

Company registration number: 1693887

Charity registration number: 286434

Rudolf Steiner School (South Devon) Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

Manningtons
Statutory auditor
39 High Street
Battle
East Sussex
TN33 0EE

Rudolf Steiner School (South Devon) Limited

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Rudolf Steiner School (South Devon) Limited

Reference and Administrative Details

Trustees	Juliet Crittenden Nicola Edgecombe Robert Worthington Ben Whately
Secretary	Julie Thomas
Senior Management Team	School Leadership Team
Principal Office	Hood Manor Dartington Devon TQ9 6AB
Registered Office	Hood Manor Dartington Devon TQ9 6AB The charity is incorporated in England and Wales.
Company Registration Number	1693887
Charity Registration Number	286434
Solicitors	Michelmores LLP Education Team Exeter Woodwater House Pynes Hill Exeter EX2 5WR
Bankers	National Westminster Bank plc 9 Fore Street Totnes Devon TQ9 5YW
Auditor	Manningtons Statutory auditor 39 High Street Bath East Sussex TN33 0EE

Rudolf Steiner School (South Devon) Limited

Strategic Report for the Year Ended 31 August 2022

The Trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 August 2022, in compliance with s414C of the Companies Act 2006.

Achievements and performance

OFSTED inspection

In the Autumn term preparation for a full OFSTED inspection (following the Progress Monitoring Inspection in November 2020) was the primary focus for the team. It was evident to Trustees that staff were confident in their efforts and clear on the work needed to prepare - both for the inspection - but also to ensure the standards expected were the norm rather than something to strive for.

A team of inspectors arrived from OFSTED on 30th November 2021 to carry out a full inspection. The finding of the inspection was that the school now met all independent school standards.

The following areas were rated as 'Good':

- Behaviour and attitudes
- Personal development
- Early years provision
- Sixth-form provision

The remaining two areas were rated as 'Requires improvement':

- The quality of education
- Leadership and management

As a result the overall rating for the school shifted upwards to 'Requires improvement'. The upgraded rating is an important and significant progression which reflects the culture change within the school and the commitment to internalising the measures needed to meet and exceed these standards.

An action plan has been developed to address the feedback needed to see a further improvement in all areas, with particular emphasis on the two not yet rated as 'Good' or better.

Post-COVID recovery

The school closed the prior year, 2020-21, with 155 pupils having seen a 33% decrease in pupils from pre-COVID years. The 2021-22 school year opened with 204 pupils which was maintained throughout the year as the school stabilised its position with pupils, parents and teachers after the turbulence of COVID.

Fee income from increased pupils funded an increase in staff from 40 to 46 colleagues which relieved pressure on existing staff. However high levels of staff sickness remained a challenge especially in the lead up to Christmas 2021. Trustees acknowledged the necessity for additional staff cover for the following financial year 2022-23 as part of the budget setting process.

Rudolf Steiner School (South Devon) Limited

Strategic Report for the Year Ended 31 August 2022

Qualifications

The upper school programme delivers a full Waldorf curriculum supported by the New Zealand Certificate of Steiner Education (NZCSE), which, at Level 3, allows students to apply for university in the UK and in Europe as a full alternative to A levels. Four pupils completed the NZCSE programme in 2021-22.

Financial review

2021-22 saw a deficit of £63k (2020-21 surplus of £71k).

Within the 2021-22 deficit is £52,766 of depreciation (2021: £52,844) and £18,982 relating to bad debt provisioning (2021: - £149,722). If these items are stripped out, the operational position is a surplus of £8,675 (2021: -£25,504 deficit), as detailed in the table below.

	2022	2021
	£	£
Accounts (deficit) / Surplus	(63,073)	71,374
Depreciation	52,766	52,844
Bad Debt provisioning	18,982	(149,722)
Operational (deficit)/ Surplus	8,675	(25,504)

The school transitioned from an operational deficit in 2020-21 to a surplus in 2021-22 demonstrating the result of careful cost management and increased pupil numbers.

Cash management

The school manages cash tightly with a daily cash flow model reviewed monthly and ad hoc as needed by Trustees. With only a slight trading surplus, timing of fee income and cash expenditure had to be carefully balanced in 2021-22. A new discount was offered to parents paying termly fees six weeks early from the 2021-22 Summer term which significantly helped alleviate the termly low cash periods.

Policy on reserves

The policy of the Trustees remains at maintaining cash reserves within the accounts of between £100,000 and £150,000. Trustees and SLT continue to work towards rebuilding the reserves after the pandemic. Unrestricted reserves, that is reserves not represented by fixed assets or designated and restricted funds, which are used for specific reasons, amounted to -£111,377 (2021: £-54,364).

Principal risks and uncertainties

Charity's risk assessment

Risk assessment is an ongoing component of Trustee activity. The annual risk review process has not highlighted any specific new or unique risks for the charity. The risk profile is in line with any organisation offering education and all necessary steps are taken to ensure that appropriate mitigation and control structures are in place. They include comprehensive policies to guide every aspect of the organisation's activities, effective management and performance systems and insurances (where appropriate).

The strategic report was approved by the Trustees of the charity on 23 March 2023 and signed on its behalf by:

Rudolf Steiner School (South Devon) Limited

Strategic Report for the Year Ended 31 August 2022

A handwritten signature in black ink, consisting of the letters 'RW' followed by a long, horizontal, slightly wavy line.

.....
Robert Worthington
Trustee

Rudolf Steiner School (South Devon) Limited

Trustees' Report

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2022.

Objectives and activities

Objects and aims

The object of the Company is to provide for and conduct the education of children in accordance with the principles and methods of Rudolf Steiner.

In furtherance of its object the organisation operates the Rudolf Steiner School, South Devon (also known as the South Devon Steiner School), based at Hood Manor, Dartington. Its further activities include the organisation of cultural events, lectures and meetings and participation in similar activities with other Rudolf Steiner inspired organisations in the UK and abroad.

Public benefit

As a charity, the organisation provides public benefit through its core activity as a provider of education to students from Kindergarten level through to age 19. In addition, it offers substantial bursary programmes allowing access to such education to students whose families would not otherwise be able to afford such an opportunity.

The school aims to be socially inclusive and to welcome families from a wide range of financial backgrounds. Decisions on fee payments are made on an individual basis and families are invited to apply for a reduction of their fees.

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Going concern

In accordance with charity commission requirements, the Trustees have considered the question of the viability of the organisation as a going concern. They have concluded that it is, and highlight the following aspects:

- A quality educational offering which will be increasingly in demand given the wider context of the UK education system
- A solid foundation of fee-paying parents
- Good administration and financial systems and processes ensuring cost control and providing forward visibility.

Looking towards the next financial year, the school expects an increase of 25 pupils and a planned surplus of £96,762. At time of balance sheet signing, the fee income and costs were in line with forecast expectations and the school was forecast to be cash flow positive in the subsequent 12 months.

Having considered the school's forecast and projections, the Trustees have concluded that there is a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future. The school therefore continues to adopt the going concern basis in preparing these financial statements.

Rudolf Steiner School (South Devon) Limited

Trustees' Report

Structure, governance and management

Nature of governing document

Rudolf Steiner School (South Devon) Limited is a company limited by guarantee. It is also registered as a charity with the Charity Commission, the Memorandum and Articles of Association of which is available to view on the website www.southdevonsteinerschool.org.

Recruitment and appointment of Trustees

Trustees are appointed by the School Council of Trustees and then ratified by the members of the School Association at the AGM in accordance with the Memorandum and Articles of Association.

Induction and training of Trustees

Trustees are selected for their high standard of professional skill, expertise and experience usually with a particular portfolio in mind. The application process is compliant with safer recruitment and safeguarding requirements, given that the charitable organisation is a school for children and young people. Those Trustees holding certain portfolios such as safeguarding and health & safety are required to do further in-depth training in order to meet DfE standards. All Trustees are required to do annual safeguarding training and update their knowledge of safeguarding policies and KCSIE. Induction also involves familiarisation with various governance documents on the responsibilities of being a Trustee including the Memorandum & Articles of the School Association, Independent School's Standards and other regulatory compliance.

Arrangements for setting key management personnel remuneration

The Trustees have agreed remuneration for key management roles according to levels of responsibility, experience and performance at relevant market rates capped, taking into account the geographical location. These salaries are reviewed as part of the annual review of performance and salaries across the school. Any Trustee who is also a paid member of staff is excluded from the review process and any related decisions. At present none of the trustees are paid members of staff.

Organisational structure

The Trustees meet regularly to manage the organisation's affairs. The day-to-day running of the organisation is formally delegated to the School Leadership Team (SLT) - which comprises the School Education Manager (who currently chairs the School Leadership Team), the School Business Manager and the elected teacher representative. The SLT meetings are also attended by the Lower School Learning Manager, Office and H&S and Facilities Manager, Designated Safeguarding Lead and the Early Years Manager. There is regular, comprehensive reporting to the Trustees. Underneath and accountable to the School Leadership Team are appropriate departmental structures and meetings which cover every aspect of the organisation's activities. Trustees have direct methods of observing the implementation of policies, procedures and plans independent of leadership reporting.

The organisation continues to maintain active links with the Steiner Waldorf School's Fellowship, with representatives attending national meetings and training days and ensuring a continuous exchange of policies, information, expertise and inspiration. Trained advisors from the Fellowship regularly attend the school to monitor standards.

The School is inspected by Ofsted. Post a full Inspection in November 2021 the school is now rated as Requires Improvement. All standards within the Independent schools standard are met.

Rudolf Steiner School (South Devon) Limited

Trustees' Report

Major risks and management of those risks

Charity's risk assessment

Risk assessment is an ongoing component of Trustee activity. The annual risk review process has not highlighted any specific new or unique risks for the charity. The risk profile is in line with any organisation offering education and all necessary steps are taken to ensure that appropriate mitigation and control structures are in place. They include comprehensive policies to guide every aspect of the organisation's activities, effective management and performance systems and insurances (where appropriate).

Disclosure of information to auditor

Each member has taken steps that they ought to have taken as a member 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.

Reappointment of auditor

At the Annual General Meeting Manningtons Chartered Accountants were appointed for this accounting period. The designated Trustee will propose a motion reappointing the auditors at a meeting of the Trustees.

The annual report was approved by the Trustees of the charity on 23 March 2023 and signed on its behalf by:



Robert Worthington
Trustee

Rudolf Steiner School (South Devon) Limited

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Rudolf Steiner School (South Devon) Limited 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.

Approved by the Trustees of the charity on 23 March 2023 and signed on its behalf by:



.....
Robert Worthington
Trustee

Rudolf Steiner School (South Devon) Limited

Independent Auditor's Report to the Members of Rudolf Steiner School (South Devon) Limited

Opinion

We have audited the financial statements of Rudolf Steiner School (South Devon) Limited (the 'charity') for the year ended 31 August 2022, 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 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 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.

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.

Rudolf Steiner School (South Devon) Limited

Independent Auditor's Report to the Members of Rudolf Steiner School (South Devon) Limited

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

Matters on which we are required to report by exception

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 8), 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:

Rudolf Steiner School (South Devon) Limited

Independent Auditor's Report to the Members of Rudolf Steiner School (South Devon) Limited

The detection of fraud and irregularities is a primary consideration of the audit planning and is carried through to the audit completion stage. A risk assessment and preliminary analytical review is undertaken at the planning stage and areas of concern are then built into the audit strategy and testing to ensure sufficient procedures and evidence is obtained to give comfort that material irregularities and potential instances of fraud are detected where possible.

The audit team is briefed regarding any areas of concern, the potential audit risks and consequential impact. The audit team remained vigilant throughout their work and made enquiries of key management personnel throughout. Rudolf Steiner school South Devon key management were consulted on any known or suspected breaches in laws and regulations along with misappropriation of funds at both the planning and completion stages of the audit. Due consideration was given to the possible use of management override and this was built into our audit strategy.

The initial risk assessment highlighted a potential show stopper being of non-compliance with Ofsted. We were able to obtain a copy of the full inspection report dated November 2021 which was rated requires improvement with some categories as Good, matters requiring improvement are being addressed and there has been no further visits from Ofsted to raise concerns whilst the school is heading in the right direction in its compliance and potential show stopper not materialising.

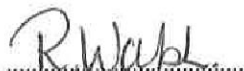
The purpose of the preliminary analytical review of the financial statements is to highlight any possible areas of concern to investigate whether the variance is expected or unexpected, based on the information obtained as part of the planning process and the current climate the charity is operating under. Relevant audit tests had then been planned to obtain supporting documentation to ensure that they are within the charitable objectives and no misappropriation of funds by way of fraud, or misstatements. Latest accounts disclosure checklists available are also completed to ensure the accounts comply with the latest reporting framework that is applicable to the charitable company.

There are aspects of the audit which are deliberately unpredictable to assist in the detection of irregularities, such as varying how we test items which are more susceptible to fraud, year on year and by incorporating systematic sampling over the populations tested.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.



Rowena T K Walsh (Senior Statutory Auditor)
For and on behalf of Manningtons, Statutory Auditor

39 High Street
Battle
East Sussex
TN33 6EE

Date: 31/03/23

Rudolf Steiner School (South Devon) Limited

Statement of Financial Activities for the Year Ended 31 August 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	2,725	-	2,725
Charitable activities	4	1,177,642	-	1,177,642
Activities for generating funds	5	502	-	502
Investment income	6	3	-	3
Total income		<u>1,180,872</u>	<u>-</u>	<u>1,180,872</u>
Expenditure on:				
Raising funds	7	(350)	-	(350)
Charitable activities	8	<u>(1,243,595)</u>	<u>-</u>	<u>(1,243,595)</u>
Total expenditure		<u>(1,243,945)</u>	<u>-</u>	<u>(1,243,945)</u>
Net expenditure		<u>(63,073)</u>	<u>-</u>	<u>(63,073)</u>
Net movement in funds		(63,073)	-	(63,073)
Reconciliation of funds				
Total funds brought forward		<u>1,114,330</u>	<u>5,104</u>	<u>1,119,434</u>
Total funds carried forward	23	<u>1,051,257</u>	<u>5,104</u>	<u>1,056,361</u>

The notes on pages 16 to 29 form an integral part of these financial statements.

Rudolf Steiner School (South Devon) Limited

Statement of Financial Activities for the Year Ended 31 August 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	4,431	48,480	52,911
Charitable activities	4	957,929	-	957,929
Activities for generating funds	5	129	-	129
Investment income	6	2	-	2
Total income		<u>962,491</u>	<u>48,480</u>	<u>1,010,971</u>
Expenditure on:				
Charitable activities	8	(1,066,839)	(52,376)	(1,119,215)
Historical bad debt provision unwinding	9	<u>149,722</u>	<u>-</u>	<u>149,722</u>
Total expenditure		<u>(917,117)</u>	<u>(52,376)</u>	<u>(969,493)</u>
Net income/(expenditure)		45,374	(3,896)	41,478
Transfers between funds		<u>26,000</u>	<u>(26,000)</u>	<u>-</u>
Net movement in funds		71,374	(29,896)	41,478
Reconciliation of funds				
Total funds brought forward		<u>1,042,956</u>	<u>35,000</u>	<u>1,077,956</u>
Total funds carried forward	23	<u>1,114,330</u>	<u>5,104</u>	<u>1,119,434</u>

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

The funds breakdown for 2021 is shown in note 23.

The notes on pages 16 to 29 form an integral part of these financial statements.

Rudolf Steiner School (South Devon) Limited

(Registration number: 1693887)
Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	1,620,695	1,660,834
Current assets			
Debtors	17	338,357	479,833
Cash at bank and in hand	18	29,927	35,347
		368,284	515,180
Creditors: Amounts falling due within one year	19	(509,275)	(597,857)
Net current liabilities		(140,991)	(82,677)
Total assets less current liabilities		1,479,704	1,578,157
Creditors: Amounts falling due after more than one year	20	(423,343)	(458,723)
Net assets		1,056,361	1,119,434
Funds of the charity:			
Restricted income funds			
Restricted funds	23	5,104	5,104
Unrestricted income funds			
Unrestricted funds		1,051,257	1,114,330
Total funds	23	1,056,361	1,119,434

The financial statements on pages 12 to 29 were approved by the Trustees, and authorised for issue on 23 March 2023 and signed on their behalf by:



Robert Worthington
Trustee

The notes on pages 16 to 29 form an integral part of these financial statements.

Rudolf Steiner School (South Devon) Limited

Statement of Cash Flows for the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash (expenditure)/income		(63,073)	41,478
Adjustments to cash flows from non-cash items			
Depreciation	7, 9	52,766	52,844
Investment income	6	(3)	(2)
Loss on disposal of tangible fixed assets		-	4,689
		<u>(10,310)</u>	<u>99,009</u>
Working capital adjustments			
Decrease/(increase) in debtors	17	141,476	(434,403)
Decrease in creditors	19	(12,439)	(4,972)
(Decrease)/increase in deferred income	20	(77,445)	309,293
Net cash flows from operating activities		<u>41,282</u>	<u>(31,073)</u>
Cash flows from investing activities			
Interest receivable and similar income	6	3	2
Purchase of tangible fixed assets	16	(12,626)	-
Net cash flows from investing activities		<u>(12,623)</u>	<u>2</u>
Cash flows from financing activities			
Value of new loans obtained during the period		-	60,000
Repayment of loans and borrowings	19	(34,079)	(38,780)
Net cash flows from financing activities		<u>(34,079)</u>	<u>21,220</u>
Net decrease in cash and cash equivalents		(5,420)	(9,851)
Cash and cash equivalents at 1 September		<u>35,347</u>	<u>45,198</u>
Cash and cash equivalents at 31 August		<u>29,927</u>	<u>35,347</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 16 to 29 form an integral part of these financial statements.

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Hood Manor
Dartington
Devon
TQ9 6AB

The principal place of business is:

Hood Manor
Dartington
Devon
TQ9 6AB

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.

Statement 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The date of transition to FRS 102 was 1 September 2015.

Basis of preparation

Rudolf Steiner School (South Devon) Limited 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 financial statements have been prepared on a going concern basis.

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The school closed the 2021/22 year with 206 pupils and began the 2022/23 year with 228 pupils. As a result of the additional fee income in the next financial year, the Trustees are confident that the school continues to have adequate resources to continue in operational existence for the foreseeable future. The School therefore continues to adopt the going concern basis in preparing its financial statements.

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

Judgements

Determination of whether there are indicators of impairment of the Charity's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Key sources of estimation uncertainty

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. The carrying amount is £1,620,695 (2021 -£1,660,834).

The recoverability of book debts is reviewed by management and a provision is made based on all the information available. The carrying amount is £357,785 (2021 -£353,493).

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.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- School fees are invoiced in advance of the next school year.
- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

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 consistent 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.

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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.

Governance costs

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

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £200.00 or more are initially recorded at cost.

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 Interest in buildings	2% straight line basis
Furniture and equipment	10% - 20% straight line basis

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. 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 terms of the receivables.

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. There are no monetary assets and liabilities denominated in foreign currencies at the balance sheet date.

Fund structure

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

3 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Donations and legacies;			
Appeals and Donations	2,725	2,725	4,431
Grants, including capital grants;			
Government grants	-	-	48,480
	<u>2,725</u>	<u>2,725</u>	<u>52,911</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Education	1,167,584	1,107,584	924,021
Letting of non-investment property	18,571	18,571	14,170
Other	51,487	51,487	19,738
	<u>1,177,642</u>	<u>1,177,642</u>	<u>957,929</u>

5 Activities for generating funds

	Unrestricted funds General £	Total funds £	Total 2021 £
Events income;			
Fundraising events	502	502	129
	<u>502</u>	<u>502</u>	<u>129</u>

6 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	3	3	2
	<u>3</u>	<u>3</u>	<u>2</u>

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

7 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total 2022 £
Fundraising trading costs;			
Fundraising		350	350
		<u>350</u>	<u>350</u>

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2022 £	Total 2021 £
Education		253,356	253,356	244,317
Depreciation, amortisation and other similar costs		52,765	52,765	57,534
Staff costs		822,394	822,394	702,868
Governance costs	10	<u>115,080</u>	<u>115,080</u>	<u>114,496</u>
		<u>1,243,595</u>	<u>1,243,595</u>	<u>1,119,215</u>

9 Historical bad debt provision unwinding

	Total 2022 £	Total 2021 £
Current year bad debt reduction	-	(149,722)
	<u>-</u>	<u>(149,722)</u>

During 2021 financial year, the bad debt provision methodology was reviewed as the old methodology was deemed no longer appropriate. The review resulted in a large historical debt unwind in 2021. The methodology has continued in 2022 to assess each category of debt for recoverability and provides for a relevant percentage.

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

10 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Staff costs			
Other staff costs	3,273	3,273	4,532
Audit fees			
Audit of the financial statements	8,640	8,640	10,800
Accountancy	3,090	3,090	3,000
Legal fees	48,628	48,628	59,003
Marketing and publicity	1,569	1,569	529
Other governance costs	49,880	49,880	36,632
	<u>115,080</u>	<u>115,080</u>	<u>114,496</u>

11 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2022 £	2021 £
Audit fees	8,640	10,800
Loss on disposal of fixed assets held for the charity's own use	-	4,690
Depreciation of fixed assets	<u>52,765</u>	<u>52,844</u>

12 Trustees remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

13 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	764,743	644,257
Social security costs	43,723	46,432
Pension costs	13,928	12,179
Other staff costs	3,273	4,532
	<u>825,667</u>	<u>707,400</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Charitable activities	<u>46</u>	<u>40</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £86,279 (2021 - £74,252).

14 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>8,640</u>	<u>10,800</u>
Other fees to auditors		
All other non-audit services	<u>3,090</u>	<u>3,000</u>

15 Taxation

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

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

16 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 September 2021	2,253,828	222,145	2,475,973
Additions	-	12,626	12,626
At 31 August 2022	<u>2,253,828</u>	<u>234,771</u>	<u>2,488,599</u>
Depreciation			
At 1 September 2021	604,107	211,031	815,138
Charge for the year	<u>45,077</u>	<u>7,689</u>	<u>52,766</u>
At 31 August 2022	<u>649,184</u>	<u>218,720</u>	<u>867,904</u>
Net book value			
At 31 August 2022	<u>1,604,644</u>	<u>16,051</u>	<u>1,620,695</u>
At 31 August 2021	<u>1,649,721</u>	<u>11,114</u>	<u>1,660,835</u>

17 Debtors

	2022 £	2021 £
Trade debtors	279,254	468,225
Prepayments	8,274	11,477
Accrued income	38,829	-
Other debtors	<u>12,000</u>	<u>131</u>
	<u>338,357</u>	<u>479,833</u>

18 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	701	59
Cash at bank	28,540	34,914
Short-term deposits	<u>686</u>	<u>374</u>
	<u>29,927</u>	<u>35,347</u>

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

19 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	26,443	25,466
Trade creditors	134,373	115,874
Other loans	8,275	7,951
Other taxation and social security	47,401	83,263
Other creditors	2,287	2,261
Accruals	18,699	13,800
Deferred income	271,797	349,242
	<u>509,275</u>	<u>597,857</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2022 £	2021 £
Bank loan	20,881	19,910
Other Loan	8,275	7,951
	<u>29,156</u>	<u>27,861</u>

20 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	346,670	373,777
Other loans	76,673	84,946
	<u>423,343</u>	<u>458,723</u>

Included in the creditors are the following amounts due after more than five years:

	2022 £	2021 £
After more than five years by instalments	<u>(281,804)</u>	<u>(314,896)</u>

Bank loans and overdrafts after five years

Bank loans are a combination of 2 loans as follows:

Bank loan 1 is secured by a legal charge over the freehold business property; Hood Manor over 19 years with the final installment due July 2034. Interest charged at a fixed rate of 4.84% on the loan for the year amounted to £16,483 (£17,608 - 2021).

Bank loan 2 is a unsecured government backed Covid Bounce for £50,000 over 10 years with the final installment due May 2030. Interest is charged at a fixed rate of interest at 2.5% per annum, the amount charged for the year amounted to £150 (£150 - 2021).

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

Other loans after five years

The other loan is secured by a legal charge over the freehold business property; Hood Manor. During 2021 financial year a further £60,000 was borrowed and the loan period extended reducing monthly repayments with the final installment due May 2031. Interest charged at a rate of 4% variable on the loan for the year amounted to £3,573 (£3,801 -2021).

21 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	2022	2021
	£	£
Other		
Within one year	2,924	3,184
Between one and five years	11,696	5,572
	<u>14,620</u>	<u>8,756</u>

22 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £13,928 (2021 - £12,179).

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

23 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted				
<i>General</i>				
General fund	1,114,330	1,180,872	(1,243,945)	1,051,257
Restricted				
Arts and crafts	5,104	-	-	5,104
Total funds	<u>1,119,434</u>	<u>1,180,872</u>	<u>(1,243,945)</u>	<u>1,056,361</u>

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2021 £
Unrestricted funds					
<i>General</i>					
General fund	1,042,956	962,491	(917,117)	26,000	1,114,330
Restricted					
Bursary fund	14,000	-	-	(14,000)	-
Arts and crafts	9,000	-	(3,896)	-	5,104
Covid Grants	-	48,480	(48,480)	-	-
Upper school development	12,000	-	-	(12,000)	-
Total restricted funds	<u>35,000</u>	<u>48,480</u>	<u>(52,376)</u>	<u>(26,000)</u>	<u>5,104</u>
Total funds	<u>1,077,956</u>	<u>1,010,971</u>	<u>(969,493)</u>	<u>-</u>	<u>1,119,434</u>

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

The specific purposes for which the funds are to be applied are as follows:

The Upper school development fund was to be used on developing the Upper school, in particular the Hood Barn building. This was completed a few years ago after being financed mostly by a mortgage taken out in 2015. The residual balance was transferred to unrestricted funds in 2021 where the interest payable on this mortgage is matched against.

The Bursary fund was for students who face hardship whilst attending the school. This was used in 2020-2021 to help families with school fees during Covid restrictions when school fees were heavily discounted, so the balance has transferred to unrestricted funds in 2021 to cover these exceptional circumstances.

The Arts and Crafts fund is to expand resources available for furthering the education or arts and crafts within the school.

The Covid Grants fund related to the government job retention scheme to cover salaries for furloughed staff in 2021, no staff were furloughed during 2022 financial year when the government ended the scheme.

24 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2022 £
Tangible fixed assets	1,620,695	-	1,620,695
Current assets	363,180	5,104	368,284
Current liabilities	(509,275)	-	(509,275)
Creditors over 1 year	(423,343)	-	(423,343)
Total net assets	<u>1,051,257</u>	<u>5,104</u>	<u>1,056,361</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2021 £
Tangible fixed assets	1,660,834	-	1,660,834
Current assets	510,076	5,104	515,180
Current liabilities	(597,857)	-	(597,857)
Creditors over 1 year	(458,723)	-	(458,723)
Total net assets	<u>1,114,330</u>	<u>5,104</u>	<u>1,119,434</u>

Rudolf Steiner School (South Devon) Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

25 Analysis of net funds

	At 1 September 2021 £	Financing cash flows £	At 31 August 2022 £
Cash at bank and in hand	35,347	(5,420)	29,927
Debt due within one year	(33,417)	(1,301)	(34,718)
Debt due after more than one year	<u>(458,723)</u>	<u>35,380</u>	<u>(423,343)</u>
Net debt	<u>(456,793)</u>	<u>28,659</u>	<u>(428,134)</u>

	At 1 September 2020 £	Financing cash flows £	At 31 August 2021 £
Cash at bank and in hand	45,198	(9,851)	35,347
Debt due within one year	(46,084)	12,667	(33,417)
Debt due after more than one year	<u>(424,836)</u>	<u>(33,887)</u>	<u>(458,723)</u>
Net debt	<u>(425,722)</u>	<u>(31,071)</u>	<u>(456,793)</u>

26 Related party transactions

During the year the charity made the following related party transactions:

School fees

Trustees Nicola Edgcombe and Ben Whately have children attending the school as pupils. Invoices for parental contributions have been raised complying with the school's fee and financial assessment policy, resulting in Ben Whately receiving a discount in line with the policy. Outstanding fees are a combination of overdue fees and Autumn term invoices raised in advance and deferred in the accounts. At the balance sheet date the amount due from School fees was £2,651 (2021 - £10,104).

