monitored and reviewed by the finance committee in their regular meetings.

In terms of the curriculum, the school constantly assesses the ever-changing marketplace and the demands of pupils and the future of the school as a whole. The further use of the sports hall and sporting events will continue, with Bridgewater playing host to occasions such as inter-school cross country and chess tournaments. Furthermore, the involvement of local schools managed by the Marketing and Development Manager is being developed in a number of areas including the invitation to matinee shows by the Performing Arts & English Departments (subject to restrictions). This community involvement is expected to assist ultimately with the overall standing of the school through recruitment and the utilisation of the facilities out of school hours by the youth sections of local sports clubs, fitness clubs, drama groups and other activities.



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The school is privileged to employ a highly qualified, professional and dedicated workforce which is going from strength to strength. This is reflected in, amongst other things, the consistently good examination results and behaviour of children, who continue to set an example to others.

The board is of the opinion that the school now has a solid foundation upon which to continue to develop in all areas and to respond effectively to the considerable challenges which all schools will face over the coming years.

### Structure, Governance and Management

#### Structure and Governance

The company's constitution is set out in the Memorandum and Articles of Association. The Governors / Directors are also the Trustees of the charitable company.

The Governors are legally responsible for the financial aspects of the company and determine the overall policy of the school. The general day-to-day operations are delegated to the Headmistress and the Bursar, with the board overseeing strategic decisions under consultation with the school and the committees as appropriate. Committees are authorised to take forward matters within their own remit, under advice to the Board.

The main governing body is comprised of those individuals detailed above, with sub-committees specialising in specific tasks. These committees enable specialist focus on key aspects of school operation and include:

- Finance
- Compliance & Governance
- Education & Child Welfare
- Personnel / Disciplinary
- Remuneration

All meetings of the company are Governors' meetings; Governors' meetings are held at least termly.

#### Recruitment

The company's constitution includes the provision for the Governors / Directors to propose and appoint new Governors. Governors may be co-opted in recognition of their special expertise being valuable to the work of the board, and the overall aims of the charity, subject to a maximum of 14 Governors.

There is a formal basis for recruitment of new Governors. Focus is given to identifying those people who have a particular skill and also for their enthusiasm and participation in developing the school towards its future aims. The appointment process comprises of an initial meeting / call with the Chair of Governors to explain the responsibilities of the role. This is followed by a meeting with the Headmistress and Bursar. Once an agreement has been made, and if successful, the new member is invited to join the next Governors' meeting, at which they are co-opted.



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The new member will be inaugurated via the new introductory process including, as appropriate, a tour of the school, provision of the relevant guide / handbooks and any sector specific training. These all form part of the process to ensure that the new appointee fully understands their role and responsibilities as a Director of the company, Governor of the school and Trustee of the charity.

Governors / Directors, once appointed, retire at intervals and are eligible for re-election every four years.

### **Risk Management**

The Directors have examined the major strategic, business and operational risks which the school faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to minimise these risks. Issues addressed include: pupil numbers, school marketing, safeguarding, financial monitoring, health and safety, ongoing educational development, refurbishment and further improvements of the school site. These areas are under continual review within the school's Strategic Development Plan and Risk Register.

An ongoing risk continues to be the impact of COVID-19. Please refer to page 10 for details.

### **Disclosure of Information to Auditor**

Each Trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The Annual Report was approved by the Trustees of the charity on 8.2.2022

and signed on its behalf by:

Dr M C Moss - Trustee



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### Statement of Trustees' Responsibilities

The Trustees (who are also the Directors of Bridgewater School for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

Approved by the Trustees of the charity on 8.2.2022 and signed on its behalf by:

Dr M C Moss - Trustee



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### Reference and Administrative Details

#### Principal Office

Drywood Hall  
Worsley Road  
Worsley  
Manchester  
M28 2WQ

#### Web Address

[www.bridgewater-school.co.uk](http://www.bridgewater-school.co.uk)

#### Company Registration Number

05190072 (a company limited by guarantee)

#### Charity Registration Number

1105547 (incorporated in England)

#### Governors, Directors and Charity Trustees

The Governors of Bridgewater School, as trustees and directors of the charitable company, are listed below:

Mr C E Haighton	(Chair)
Ms K Mort	(Vice Chair)
Mr I Bamford	
Mr N Beesley	
Mrs P M Byrne	
Mrs A Dagg	
Mr S Harrison	
Mrs J Jones	<i>(Resigned 04.09.20)</i>
Mr C Melia	
Dr M C Moss	
Mr S C Ryan	
Mrs K Simpson	
Mrs C Smith	<i>(Appointed 06.09.21)</i>



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

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### Senior Leadership Team

The Headmistress, Mrs JAT Nairn, is assisted in the management of Bridgewater School by the following key personnel, supported by a committed and experienced team:

Mr M Barker	Deputy Head Senior School (Academic)
Mr P Lyons	Deputy Head Senior School (Pastoral)
Mr M Rooney	Deputy Head Prep School
Ms E F Davenport	Bursar and Clerk to the Governors
Mrs K A Booth	Senior Teacher

### Auditor

Beever and Struthers  
St. George's House  
215 - 219 Chester Road  
Manchester  
M15 4JE

### Banker

Lloyds Bank plc  
Hotel St Bolton Branch  
PO Box 1000  
BX1 1LT

### Association

The School is a member of both the Independent Schools Association (ISA) and the Independent Schools Council (ISC).

### Regulation

Bridgewater School is regulated by the Independent Schools Inspectorate (ISI) and underwent a regulatory Compliance Inspection in February 2018. The School was found to be fully compliant in all areas.



## Independent Auditor's Report to the Members of Bridgewater School

### Opinion

We have audited the financial statements of Bridgewater School (the 'charity') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP – FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

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

### **Other information**

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

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

We have nothing to report in this regard.

### **Opinion 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 16), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of laws, regulations and guidance that affect the charitable company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws, regulations and guidance that we identified included the Companies Act 2006, health and safety legislation, and employment legislation.
- We enquired of the Trustees and reviewed correspondence and Trustee meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the Trustees have in place, where necessary, to ensure compliance.
- We gained an understanding of the controls that the Trustees have in place to prevent and detect fraud. We enquired of the Trustees about any incidences of fraud that had taken place during the accounting period.
- The risk of fraud and non-compliance with laws and regulations was discussed within the audit team and tests were planned and performed to address these risks.
- We reviewed financial statements disclosures and supporting documentation to assess compliance with relevant laws and regulations discussed above.



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

- We enquired of the Trustees about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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Andrew McLaren (Senior Statutory Auditor)  
For and on behalf of Beever and Struthers, Statutory Auditor

St George's House  
215 - 219 Chester Road  
Manchester  
M15 4JE

Date: \_\_\_\_\_



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### Statement of Financial Activities for the Year Ended 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	91,221	91,221
Charitable activities	4	4,344,414	4,344,414
Other trading activities	5	15,074	15,074
Total income		<u>4,450,709</u>	<u>4,450,709</u>
<b>Expenditure on:</b>			
Charitable activities	6	<u>(4,324,047)</u>	<u>(4,324,047)</u>
Total expenditure		<u>(4,324,047)</u>	<u>(4,324,047)</u>
Net income		<u>126,662</u>	<u>126,662</u>
Net movement in funds		126,662	126,662
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>3,749,519</u>	<u>3,749,519</u>
Total funds carried forward	21	<u>3,876,181</u>	<u>3,876,181</u>
	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	227,239	227,239
Charitable activities	4	4,036,536	4,036,536
Other trading activities	5	17,521	17,521
Total income		<u>4,281,296</u>	<u>4,281,296</u>
<b>Expenditure on:</b>			
Charitable activities	6	<u>(4,152,544)</u>	<u>(4,152,544)</u>
Total expenditure		<u>(4,152,544)</u>	<u>(4,152,544)</u>
Net income		<u>128,752</u>	<u>128,752</u>
Net movement in funds		128,752	128,752
Total funds brought forward		<u>3,620,767</u>	<u>3,620,767</u>
Total funds carried forward	21	<u>3,749,519</u>	<u>3,749,519</u>

All of the charity's activities derive from continuing operations during the above two periods.

*The notes of pages 26 to 38 form an integral part of these financial*



Annual Report and Financial Statements  
for the Year Ended 31<sup>st</sup> August 2021

Balance Sheet as at 31 August 2021

(Registration number: 05190072)

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	5,569,265	5,723,874
<b>Current assets</b>			
Debtors	15	436,130	459,857
Cash at bank and in hand	16	1,104,811	638,416
		<u>1,540,941</u>	<u>1,098,273</u>
<b>Creditors: Amounts falling due within one year</b>	17	<u>(1,351,000)</u>	<u>(1,114,650)</u>
<b>Net current assets/(liabilities)</b>		<u>189,941</u>	<u>(16,377)</u>
<b>Total assets less current liabilities</b>		5,759,206	5,707,497
<b>Creditors: Amounts falling due after more than one year</b>	18	<u>(1,883,025)</u>	<u>(1,957,978)</u>
<b>Net assets</b>		<u>3,876,181</u>	<u>3,749,519</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>3,876,181</u>	<u>3,749,519</u>
<b>Total funds</b>	21	<u>3,876,181</u>	<u>3,749,519</u>

The financial statements on pages 23 to 38 were approved by the trustees, and authorised for issue on

8.2.2022 and signed on their behalf by:

Dr M C Moss - Trustee

*The notes of pages 26 to 38 form an integral part of these financial*



Annual Report and Financial Statements  
for the Year Ended 31<sup>st</sup> August 2021

## Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income		126,662	128,752
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	7	220,237	218,055
		<u>346,899</u>	<u>346,807</u>
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	15	23,727	(49,317)
Increase/(decrease) in creditors	17	238,522	(367,796)
Net cash flows from operating activities		609,148	(70,306)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	14	(65,628)	(42,717)
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings	17	(77,125)	(63,598)
Net increase/(decrease) in cash and cash equivalents		466,395	(176,621)
Cash and cash equivalents at 1 September		<u>638,416</u>	<u>815,037</u>
Cash and cash equivalents at 31 August		<u>1,104,811</u>	<u>638,416</u>

All of the charity's activities derive from continuing operations during the above two periods.

*The notes of pages 26 to 38 form an integral part of these financial*



## Notes to the Financial Statements for the Year Ended 31 August 2021

### 1 Charity status

The charity is limited by share capital, incorporated in England.

The address of its registered office is:

Drywood Hall  
Worsley Road  
Worsley  
Manchester  
M28 2WQ

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

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

#### Summary of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### Basis of preparation

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

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis contingent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

### **Tangible fixed assets**

Individual fixed assets costing £0.00 or more are initially recorded at cost.



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold Property	2% straight line
Long Leasehold Property	2% straight line
Fixtures & Fittings	10-25% straight line
Motor Vehicles	25% straight line
Equipment	10-20% straight line

### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original term of the receivables.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

### Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

### Financial instruments

#### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

#### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

### 3 Income from donations and legacies

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Donations	24,711	24,711	16,414
Furlough claim	66,510	66,510	210,825
	<u>91,221</u>	<u>91,221</u>	<u>227,239</u>



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### 4 Income from charitable activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
School fees	4,940,902	4,940,902	4,881,147
Other sales	74,377	74,377	31,685
Coach fees	70,670	70,670	76,673
Discounts	(251,900)	(251,900)	(274,820)
Bursaries and Scholarships	(589,635)	(589,635)	(678,149)
Covid 19 Business interruption insurance claim	100,000	100,000	-
	4,344,414	4,344,414	4,036,536

### 5 Other Trading Activities

	Unrestricted General £	Total 2021 £	Total 2020 £
Hire of facilities	15,074	15,074	17,521

### 6 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2021 £
Charitable activities	3,543,373	770,083	4,313,456
Support costs	-	10,591	10,591
	3,543,373	780,674	4,324,047
	Activity undertaken directly £	Activity support costs £	2020 £
Charitable activities	3,333,500	809,172	4,142,672
Support costs	-	9,871	9,871
	3,333,500	819,043	4,152,543

### 7 Loan interest payable

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Bank Loan Interest	68,951	68,951	70,293
	68,951	68,951	70,293



# Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

## 8 Analysis of governance and support costs

Support costs allocated to charitable activities

	Total 2021 £	Total 2020 £
Staff costs	598,107	640,865
General office	139,683	107,231
Legal and professional	27,217	55,777
Bank charges	5,076	5,299
	<u>770,083</u>	<u>809,172</u>

Governance costs

	Unrestricted General £	Total 2021 £	Total 2020 £
Auditor's remuneration	10,591	10,591	1,402
	<u>10,591</u>	<u>10,591</u>	<u>1,402</u>

## 9 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>5,905</u>	<u>5,840</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>4,686</u>	<u>4,031</u>

## 10 Net incoming / outgoing resources

Net incoming/outgoing resources for the year include:

	2021 £	2020 £
Operating leases - plant and machinery	6,485	6,485
Audit fees	5,905	5,840
Depreciation of fixed assets	<u>220,237</u>	<u>210,492</u>



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year (2020: £nil).

No trustees have received any reimbursed expenses or any other benefits from the charity during the year (2020: £nil).

### 12 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	2,457,666	2,515,207
Social security costs	227,746	236,920
Pension costs	521,500	419,537
	<u>3,206,912</u>	<u>3,171,664</u>

The average number of full -time equivalent employees during the year is analysed as below:

	2021 No	2020 No
Teaching staff	43	43
Administrative staff	9	9
Support staff	25	25
	<u>77</u>	<u>77</u>

The number of employees whose emoluments fell within the following bands was:

	2021 No	2020 No
£60,001 - £70,000	3	2
£70,001 - £80,000	1	1
	<u>4</u>	<u>3</u>

The total employee benefits of the key management personnel of the charity were £434,479 (2020 - £371,425). The number of key management personnel increased from 5 to 6 in the year.

### 13 Taxation

The charity is a registered charity and is therefore exempt from taxation.



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### 14 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>					
At 1 September 2020	7,467,076	962,067	81,729	388,038	8,898,910
Additions	17,224	23,959	-	24,445	65,628
At 31 August 2021	7,484,300	986,026	81,729	412,483	8,964,538
<b>Depreciation</b>					
At 1 September 2020	2,085,291	894,909	71,731	123,105	3,175,036
Charge for the year	141,718	35,650	2,499	40,370	220,237
At 31 August 2021	2,227,009	930,559	74,230	163,475	3,395,273
<b>Net book value</b>					
At 31 August 2021	5,257,291	55,467	7,499	249,008	5,569,265
At 31 August 2020	5,381,785	67,158	9,998	264,933	5,723,874

Included within the net book value of land and buildings above is £2,586,077 (2020 - £2,557,952) in respect of freehold land and buildings and £2,671,215 (2020 - £2,823,833) in respect of leaseholds.

### 15 Debtors

	2021 £	2020 £
Trade debtors	275,306	402,785
Prepayments and Accrued income	151,607	54,524
Other debtors	9,217	2,548
	<u>436,130</u>	<u>459,857</u>

### 16 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	622	183
Cash at bank	1,104,189	638,233
	<u>1,104,811</u>	<u>638,416</u>



Annual Report and Financial Statements  
for the Year Ended 31<sup>st</sup> August 2021

**17 Creditors: amounts falling due within one year**

	2021 £	2020 £
Bank loans	73,737	75,909
Trade creditors	160,635	72,227
Other taxation and social security	62,181	59,688
Other creditors	218,835	234,316
Accruals and deferred income	835,612	672,510
	<u>1,351,000</u>	<u>1,114,650</u>
	2021 £	2020 £
Deferred income at 1 September 2020	(625,949)	(1,032,680)
Resources deferred in the period	(779,295)	(603,709)
Amounts released from previous periods	625,949	1,010,440
Deferred income at year end	<u>(779,295)</u>	<u>(625,949)</u>

**18 Creditors: amounts falling due after one year**

	2021 £	2020 £
Bank loans	<u>1,883,025</u>	<u>1,957,978</u>

**19 Obligations under leases and hire purchase contracts**

**Operating lease commitments**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
<b>Land and buildings</b>		
Within one year	<u>2,500</u>	<u>2,500</u>
<b>Other</b>		
Within one year	3,485	3,485
Between one and five years	<u>871</u>	<u>4,356</u>
	<u>4,356</u>	<u>7,841</u>



## Annual Report and Financial Statements for the Year Ended 31<sup>st</sup> August 2021

### 20 Pension and other schemes

#### Defined contribution pension scheme

The Charity's employees historically belonged to either the Teachers' Pension Scheme England and Wales (TPS) for academic staff, or a defined contribution scheme for administrative staff. At 1 October 2020 the academic staff were transferred from the Teachers' Pension Scheme to an Aviva Aptis Scheme.

The amount recognised as an expense in relation to defined contribution plans was £521,500 (2020: £419,537). Included within the contributions in the current year are salary sacrifice contributions from the academic staff to the Aviva Aptis scheme of £146,032. There were no such equivalent contributions under the TPS in the year ended 31 August 2020. The employer's rate of contribution to the Aviva Aptis scheme is 19.1% (2020: contribution rate to the TPS 23.68%).

At 31 August there were outstanding contributions to the Aviva Aptis scheme of £41,998 (2020: Due to TPS £45,305), which were paid on 7 September 2021.

#### Teachers' Pension Scheme

##### *Introduction*

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016.

##### *Teachers' Pension and Budgeting and Valuation Account*

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.



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The Teachers' Pension Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

### *Valuation of the Teachers' Pension Scheme*

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

### *Scheme Changes*

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.



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### Defined Contribution Scheme

The Charity makes a contribution of 5% of salary for support staff to this pension scheme and acts as an agent in collecting and paying over employee pension contributions. The contributions made for the accounting period are treated as an expense and were £36,090 (2020: £28,395).

### 21 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>				
General	3,749,519	4,450,709	(4,324,047)	3,876,181
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>				
General	3,620,767	4,281,296	(4,152,544)	3,749,519

### 22 Analysis of net assets between funds

	Total funds at 31	
	Unrestricted funds General £	August 2021 £
Tangible fixed assets	5,569,265	5,569,265
Current assets	1,517,113	1,517,113
Current liabilities	(1,253,435)	(1,253,435)
Creditors over 1 year	(1,956,762)	(1,956,762)
Total net assets	3,876,181	3,876,181
	Total funds at 31	
	Unrestricted funds General £	August 2020 £
Tangible fixed assets	5,723,874	5,723,874
Current assets	1,098,274	1,098,274
Current liabilities	(1,114,651)	(1,114,651)
Creditors over 1 year	(1,957,978)	(1,957,978)
Total net assets	3,749,519	3,749,519



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### **23 Financial instruments**

The bank loan is secured by two charges: a floating charge over the property and undertakings of the Charity and a fixed charge over the freehold and leasehold property.

The bank loan will mature in 2040. Interest is charges on one half of the value of the loan (£1.175m) at 2% above the bank's base rate. Interest is charged on the remaining £1.175m loan at a protected/hedged rate of 4.31% for the term of the loan.

### **24 Related party transactions**

There are a number of trustees and members of the senior management team whose children attend the school. All fees were charges in line with the published fee structure. See note 10 for details of other transactions with Trustees. No further related party transactions requiring disclosure were undertaken.

