

Registered number: 02093340
Charity number: 296491

SIDCOT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

CONTENTS

	Page
Reference and administrative details of the School, its Governors and advisers	1
Governors' report	2 - 9
Independent auditors' report on the financial statements	10 - 13
Statement of financial activities	14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17 - 32

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2022**

Governors	Jameson Miller, Chair Andrew Flint Adam Matthews Nicholas Pyatt Victoria Hemming Daniel Lloyd Cecilia Bufton (resigned June 2022) Dr Terence McMaster Gareth Turnbull Simon Linnitt Rashmi Rungta Alan Teece
Company registered number	02093340
Charity registered number	296491
Registered office	Sidcot School Oakridge Lane Winscombe North Somerset BS25 1PD
Independent auditors	Moore Kingston Smith 6 th Floor 9 Appold Street London EC2A 2AP
Bankers	Lloyds Bank plc Bath Street Cheddar BS27 3AB
Solicitors	Harrison Clark Rickerbys Limited Ellenborough House Wellington Street Cheltenham GL50 1YD

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The Governors, who are also the Directors of the School for the purpose of the Companies Act and Trustees for the purposes of the Charities Act (but hereinafter are referred to as Governors), present their annual report and the audited financial statements for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' Report and a Directors' Report under company law. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association as amended 1 December 2018, applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015), the Companies Act 2006 and subsequent regulations. The School is registered as an educational charity (charity number 296491). The School was incorporated as a company limited by guarantee and not having share capital on 26 January 1987.

OBJECTIVES AND ACTIVITIES

a. Policies and objectives

In setting their objectives for the year and planning their activities, the Governors have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The School endeavours to widen public access to the education that it offers, to optimise the use of its cultural and sporting facilities and to develop in its students an awareness of the social context of the all-round education that they receive. The School makes its facilities available to a number of local groups and clubs and is mindful of its position as a thriving independent school in a rural location.

b. Aims

Sidcot School's aim is to provide a first class independent education, encouraging individuals to believe in and explore their own potential. Its Quaker philosophy underpins all that it does and is fundamental to its existence. The School aims to provide a broad and liberal education across a wide range of subjects. Its students achieve excellence in many areas. The School encourages creativity and individuality and strongly believes that every child has immense potential to succeed in an environment relatively free of peer group pressure. The School places great emphasis on personal development in the broadest sense and aims to ensure its students leave Sidcot as tolerant, well balanced individuals who want to make a difference in the world.

From an early age, Sidcot students experience a community where it is clear that independent thought is encouraged and curiosity is a way of life. We aim to educate the whole person, to equip our students with practical and personal skills alongside their academic qualifications. We use imaginative teaching methods to encourage students to see learning as an exciting creative journey in which everyone can take part; a journey that does not end when they leave school or higher education. We know we have succeeded when our young people go out into the world with an insatiable interest in all that life has to offer.

Sidcot students are encouraged to see school as a place to explore and experiment, to follow their instincts and develop their interests. They work together in small classes, in an atmosphere of optimism and enquiry. We are proud that former students are often described as people who can 'talk to anyone'. Lifelong friendships are made at Sidcot – and a lasting love of learning.

Of course, what matters at school doesn't just happen in the classroom. Sidcot is set in a magnificent rural location and our students develop an understanding and respect for the natural world. They also have access to great facilities for sports, outdoor learning, arts, crafts, music and performance, as well as opportunities to work with community groups and charities, and to get involved with local business projects.

We nurture students into becoming authentic and insightful young people who are skilled in self-awareness and who value their emotional life. They are encouraged to take responsibility for their wellbeing and to value emotional intelligence. As a result they develop a confidence that is rooted in a deep understanding of who they are and what they value in the world. Every week the whole school joins together for a period of shared silent reflection in our 19th century Quaker Meeting House. Through this regular practice, students learn the benefits of calm in daily life.

During their time at the school students learn to express their own opinions and to listen with interest to the views of others. Everyone is encouraged to contribute to discussion and debate: not taking over and not opting out.

GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2022

In this way students develop an enthusiasm for collaboration and co-creation. In a truly international environment, their fellow students are often people whose stories are very different from their own: people from different backgrounds, different countries, races and religions, and people with different abilities. In this stimulating and diverse social environment, students live and learn together in an atmosphere of cheerful kindness and mutual respect.

STRATEGIC REPORT

Achievements and performance

a. Going concern

The Governors in consultation with the Finance Director, have undertaken a review of the financial viability of Sidcot School in order to assess the School's going concern status for a period of 12 months from the date of approving these financial statements.

Information utilised in undertaking this assessment is the detailed budget for the year to 31 August 2023 and 5 year forecast. The Finance Committee has also reviewed the cash flow position within the 5 year forecasts. The improved levels of cash at the Year End, combined with buoyant numbers of overseas boarders, will enable Sidcot to continue to ensure that a surplus is being generated providing the necessary investment in improved facilities over the coming year; for this reason the Governors continue to adopt the going concern basis in preparing the financial statements.

b. Public benefit

Sidcot School provides access to its facilities to the local and wider community, with a considerable number of community groups making use of our swimming pool, sports facilities and arts centre. In the Sports Centre we offer discounted rates to local Primary Schools, sports clubs and community groups. Our all-weather pitch has been made available to local schools and community groups for 200 hours at no cost, and discounted rates offered to Winscombe Hockey club and to local football clubs. We also provide land to Winscombe Rugby club for their pitches and share the use of an all-weather rugby training area.

We provide the Junior School Hall venue to a rugby franchise, which provides rugby activities to children aged 2 to 7 years in the local community. They also run a number of open day free sessions to attract children in the local community. Our Arts Centre provides access to a number of local groups and we regularly host local Parish Council meetings. We also host talks and seminars which are attended by members of the local community, and have given access to local businesses to run events at discounted rates.

Our Careers and Progression Advisor attends a termly Careers Network at Priory Community School to discuss current initiatives and share information and good practice. This is attended by local schools and colleges in North Somerset. Sidcot's Head Librarian arranges author visits to the school for our students as well as a range of other local primary and middle schools.

As part of regular clubs and activities, Sidcot offers a broad range of volunteering experiences that serve those in our local area and equip students with the essential skills and values required when living and working within the wider community. These activities include gardening renovation, visiting elderly people, and community IT training.

Several members of the Senior Management Team are Governors at local schools. Our Headmaster is a current Trustee and former Chair of a local Multi Academy Trust in Weston super Mare, which provides support and expertise to primary schools in disadvantaged areas of the town to improve the life chances of their students. One of our Assistant Heads is also a Trustee of this MAT and sits on their Education strategy group, helping with the Academic reviews of the Primary Schools and acting as the safeguarding and SEN link Trustee.

Our Outreach work has extended to our Head of Art leading developmental work to train Primary Art specialists from ELAN schools, providing resources and expertise. The teachers use their training within their own schools and then exhibit the work in Sidcot's Art centre, where the schools are invited to bring their teachers and students across to look at the exhibition of their work. Our Assistant Head (T&L) is working with a group of teachers to

GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2022

raise the standard of reading and comprehension through training staff in a variety of practical workshops so that their in-class delivery is more effective.

We're pleased to work closely with our local multi-academy trust group of primary schools. Students from these state schools visit Sidcot on a regular basis throughout the year to watch our Whole School Productions (most recently *The Lion, the Witch and the Wardrobe*) and to use our sports facilities for galas and multi-sports sessions arranged by Sidcot staff. Our drama teachers also take drama workshops of a two-hour duration each at some of these schools.

Moved by the conflict in the Ukraine we have arranged a series of bi-weekly get-togethers for the Ukrainian families within our network, where they meet on a Sunday for a swim and refreshments on our school site. Our Ukrainian boarding matron is on hand to support with translations, as are our boarding students.

Our student Charity Office Holders are in charge of putting together a rigorous programme of charity fundraising days. Most recently, we raised over £4000 for Cancer Research after a week of fundraising events, culminating in a Race for Life. We also hold a termly 'Disaster Fund Lunch', when the school community all has soup, bread and fruit for lunch and the money saved from this goes to the Disaster Fund. It is then decided which disaster in the world, at that time, will receive the money. Most recently this was sent to support victims of the conflict in the Ukraine. We also gathered a mini-bus load of supplies for victims of the war in Ukraine, which was delivered to them by one of our boarding staff, who drove to Europe to do so.

c. Bursaries and scholarships

The Governors have approved a policy of using a proportion of the School's unrestricted funds each year to provide for bursaries and scholarships to support the education of a range of students, who might not otherwise be able to attend the School.

In 2021/2022 219 children were in receipt of bursaries and scholarships from the School ranging from 5% to 100% depending on need, circumstances and their parents' ability to pay.

Bursaries provide financial support to children whose families cannot afford private education and are open to all students at the School. Applications for bursaries are considered by a small committee, including one Governor, and awards made are based on the financial circumstances of the applicant. All bursaries are means tested and reviewed annually. This year awards totalling in excess of £1,044,062 (2021 £918,768) of bursaries and scholarships were made.

The School is extremely grateful for the support it receives from the Sidcot Bursary Trust (SBT). The trust is independent of the School but was set up to provide assistance to parents of children who already attend the School and due to a change in circumstances need short term financial support to keep their child at Sidcot. In 2021/2022 the SBT provided over £40,000, supporting 8 children at an average of 33% of fees.

Scholarships are awarded for academic, arts, sports, and all-round ability, and may be supported by a means tested bursary.

d. Review of activities

The number of students on the roll at the end of the year under review was 622 (ex. Pre-School).

Students at Sidcot School celebrated an impressive set of GCSE results, once again significantly above the national average. Sidcot students achieved 39.4% of grades between 9 to 7 (equivalent to A* to A) with 92% of scores between 9 and 4 (equivalent to A* to C).

This year's International Baccalaureate results saw our students posting some excellent scores. Sidcot students achieved an average point score of 37.5. This maintains the School's place above the world average of 36.9 and puts Sidcot students in an extremely strong position to accept places at top universities. The IB allows students to study six subjects, alongside an extended essay, as well as taking part in voluntary activities. All our pupils passed the IB Diploma and one student achieved 41 points out of 45.

Our A Level students achieved 38% A* to A and 76% A* to C. Some of our Year 13 students took the Extended

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

Project Qualification, with 5% attaining an A* to A grade and 86% A* to C. At Sidcot we take a great deal of pride in supporting students to progress to employment or the next stage of their academic journey. Of those students going to university in 2022, 94% of applicants were successful in gaining a place at an institution of their choice.

This academic year, Equality, Diversity and Inclusion (EDI) has been a focus for development for Sidcot School and new roles have been created to reflect this. In the summer term of 2021, a student was appointed in the new role of Equalities Office Holder and a staff member was appointed as the staff Equality and Diversity Lead. Following this, a Staff Diversity committee was established focusing on how the school could develop its practice in relation to EDI, and similarly a pupil led group was also created. This group began a conversation around race and cultural identity and highlighted changes that would impact positively on the school community. Many of our students were keen to be a part of assemblies during Black History Month as an opportunity to celebrate their favourite black British icons and educate the school community on the cultural meaning behind black hairstyles and misconceptions of Nigeria. We acted on feedback from student voice to create a new pupil led African-Caribbean Society (ACS) founded by our International Head Girl.

EDI has also been the focus for staff training and ongoing professional development for CPD. Two members of staff have completed the 'BSA Certificate in Professional Practice - Inclusion Lead Training' which has allowed them to network with other schools and share good practice in this field. In September 2021, all staff participated in training delivered, to inform our practice and understanding of cultural differences within the school setting. This was followed up in January 2022 from an EDI consultant who led a well-received CPD session on 'exploring bias in education and racial literacy'. Departments across the school have also begun to evaluate their curriculum and are willing to remove or contextualise content that is outdated and review the representation within their subject.

There have been changes to this year's PSHE programme to reflect our whole school focus, with the Year 7 immigration topic and Black History Month resources now updated. A new date on our calendar was International Men's Day in November, which drew awareness to men's mental health through the celebration of 'Movember' and Year 10 explored toxic masculinity during a PSHE session.

The newly appointed head of PSHE organised a Year 11 media workshop in February, produced by Safer Stronger North Somerset to address violence against girls and women. A bridging curriculum day involving year 5-8 has also been specifically developed to explore culture and diversity.

FINANCIAL REVIEW

a. Review of financial activities and results

The results for the year and financial position of the School are as shown in the financial statements. The net incoming resources for the year were £675,323 (2021: £477,998 outgoing) before taking into account bequests and donations of £111,261 (2021: £391,050).

Fee income after scholarships and bursaries increased by 19.6% to £11,150,149 (2021: 6.5% increase to £9.3m). Scholarships, bursaries, remissions and other grants made to pupils totalled £1,686,526 (2021: £1,728,765), which represents 13.1% of gross fee income (2021: 15.6%). Resources expended increased 7.9% to £11.5m (2021: £10.7m).

b. Investment policy and performance

The School uses the investment management company Evelyn (formally known as Smith and Williamson) to invest on their behalf in accordance with the School's investment policy. This policy reflects the School's ethical investment criteria with a balance between capital growth and income. Responsibility for monitoring performance rests with the Finance Director and the Governors. Investments returned a 2.3% loss (2021: 19.9% gain) during the year. This reflected a decrease in value of approximately 5% (2021: 16.9% increase) and a revenue return of approximately 2.7% (2021: 3%). The Governors believe that the return was comparable with returns on similar investments and that it reflected the prevailing conditions on world markets.

GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2022

c. Reserves policy

The Governors consider that it is important that unrestricted reserves should be increased over the next 5 years in order to safeguard the long term future of the School. Sidcot School does not have large endowment funds, and therefore these reserves are required in order to increase the School's resilience and capacity to manage unforeseen circumstances in the future.

The School's unrestricted funds stood at £11.9m at year end, of which £12.9m was deployed as part of the School premises and equipment. This leaves negative free reserves. The reserves policy is reviewed on an annual basis.

d. Restricted funds

The School maintains a number of restricted funds. The William Norman Bequest was made for the purpose of funding a music bursary and the Mary Blaschko grant was given to fund a Sixth Form bursary. There are a number of other smaller bursary and prize funds.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Governing document

The earliest Trust Deed dates from 1809, the Trust being set up "for the purpose of establishing and supporting a School for the education of the children of persons being members of the Society of Friends (commonly called Quakers)". The School's objects are now set out in the Memorandum and Articles of Association, which date from 1987, as amended 1 December 2018, and which provide for the operation of the School "in accordance with the principles of the Religious Society of Friends for the education of the children of members of Society of Friends and others".

b. Group structure and relationships

The School has two wholly owned non-charitable subsidiary companies, Sidcot Leisure Activities Limited and Sidcot International Limited. A linked charitable trust, Sidcot School Trust, registered with the Charity Commission on 15 September 2006, has been created in order to hold the permanent endowment property of the School in accordance with a Charity Commission Scheme dated 19 July 2006.

c. Recruitment and training of governors

The Board's Governance and Membership Committee works in partnership with Sidcot Quaker General Meeting's Nomination Committee to identify and nominate prospective governors. The Articles provide that a majority of Board Members would be persons who were:

- (a) active in a Quaker Meeting or Organisation, or
- (b) in the discernment of the Quaker General Meeting's Nominations Committee, were of such a conviction that they would promote and uphold Quaker Values in the governance, management and life of Sidcot School.

The Nominations Committee of Sidcot General Meeting and the Board's Governance and Membership Committee take into account eligibility, personal competence, specialist skills and local availability.

New Governors are inducted into the workings of the School prior to the date of formal appointment. A Governor training programme is in place, including third party training as appropriate.

d. Pay policy for senior staff

The Governors consider that the Senior Leadership Team are the key management personnel of the School in charge of directing and controlling, running and operating the Trust on a day to day basis. The pay of senior staff is reviewed annually, along with all members of staff and pay rises may be awarded in line with cost of living

GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2022

increases where affordable. The School has established pay scales that have been approved by the Board of Governors and remuneration for all members of staff, including senior staff, is set in accordance with these pay scales.

All Governors give their time freely and no Governor received remuneration for being a Governor in the year. Details of Governors' expenses and related party transactions are disclosed in the notes to the accounts.

e. Organisational structure and decision making

The Board of Governors, as the Trustees of the Charity and as the Directors of the registered company, are legally responsible for the overall management and control of Sidcot School. They meet formally at least five times a year. During this year there was one Board Committee, the Governance and Membership Committee, which met throughout the year as required. Governors are attached to a specific Head of Faculty or Business Department, to provide a link to the Board. There were Governor members of committees and working groups in the areas of Education, Finance, Digital, Peace and Global Studies, Alumni and Development, International Development, Boarding Strategy and Marketing, and there were Governor representatives on the Health and Safety Committee. Day to day management is delegated to the Senior Management Team, which, during the year, comprised:

Headmaster	-	Iain Kilpatrick*
Deputy Head Pastoral	-	Joanna Leite*
Deputy Head Academic	-	Christian Hughes*
Head of Junior School	-	Catherine Dykes *
Director of Operations	-	Keith Perry *
Director of Finance	-	Steve Harris*
Director of Marketing and Development	-	Sarah Simms* (appointed 10 th Sept 2021)
Director of International Relations	-	Angela Dudley-Warde
Head of IT Services	-	Allison Clarke (appointed 13 th Sept 2021)
Assistant Head Teaching and Learning	-	Charlotte Resuggan
Assistant Head Upper School	-	Tom Ruddle
Head of Boarding	-	Amandine Smilevich

*Senior Leadership Team

f. Risk management

The Governors examine the major risks that the School faces each financial year. The School has developed systems to monitor and control these risks to mitigate any impact that they may have in the future. A detailed risk register is reviewed on an annual basis by the Governors and senior leadership. This register covers the following areas of risk: strategic, operational, people, finance, governance, external and legal. The review process assesses the current level of risk in each area and highlights control measures, responsibility and how each process is monitored. Action plans are developed where a target risk level has been set which would reduce the current residual risk.

The key control measures in place at the School include:

- Comprehensive safeguarding procedures for the protection of children
- Detailed strategic planning, budgeting and management accounts
- A clear Health and Safety policy and an in-depth risk assessment process
- Formal written policies and procedures covering all aspects of the School's work
- Clear authorisation and approval levels
- IT controls and cyber security.

The main area of risk for the School is associated with the Labour Party's commitment to introduce VAT on school fees, combined with abolishing charitable status and business rates relief. The introduction of these measures would have significant ramifications on the School's financial situation. However, for the foreseeable future, in the opinion of the Governors, the School has established resources and review systems which, under normal conditions, should allow risks to be mitigated to an acceptable level in its day-to-day operations.

GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2022

Future developments

The School Improvement Plan has been drawn together by the Senior Management Team and provides an overview of the main areas of work that will be required in order to meet Sidcot's key strategic goals over the next twelve-month period.

Within the Student Experience area we aim to maintain the high standards exemplified by the excellent achievement and progress results seen in 2021-2022 at GCSE, A-level, BTEC, IB and EPQ. Predicted value-added (VA) data based on teachers' predictions will continue to be monitored throughout the year to inform effective interventions to support student progress. Final VA outcomes for Yr11 and Yr13 students entered for public examinations will be presented to the Board in each October meeting.

The Co-curricular programme has undergone a significant change in 2021-22 with the introduction of the revised PASS programme which has been judged to be very successful. Next year we look to develop this further by introducing some compulsory elements and expectations to the programme, focussing on increased participation in activities centred around Quaker, Peace and Global studies. Throughout the whole extra-curricular offer, there will also be a focus on increasing participation in activities that promote a healthy lifestyle. We also aim to target those students who currently chose not to get involved and increase their participation in the after school and lunch time clubs.

Within Safeguarding, Pastoral Care and Wellbeing we will continue to develop programmes and initiatives to promote student welfare. Through the House competitions we also aim to increase active participation in the events. As we move into the academic year 2022-23, we will continue to embed the work that has taken place this year focussing on Equality and Diversity. Within the PSHE programme we have started looking at ways for peer-to-peer teaching and support and this will continue into next year. Our main focus in boarding is to improve the food offer, in particular at weekends. We have reopened Combe House and introduced a new staffing structure which enables the staff to focus their efforts solely on boarding.

Within Marketing and Admissions we are building on the strong recovery in student numbers experienced post-lockdown with a focus on student retention events and ongoing recruitment throughout the year. Following a research exercise, we are reviewing our brand proposition to ensure that it is serving us best in our core markets. We are also revising our digital media work, with a view to building on the success of our digital marketing campaigns. From an international boarding perspective, we continue to recruit actively in a broad range of markets to ensure a diverse and vibrant boarding community, and to mitigate the risk of a dependency on a particular country.

On the Development theme, our strengthened alumni team continues to build connections with our Sidcotian community through events, outreach via our dedicated website and database (Sidcotians Connect) and work in our Archive Room, which is undergoing extensive updates with the help of our valued volunteers. Following the successful closure of our Covid Relief Fund, we are progressing well with a capital campaign to raise funds for our Sixth Form renovation.

The financial position of the School is set to improve in line with increased pupil numbers, maintaining close control of all areas of expenditure, and the return to a full level of non-fee income generation. Whilst current world issues are likely to impact overseas recruitment from Russia and Ukraine we are confident that we have sufficient diversification within our boarding community to mitigate this risk. We have ambitious plans for investing in the School facilities and are budgeting a total capital spend of over £2.6m during the year. This includes continuing our programme of IT Development which will ensure that all our teachers, support staff, and pupils have the necessary technology, infrastructure, and training to maximise the effective use of IT systems throughout the School.

The School is looking to undertake a number of significant capital projects to improve the physical environment of the campus. Wherever possible we will focus on sustainable options and will continue to look at ways to reuse and recycle more. Maintaining a safe environment for students, staff and visitors remains a key objective and through proactive H&S measures and close monitoring, we will mitigate or reduce the risk of injuries and accidents. Support to staff will continue through induction, training, appraisals and regular communications to ensure staff remain engaged and feel a valued component of the School.

Sitting at the heart of the School's values, we will continue to use Quaker Peace and Global Studies as a key element of differentiation in the Sidcot offer. The Centre will continue to develop initiatives within the curriculum

GOVERNORS' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2022

and co-curriculum, particularly around peace and sustainability, as well as remaining open to opportunities to link with organisations outside of Sidcot. Within this will be further development of links locally, nationally and internationally through our status as an Ashoka Changemaker School.

The main focus in community outreach will be continuing our relationship with the ELAN multi-academy trust. As well as our commitment to supporting sport links, we will seek to find more opportunities to share good practice in teaching and learning with ELAN schools. In addition, key Sidcot staff will remain on the Board of Trustees of ELAN to maintain this key partnership at a strategic level.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

Company law requires the Governors to direct the preparation of the financial statements and to review and approve the prepared financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the School and of its incoming resources and application of resources, including its income and expenditure, for that period. The School's financial statements must:

- utilise generally accepted accounting policies and be applied consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- provide accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- be prepared on a going concern basis unless it is inappropriate to presume that the School will continue in business.

The Governors are responsible for the adequacy of the School's accounting records, that these records are sufficient to show and explain the School's transactions, that the financial statements disclose with reasonable accuracy at any time the financial position of the School and that the financial statements comply with the Companies Act 2006. Governors are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

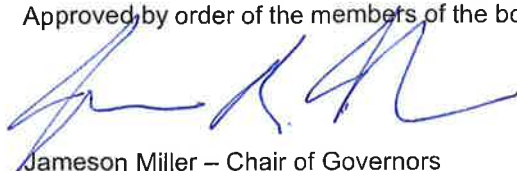
Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Moore Kingston Smith, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

Approved by order of the members of the board of Governors on **3/12/22** and signed on their behalf by:



Jameson Miller – Chair of Governors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIDCOT SCHOOL

Opinion

We have audited the financial statements of Sidcot School ('the company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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 charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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 there is 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIDCOT SCHOOL (continued)

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIDCOT SCHOOL (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks 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 to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIDCOT SCHOOL (continued)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

10th January 2023

6th Floor
9 Appold Street
London
EC2A 2AP

Sidcot School

STATEMENT OF FINANCIAL ACTIVITIES (including the income and expenditure statement) for the year ended 31 August 2022

	Notes	Unrestricted / Designated funds £	Restricted funds £	Endowment fund £	Total 2022 £	Total 2021 £
INCOME FROM:						
Charitable Activities						
School fees	3	11,150,149	-	-	11,150,149	9,321,468
Other educational income	4	848,348	-	-	848,348	571,351
Other income						
Other trading income	5	181,336	-	-	181,336	164,539
Investments						
Investment Income	6	3,582	41,375	-	44,957	51,851
Voluntary sources						
Grants and donations	7	86,261	25,000	-	111,261	500,403
Total income and endowments		<u>12,269,676</u>	<u>66,375</u>	<u>-</u>	<u>12,336,051</u>	<u>10,609,612</u>
EXPENDITURE ON:						
Costs of raising funds						
Other trading costs		6,581	-	-	6,581	6,769
Interest and other costs		31,853	-	-	31,853	22,819
Charitable activities						
Education costs	8	11,444,658	66,375	-	11,511,033	10,666,972
Total expenditure	8	<u>11,483,092</u>	<u>66,375</u>	<u>-</u>	<u>11,549,467</u>	<u>10,696,560</u>
Net operating income/(expenditure)		786,584	-	-	786,584	(86,948)
Pension Provision change		71,000	-	-	71,000	-
Net (losses) / gains on investments		(25,252)	(62,425)	-	(87,677)	249,186
Net income/(expenditure)	11	832,332	(62,425)	-	769,907	162,238
Transfer between funds		-	-	-	-	-
Net movement in funds		832,332	(62,425)	-	769,907	162,238
Fund balances brought forward		11,114,765	1,108,651	373,504	12,596,920	12,434,682
Fund balances carried forward	19, 20	<u>11,947,097</u>	<u>1,046,226</u>	<u>373,504</u>	<u>13,366,827</u>	<u>12,596,920</u>

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

Sidcot School

BALANCE SHEET

as at 31 August 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	12,998,093	12,382,483
Investments	13	1,639,204	1,726,882
		14,637,297	14,109,365
CURRENT ASSETS			
Debtors	14	538,975	372,146
Cash at bank and in hand		4,433,793	3,575,979
		4,972,768	3,948,125
CREDITORS: Amounts falling due within one year	15	(5,394,649)	(4,212,573)
NET CURRENT LIABILITIES		(421,881)	(264,448)
TOTAL ASSETS LESS CURRENT LIABILITIES		14,215,416	13,844,917
CREDITORS: Amounts falling due after more than one year	16	(821,589)	(1,125,997)
Net assets excluding pension liability		13,393,827	12,718,920
Defined benefit pension scheme liability	25	(27,000)	(122,000)
NET ASSETS		13,366,827	12,596,920
FUNDS			
Restricted funds	19	1,046,226	1,108,651
Unrestricted funds – general	19	11,947,097	11,114,765
Endowment fund	19	373,504	373,504
		13,366,827	12,596,920

Approved and authorised for issue by the Board of Governors on 3 December 2022 and signed on their behalf by:


Jameson Miller
Chairman of the Board of Governors

The accompanying notes form part of these financial statements.
Company Number: 02093340

Sidcot School

CASHFLOW STATEMENT

for the year ended 31 August 2022

CASH FLOW STATEMENT

	Notes	2022 £	2021 £
Net cash inflow from operating activities	24	2,323,376	1,111,654
Cash flows from investing activities:			
Bank interest received		374	-
Dividends received		44,583	51,564
Proceeds from sale of investments		498,298	402,104
Payments to acquire fixed assets		(1,262,868)	(213,032)
Payments to acquire investments		(485,750)	(378,735)
Net cash outflow from investing activities		<u>(1,205,363)</u>	<u>(138,099)</u>
Financing:			
Loans repaid		(134,377)	(135,415)
Capital element of finance lease rental payments		(93,969)	(75,053)
Interest paid		(31,853)	(22,819)
Net cash outflow from financing activities		<u>(260,199)</u>	<u>(233,287)</u>
Increase/(decrease) in cash		857,814	740,268
Cash and cash equivalents at the beginning of the reporting period		<u>3,575,979</u>	<u>2,835,711</u>
Cash and cash equivalents at the end of the reporting period		<u><u>4,433,793</u></u>	<u><u>3,575,979</u></u>

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

1 ACCOUNTING POLICIES

Sidcot School is a company limited by guarantee with registered number 02093340, incorporated and domiciled in England and Wales. Its registered office is Sidcot School, Oakridge Lane, Winscombe, BS25 1PD.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 March 2018), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company has taken advantage of the exemption under section 402 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the subsidiary's results are immaterial to the results of the group.

Sidcot 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.

1.2 GOING CONCERN

At the balance sheet date, the School had net current liabilities of £421,881 and net assets of £13.3m. The governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions in particular the current economic situation that may cast significant doubt on the ability of the School to continue as a going concern. The Governors are mindful of the wider economic impact of the ongoing conflict in Ukraine, cost of living increases and wider recession. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements. Notwithstanding the net current liabilities, the Governors conclude that it is appropriate to prepare accounts on the going concern basis for the year ended 31 August 2022.

1.3 INCOME

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

Donated services or facilities are recognised when the School has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the School of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the School which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

1.4 LIABILITIES

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the School. Governance costs are those incurred in connection with administration of the School and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the School to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the School's objectives, as well as any associated support costs.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Freehold property	50 years straight line
Plant and machinery	10 - 20 years straight line
Fixtures and fittings	7 years straight line
Apparatus & equipment	4 years straight line
Computer equipment	4 years straight line

1.7 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the School; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

1.8 PENSIONS

The school operates a Defined Contribution Pension scheme provided by Legal and General. Contributions payable to the school's pension scheme are charged to the SOFA in the period to which they relate.

The School participates in The Pensions Trust's Growth Plan (the Plan). This is a multi-employer pension plan, which is funded and is not contracted out of the State's scheme. The Plan's assets are co-mingled for investment purposes, and benefits are paid out of the total assets. 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. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS 102 represents interest cost and the actuarial remeasurement. Further details of the scheme are set out in note 25 and details of a contingent liability in respect of these contributions are set out in note 23.

1.9 FINANCE LEASES AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the School. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.10 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities. All investment funds are managed by Evelyn Partners (formerly Smith and Williamson) who manage the funds in line with the School's investment policy. Income from investments are used to support bursaries and scholarships.

1.1 CASH AND CASH EQUIVALENTS

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.1 FINANCIAL INSTRUMENTS

The School 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.

1.1 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense.

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

1.1 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.2 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.2 FUND ACCOUNTING

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

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

Investment income, gains and losses are allocated to the appropriate fund.

2 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Pensions Trust defined benefit deficit repayments depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions includes the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability.

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property, plant and equipment and note 1.6 for the useful economic lives for each class of asset.

The School makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

Included within investments are properties and alternative investments where the market valuations are at fair value.

Critical areas of judgement:

The School obtains use of fixed assets as a lessee. The classification of such leases requires the School to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

3 FEE INCOME

The School's activities are carried out within the UK.

The school's fee income comprised:

	2022 £	2021 £
Gross fees	12,836,675	11,050,233
Less: Discounts, Scholarships and Bursaries	(1,686,526)	(1,728,765)
	11,150,149	9,321,468

4 OTHER EDUCATIONAL INCOME

	2022 £	2021 £
Extras and disbursements	441,422	283,638
Registration fees	39,660	34,438
Other income	367,266	253,275
	848,348	571,351

5 OTHER INCOME

	2022 £	2021 £
Rent and lettings	88,855	143,260
Other income	92,481	21,279
	181,336	164,539

6 INVESTMENT INCOME

	2022 £	2021 £
Interest received	374	287
Dividend income	44,583	51,564
	44,957	51,851

Included within the above is an amount of £41,375 (2021: £33,000) which relates to restricted income.

7 DONATIONS AND GRANTS

	2022 £	2021 £
Donations and gifts	111,261	391,050
Government grants	-	109,353
	111,261	500,403

Included within the above is an amount of £25,000 (2021: £379,050) which relates to restricted income.

Government grants include amounts received and receivable under the Coronavirus Job Retention Scheme provided during the pandemic

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

8 EXPENDITURE

(a) Costs of Raising Funds				
	Staff costs (note 9)	Other	Depreciation	Total 2022
	£	£	£	£
Trading costs	-	6,581	-	6,581
Financing costs	-	31,853	-	31,853
Total Costs of Raising Funds	-	38,434	-	38,434
Charitable expenditure				
	Staff costs (note 9)	Other	Depreciation	Total 2022
	£	£	£	£
Teaching	4,737,263	414,946	-	5,152,209
Welfare	-	547,882	-	547,882
Premises and Estates	-	1,016,055	352,202	1,368,257
Administration	2,826,157	1,209,735	294,460	4,330,352
Governance	-	112,333	-	112,333
Total Charitable Expenditure	7,563,420	3,300,951	646,662	11,511,033
Total Expended	7,563,420	3,339,385	646,662	11,549,467
Costs of Raising Funds				
	Staff costs (note 9)	Other	Depreciation	Total 2021
	£	£	£	£
Trading costs	-	6,769	-	6,769
Financing costs	-	22,819	-	22,819
Total Costs of Raising Funds	-	29,588	-	29,588
Charitable expenditure				
	Staff costs (note 9)	Other	Depreciation	Total 2021
	£	£	£	£
Teaching	4,756,632	285,211	-	5,041,843
Welfare	-	449,722	-	449,722
Premises and Estates	-	1,001,442	346,605	1,348,047
Administration	2,568,412	867,892	292,558	3,728,862
Governance	-	98,498	-	98,498
Total Charitable Expenditure	7,325,044	2,702,765	639,163	10,666,972
Total Expended	7,325,044	2,732,353	639,163	10,696,560
(b) Other Governance Costs include:				
Auditors' remuneration			2022	2021
- Audit Fees			£	£
- Accountancy Fees			13,250	10,830
Legal and Professional Fees			2,950	12,378
			87,081	86,157

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

9 STAFF COSTS

	2022	2021
	£	£
Wages and salaries	6,178,270	5,796,210
Social security costs	534,109	506,456
Other pension costs	801,996	983,727
Other staff costs	49,045	38,651
	7,563,420	7,325,044

The monthly number of employees during the year was as follows:

	Average		FTE	
	2022	2021	2022	2021
	No.	No.	No.	No.
Teaching	114	107	85	87
Domestic and maintenance	62	61	45	45
Administration and support	50	76	22	23
	226	244	152	155

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2022	2021
	No.	No.
£60,000 - £70,000	2	5
£70,001 - £80,000	3	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	6	6

Key management personnel include the Governors and the senior leadership team as listed on page 7. The total pay and benefits received by key management personnel were £607,401 (2021: £561,823).

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

10 GOVERNORS REMUNERATION AND BENEFITS

There were no Governors' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Travel and training expenses of £1,758 (2021: £361) for governors were paid by the charity during the year.

11 NET INCOME FOR THE YEAR

	2022 £	2021 £
Net income is stated after charging:		
Depreciation of tangible fixed assets	646,662	639,163
Loan Interest	3,649	7,726
Operating lease rentals – other	53,194	8,135

12 TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Equipment £	Fixtures & Fittings £	IT Equipment £	Motor Vehicles £	Total £
Cost:						
At 1 September 2021	15,935,986	1,020,714	1,067,268	1,831,121	1,416,122	21,271,211
Additions	821,649	55,280	297,385	58,191	30,363	1,262,868
Disposals	(700)	(11,659)	(41,075)	(396,709)	(25,422)	(475,565)
Transfer	-	-	-	-	-	-
At 31 August 2022	16,756,935	1,064,335	1,323,578	1,492,603	1,421,063	22,058,514
Depreciation:						
At 1 September 2021	4,667,445	760,300	944,978	1,151,926	1,364,078	8,888,727
Charge for year	321,957	30,247	43,740	208,376	42,342	646,662
Disposals	(195)	(11,659)	(40,959)	(396,701)	(25,454)	(474,968)
Transfer	-	-	-	-	-	-
At 31 August 2022	4,989,207	778,888	947,759	963,601	1,380,966	9,060,421
Net book value:						
At 31 August 2022	11,767,728	285,447	375,819	529,002	40,097	12,998,093
At 1 September 2021	11,268,541	260,414	122,290	679,195	52,044	12,382,484

The net book value of assets held under finance leases or hire purchase contracts, included above are as follows:

	2022 £	2021 £
Computer equipment	346,498	444,916

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

13 INVESTMENTS

	Shares in group undertakings £	Listed investments £	2022 £	Shares in group undertakings £	Listed investments £	2021 £
Cost/valuation At 1 September 2021	101	1,726,781	1,726,882	101	1,228,407	1,228,508
Additions	-	485,948	485,948	-	757,470	757,470
Disposals	-	(498,298)	(498,298)	-	(804,208)	(804,208)
Gains/(Losses) arising from movements in valuations	-	(75,328)	(75,328)	-	545,112	545,112
Cost/valuation At 31 August 2022	101	1,639,103	1,639,204	101	1,726,781	1,726,882
UK fixed interest					132,400	-
UK equities					430,982	1,016,776
International equities					640,444	639,310
Property					296,458	-
Alternative assets					117,854	-
Cash					20,965	70,695
					1,639,103	1,726,781

Principal subsidiaries

The following were subsidiary undertakings of the School:

Names	Holding
Sidcot Leisure Activities Limited	100%
Sidcot International Limited	100%

The financial results of the subsidiaries for the year were:

The School is the beneficial owner of 100 ordinary shares of £1 each being the whole of the issued share capital of Sidcot Leisure Activities Limited, a company registered in England. The company did not trade during the current or previous year. Sidcot International Limited was incorporated on 6 April 2017. The School is the 100% beneficiary and the company has not traded during the current or previous year.

14 DEBTORS

	2022 £	2021 £
Fees and extras	186,232	117,739
Less provision for doubtful debts	(57,296)	(64,838)
Other debtors	13,320	102,326
Prepayments and accrued income	392,336	212,536
Amount due from group undertaking	4,383	4,383
	538,975	372,146

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

15 CREDITORS

Amounts falling due within one year:

	2022	2021
	£	£
Loans	46,639	139,494
Trade creditors	790,827	341,073
Taxation and social security costs	143,243	137,901
Fee Deposits	269,561	134,251
Fees in advance	3,267,051	2,895,122
Other creditors	204,166	188,897
Accruals	497,691	272,738
Amounts payable under finance leases	175,471	103,097
	5,394,649	4,212,573

Deferred income:

	2022	2021
	£	£
Brought forwards	16,171	6,250
Released in year	(16,171)	(6,250)
Received in year	35,706	16,171
	35,706	16,171

At the balance sheet date the School was holding funds received in advance for trips and activities booked for Autumn term 2022.

16 CREDITORS DUE AFTER ONE YEAR

	2022	2021
	£	£
Amounts falling due after more than one year:		
Bank loan	-	46,639
Amounts payable under finance leases	202,184	363,410
School fee deposits	619,405	715,948
	821,589	1,125,997

	2022	2021
	£	£
Movement on loans		
In one year or less	46,639	139,494
Between one and two years	-	46,639
	46,639	186,133

	2022	2021
	£	£
Movement on finance leases:		
In one year or less	103,097	103,097
Between one and two years	103,097	103,097
Between two and five years	171,461	260,313
	377,655	466,507

The bank loan, secured against freehold property, is repayable over 9.75 years to December 2022 at a rate of 3%.

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

18 FINANCIAL INSTRUMENTS

	2022 £	2021 £
Carrying amount of financial assets		
Financial assets that are equity instruments measured at cost less impairment	4,580,433	3,736,775
Financial assets measured at fair value through profit and loss	1,639,204	1,726,882
Carrying amount of financial liabilities		
Measured at amortised cost	5,327,272	4,563,567

19 STATEMENT OF FUNDS

	At 1 September 2021 £	Income £	Expenditure £	Transfer Between Funds £	Gains/ (losses) £	At 31 August 2022 £
Unrestricted funds:						
General reserve	11,114,765	12,269,676	(11,483,092)	-	45,748	11,947,097
Restricted funds:						
William Norman bequest	453,712	27,164	(27,164)	-	(25,547)	428,165
Mary Blaschko grant	199,991	11,973	(11,973)	-	(11,261)	188,730
Named bursary and prize funds	279,750	16,749	(16,749)	-	(15,752)	263,998
McShane Legacy	170,327	10,197	(10,197)	-	(9,591)	160,736
Other restricted funds	4,871	292	(292)	-	(274)	4,597
Total restricted	1,108,651	66,375	(66,375)	-	(62,425)	1,046,226
Endowment funds:	373,504	-	-	-	-	373,504
Total funds	12,596,920	12,336,051	(11,549,467)	-	(16,677)	13,366,827
	At 1 September 2020 £	Income £	Expenditure £	Transfer Between Funds £	Gains/ (losses) £	At 31 August 2021 £
Unrestricted funds:						
General reserve	11,088,004	10,197,562	(10,284,510)	-	113,709	11,114,765
Restricted funds:						
William Norman bequest	398,024	13,565	(13,565)	-	55,688	453,712
Mary Blaschko grant	175,444	5,979	(5,979)	-	24,547	199,991
Named bursary and prize funds	245,414	8,364	(8,364)	-	34,336	279,750
McShane Legacy	149,421	5,092	(5,092)	-	20,906	170,327
Covid relief fund	-	332,918	(332,918)	-	-	-
Other restricted funds	4,871	46,132	(46,132)	-	-	4,871
Total restricted	973,174	412,050	(412,050)	-	135,477	1,108,651
Endowment funds:	373,504	-	-	-	-	373,504
Total funds	12,434,682	10,609,612	(10,696,560)	-	249,186	12,596,920

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

Restricted funds

The William Norman bequest was made for the purpose of funding a music bursary.

The Mary Blanschko grant was given to fund sixth form bursary.

The named bursary and prize funds are for the purpose of funding bursaries and prizes.

The McShane legacy was received for the music department.

Other restricted funds includes grants and donations received for work in Peace and Global Studies that was not able to take place due to covid restrictions.

Endowment Fund

Endowed capital represents the initial endowment of land and buildings to the School, together with certain other bequests and donations and is attributable to the linked charity Sidcot School Trust.

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Endowment fund £	2022 Total £
Tangible fixed assets	12,624,589	-	373,504	12,998,093
Investments	592,978	1,046,226	-	1,639,204
Current assets	4,972,768	-	-	4,972,768
Current liabilities	(5,394,649)	-	-	(5,394,649)
Long term liabilities	(848,589)	-	-	(848,589)
Total net assets	11,947,097	1,046,226	373,504	13,366,827
	Unrestricted funds £	Restricted funds £	Endowment fund £	2021 Total £
Tangible fixed assets	12,008,979	-	373,504	12,382,483
Investments	618,231	1,108,651	-	1,726,882
Current assets	3,948,125	-	-	3,948,125
Current liabilities	(4,212,573)	-	-	(4,212,573)
Long term liabilities	(1,247,997)	-	-	(1,247,997)
Total net assets	11,114,765	1,108,651	373,504	12,596,920

21 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2022, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 Office equipment	2021 Office equipment
Due within one year	53,194	8,135
Due between two and five years	129,685	53,320
Due after more than five years	4,478	-
	187,357	61,455

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

22 RELATED PARTIES

A number of Governors have children who are pupils at the School; the appropriate level of fees is levied in respect of these pupils.

Governors' children are assessed for bursaries and scholarships on the same basis as all other pupils on an arms length basis. During the year, Governors received scholarships and discounts totalling £4,980 (2021: £4,550).

During the year Sidcot School purchased services from a company for which a Trustee is CEO totalling £763 (2021: £4,500). The school owed nil (2021: £4,500) to the related entity at the year end.

23 CONTINGENT LIABILITIES

The School has a contingent liability which has not been provided for in these accounts in relation to the Pensions Trust Growth Plan as described in note 25. This liability would crystallise only if the School withdrew from the Growth Plan or if the Plan was to be wound up with no participants.

The School continues to offer membership of the Plan to its employees and as at the balance sheet date there were 135 (2021:123) active members of the Plan employed by the School. There is no current intention to leave the Plan and trigger the contingent liability.

The Pensions Trust has estimated that, if the School ceased to participate in the plan as at 30 September 2021, the school would have to pay £344,449 (2021: £545,315) including Series 3 liabilities based on the financial position of the plan and the employers that, as at that date, were relevant employers.

24 NOTES TO THE CASHFLOW STATEMENT

	2022 £	2021 £
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	769,907	162,238
Gains on investments	75,328	(272,556)
Depreciation	646,662	638,727
(profit)/loss on disposal	597	-
Pension fund	(24,199)	-
Pension fund (gains)/loss	(71,000)	-
Bank interest received	(374)	-
Dividends received	(44,583)	(51,564)
Interest payable	31,853	22,819
Increase/(Decrease) in creditors	1,106,014	613,670
(Increase)/Decrease in debtors	(166,829)	(1,680)
	2,323,376	1,111,654

ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021	Cash flows	Other non- cash changes	At 31 August 2022
Cash and cash equivalents				
Cash	3,575,979	857,814	-	4,433,793
Cash Equivalents	3,575,979	857,814	-	4,433,793
Borrowings				
Debt due within one year	(139,494)	92,855	-	(46,639)
Debt due after one year	(46,639)	46,639	-	-
Finance leases	(466,507)	103,097	-	(363,410)
	(652,640)	242,591	-	(410,049)
Total	2,923,339	1,100,405	-	4,023,744

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

25 PENSIONS

The Pensions Trust Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating 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 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly)
---------------------------------------	----------------------	-------------------

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025:	£11,243,000 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 company 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.

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

PRESENT VALUES OF PROVISION

	31 August 2022 (£s)	31 August 2021 (£s)	31 August 2020 (£s)
Present value of provision	26,854	121,722	154,868

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 August 2022 (£s)	Period Ending 31 August 2021 (£s)
Provision at start of period	121,722	154,868
Unwinding of the discount factor (interest expense)	689	752
Deficit contribution paid	(24,888)	(33,734)
Remeasurements - impact of any change in assumptions	(1,183)	(164)
Remeasurements - amendments to the contribution schedule	(69,486)	-
Provision at end of period	26,854	121,722

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 August 2022 (£s)	Period Ending 31 August 2021 (£s)
Interest expense	689	752
Remeasurements – impact of any change in assumptions	(1,183)	(164)

ASSUMPTIONS

	31 August 2022 % per annum	31 August 2021 % per annum	31 August 2020 % per annum
Rate of discount	4.46	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.

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

Sidcot School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2022

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 August 2022 (£s)	31 August 2021 (£s)	31 August 2020 (£s)
Year 1	11,687	34,746	33,734
Year 2	11,687	35,789	34,746
Year 3	4,870	36,863	35,789
Year 4	-	15,625	36,863
Year 5	-	-	15,625

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.