

# SOMERHILL CHARITABLE TRUST LIMITED

England & Wales · Charity number 1002212

## Details

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**Other names** THE SCHOOLS AT SOMERHILL

**Status** Registered

**Legal form** Charitable company

**Company number** [02331296](#)

**Registered** 1991-03-12

**Register** [View on the Charity Commission register](#)

## Contact

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TN11 0NJ

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**Email** [office@somerhill.org](mailto:office@somerhill.org)

**Website** [www.somerhill.org](http://www.somerhill.org)

## Activities

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**Objects:** TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION AND IN CONNECTION THEREWITH TO CONDUCT, CARRY ON, ACQUIRE AND DEVELOP IN THE UNITED KINGDOM ANY BOARDING OR DAY SCHOOL OR SCHOOLS FOR THE EDUCATION OF EITHER SEX OR BOTH SEXES.

**Activities:** Provision of education

## Classification

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- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People, Other Defined Groups

## Geography

- **Area of benefit:** UNITED KINGDOM
- Kent

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£9,729,254	£9,799,331	£22,022,161	146
2024-08-31	£9,747,273	£9,657,351	£21,884,179	160
2023-08-31	£9,506,384	£8,902,469	£21,548,916	147
2022-08-31	£8,790,972	£8,142,968	£20,914,726	136
2021-08-31	£7,629,638	£7,603,117	£20,266,722	128
2020-08-31	£7,401,162	£7,412,855	£20,240,201	129

## Trustees

Name	Role	Appointed
<b>MARK ANTHONY JISKOOT</b>	Chair	
Christine Barry		2023-11-30
Christopher Holder		2023-02-28
Christopher Holder		2023-02-28
<b>DAVID ANDREW HESTER WELLS</b>		2017-01-11
Deborah Bligh		2025-06-25
Eleanor Henery		2022-11-30
Elizabeth Reading		2025-11-27
Ian Fletcher		2025-11-27
Julia Vivian Harley IRVINE		2019-06-03
Mark Flemington		2025-11-27
Patrick North		2022-06-29
Paul Bromley		2022-11-30
Peter Murray Goodyer		2019-03-01

**SOMERHILL CHARITABLE TRUST LIMITED**

England & Wales - Charity number 1002212

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# Accounts

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Registered Charity No. 1002212 (England and Wales)  
Company Registration No. 02331296

Somerhill Charitable Trust Limited  
(a company limited by guarantee)

Report and Financial Statements  
for the year ended 31 August 2025



SOMERHILL  
*We grow amazing people*

A LEADING INDEPENDENT PREP SCHOOL FOR GIRLS AND BOYS

# SOMERHILL CHARITABLE TRUST LIMITED

(A company limited by guarantee)

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# SOMERHILL CHARITABLE TRUST LIMITED

(A company limited by guarantee)

## CHAIR OF GOVERNORS' SUMMARY

For the year ended 31 August 2025

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The school has had an excellent year academically with an outstanding set of results from our Year 6 and Year 8 pupils, yielding a record number of scholarships (24) and placing our pupils in their secondary schools of choice. As ever, this is a testament to the quality of our staff and the unrivalled educational provision we offer at Somerhill. Special mention must go to our Senior Leadership Team who have led the school seamlessly following the departure of our Head in January. With the help of Odgers Berndtson, a leading executive search company with a dedicated schools practice, we started a recruitment process for a new Head and twenty high-calibre and well-qualified individuals applied. Rhian Thornton, Head at Upton House School for the last eight years, emerged as the outstanding candidate with her skills and her commitment to excellence, her ability to think strategically, and her visionary approach for Somerhill. We are very much looking forward to her arrival.

In recent months, much of our strategic focus has been around risk planning required to mitigate numerous changes of policy from government including the implementation of VAT on school fees, the removal of charitable business rates relief, the unexpected increase in employer's national insurance costs and the removal of top up fees from the EYFS, from which we will withdraw from January 2026. The pressures on the sector have been further exacerbated by the falling birth rates and smaller pool of pupils for which we must compete.

These changes are all undeniably having a significant impact on the sector and make the need for robust future planning more important than ever. The governors are therefore very focused on using the school site to generate additional sources of income and work is underway to explore various options.

Through prudent spending and careful planning, we have good reserves, and this strong financial position enables us to weather the shake-out in our sector as we continue to see mergers and consolidations. Although we have seen a depletion in pupil numbers, we have increased our admissions and marketing budgets and activities to position us to increase our market share. We continue to invest towards becoming a net zero carbon school with contracts to both reduce our energy usage and generate more solar energy. We have also replaced the boilers in the Mansion and the swimming pool to increase efficiency. All our initiatives are planned to control and, where possible, reduce costs without depleting our offering and to ensure that Somerhill continues to deliver a net surplus before depreciation and full profitability for future investment to meet our charitable aims.

We continue to promote ourselves as the school of choice in this area, offering an excellent educational provision at a reasonable cost. We seek to ensure that we are continuously agile in enhancing our offering in conjunction with the schools that we feed, we can look ahead confidently ten years hence to our continued status as a leading independent school. As well as academic excellence, we continue our focus on providing outstanding facilities and we plan to upgrade our hard play area for hockey and football. Our Forest School, Saplings, is now well-established, very popular and profitable.

In summary, I am delighted to say that the school continues to deliver on its promise of "we grow amazing people", delivering a holistic and individual education which allows each pupil to thrive and achieve their personal best.



Mark A. Jiskoot  
**Chair of the Board of Governors**

Date: 17th December 2025

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT

#### For the year ended 31 August 2025

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The Directors of Somerhill Charitable Trust Limited (the "School", "Somerhill"), who are also the Trustees of the charity and the Governors of the School (and will be referred to throughout these financial statements as the "Governors"), present their annual report and the audited financial statements of the company for the year ended 31 August 2025 and confirm they comply with the requirements of the Charities Act 2011, the governing document, the Charities SORP (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

#### Constitution

The School is a charitable company incorporated under the Companies Act with company number 02331296 and charity number 1002212. The company is limited by guarantee and does not have share capital. The liability of the members is limited to £1 each. The School's governing document is the Memorandum and Articles of Association adopted by special resolution on 9 August 2024.

#### Directors, Trustees and Governors

The Board should have a minimum of three members, with no maximum unless determined at a General Meeting through an Ordinary Resolution. Each Governor has one vote.

The Directors from 1 September 2024 to the date of signing were:

C A Barry \*\*  
P G Bromley \*  
P R Brooks +\*\* (resigned 22 January 2025)  
P M Goodyer +  
E Henery +  
C Holder \*  
J V Irvine \* \*\*  
M A Jiskoot \* + \*\* ++ (Chair of Governors from 1 September 2022)  
P J North +  
R E Verrell \* (resigned 25 June 2025)  
D A Wells \*  
D J Bligh + (appointed 25 June 2025)  
E A Reading (appointed 27<sup>th</sup> November 2025)  
I Fletcher (appointed 27<sup>th</sup> November 2025)  
M Flemington (appointed 27<sup>th</sup> November 2025)

\* Members of the Finance and General Purposes Committee chaired by J V Irvine.

+ Members of the Education Committee chaired by P R Brooks until 22 January 2025 and then by P M Goodyer.

\*\* Members of the HR Committee chaired by C A Barry.

++ Members of the Health & Safety Committee chaired by J M Hunt (Bursar).

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2025

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#### Strategic Report

##### Objectives and Activities

The Governors' aim is to provide an all-round excellent education to all pupils from ages 3 – 13. The objectives are set to reflect the educational aims and ethos of Somerhill. It is important that the Governors maintain and enhance the reputation of the School through the continued success of the curricular and co-curricular programmes. In setting the objectives and planning the activities, the Governors have carefully considered the Charity Commission's general guidance on public benefit and in particular its supplementary public benefit guidance on advancing education, including the provision of assisted places. Particular reference is given to a) promoting the spiritual, moral, cultural, mental and physical development of pupils and b) not only preparing pupils at the school for secondary education but also the opportunities, responsibilities and experiences of later life.

The key objectives include:

- To continue to enhance the academic curriculum offered across the School
- To continue to monitor and enhance the co-curricular programmes across the School
- To continue to develop the first-class pastoral care the School provides for pupils
- To maintain adequate pupil numbers in the School within the context of the changing economic environment
- To provide continuing support to the pupils already in receipt of fee assistance
- To provide access to the School from age 7 through means tested financial assistance
- To monitor and review the key policies and procedures to ensure a safe environment for employees, pupils and visitors to the School
- To continue to develop the links with local state schools and to open the facilities to the local community
- To manage and maintain the historic buildings and estate in a cost effective, sustainable and environmentally responsible manner

##### Risk management

The Governors consider that the principal risks and uncertainties facing the School are as follows:

- Child protection and safer recruitment
- Safeguarding and welfare of employees, pupils and visitors
- Maintenance of reputation
- Reduction in pupil numbers
- Retention of key personnel
- Imposition by Parliament of tax and regulatory changes
- Security of school buildings
- Impact of a resurgent Covid pandemic or similar

The Governors formally review the major risks that the school faces each financial year when preparing the strategic development plan and budget. The School has developed systems and procedures to manage and monitor these risks. The key controls used by the Governors include:

- Budgeting and budget accountability
- Monitoring of pupil intake and retention
- Formal written policies including policies on the safeguarding of children and health & safety
- Authorisation procedures and segregation of tasks
- External audit of and internal identification of health & safety risks
- Appropriate training of governors, teaching and non-teaching staff
- Appropriate insurance to mitigate perceived risks

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2025

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#### **Remuneration of key management personnel**

The day-to-day running of the School is delegated to the Head (or in the recent absence of a Head, the Senior Leadership Team). The Head is supported by members of the School's Senior Leadership Team, as set out on page 13. The remuneration of key management personnel is agreed by the Board through the School's annual budget, as recommended by the F&GP and HR Committees. It is the objective of the Board to ensure that key management personnel are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The appropriateness of the remuneration policy is reviewed annually with reference to published salary levels of other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

#### **Public Benefit**

The Governors have given due regard to the Charity Commission's guidance on public benefit. As a Registered Charity, the Trustees (Governors) are mindful of the School's obligation to provide public benefit through means tested assisted places, by providing access to the School's facilities and links with local state schools which complement its objectives to provide for the advancement of education.

The School maintains a Public Benefit Register which is reviewed by the Governors each year. The School continues to support a range of local schools and organisations within the local community. This includes weekly swimming lessons with Somerhill swimming teachers, including transport for four local primary schools. Monson Swimming Club also use the pool on a near daily basis, both to teach swimming and for coaching competitive swimming for children in the local area.

The sports hall and playing fields are used by local sporting clubs, both for children and adult use, and our parkland is regularly used for cross-country events, football tournaments and mountain biking.

The school provided financial assistance of £773,899 in 2024-5 (£560,703 in 2023-24).

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2025

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#### Achievements and Performance

**Overview:** Somerhill is a vibrant, successful school with a good reputation within its marketplace. During the final term of the year ended 31 August 2025, Somerhill had 556 pupils.

**Business review, achievements and performance:** The company is principally engaged in the owning and running of the School and is a registered charity. The operation of the School is the responsibility of the Governors, who are the directors of the company, none of whom receive any remuneration.

**Academic Achievement:** As mentioned in the last ISI report February 2024, the teaching across the school is cited as being 'of a consistently high standard'; teachers 'know their pupils' abilities and needs well', 'challenge pupils to think' and 'have ambitious aims for pupils' achievements' whilst also planning 'to ensure all are appropriately supported and challenged.' As a result, Somerhill pupils are described as 'highly numerate and literate'. Pupils move on successfully to secondary education in both the grammar and independent sectors, notably with 23 pupils heading to Tonbridge or Sevenoaks School and 26 gaining entry to local grammar schools. Also impressive was the fact that 27 leavers gained scholarships in academics, art, drama, DT, music and sport.

**Pupil Experience:** Somerhill prides itself on providing a wide ranging and varied education. The School believes that enjoyment and inclusivity should go hand in hand with the setting of high standards and the pursuit of excellence. This year we have not only continued to celebrate our proud tradition of excellent academic results, but we have thoroughly enjoyed our sporting contests, been wonderfully entertained by top class musical and dramatic performances and seen our children thrive in a broad and exciting co-curricular programme which offers opportunity to all our young people – from beekeeping to Formula One model design and racing. As a unique school with a 'diamond model' for our boys and girls, we have enjoyed recognising where differences exist in their approaches to learning while promoting a unified and equal approach to their broader educational experience. The diamond model allows for a 'best of both worlds' approach – boys and girls are taught in the classroom together until Year 3; at this point classroom lessons become single sex although all other co-curricular and day-to-day activities take place in a co-educational environment. Pupils are then well prepared to go into a co-educational classroom setting at either secondary school or sixth form.

**Pre-Senior Baccalaureate:** The introduction of the Pre-Senior Baccalaureate (PSB) in the past few years has moved the curriculum to discovery-led, enquiry-based learning for our pupils, which sees the teacher as a facilitator to learning, not an oracle imparting academic knowledge. The skills extend more broadly into the establishment of skills for life. It is a programme of study that sits not only in the academic lessons of the School, but extends into the creative and performing arts, the practical elements of engineering and also onto the sports pitch and playground. The Pre-Senior Project Qualification (PSPQ) aims to develop pupils' independent learning and performance, inspiring them to consider new areas or methods of study and preparing them for their learning at senior schools and later at university and at work. It has been very well received by destination senior schools. The PSPQ is now an annual feature of the Year 8 curriculum culminating in some outstanding oral presentations. The PSB is now firmly established in both Year 8 and Year 7 with PSB style project work extending to art, engineering and drama as well as expanding to the rest of the Prep School; here we have designed age appropriate PSB skills grids and pupils reflect on academic performance regularly with their Form teachers.

**Curriculum Enhancements:** Somerhill was only the second prep school in the UK to introduce Engineering as part of its curriculum. Pupils have used woodworking skills to make canvas frames and full-sized catapults, utilising skills in aerodynamics and civil engineering. Other practical units work with technology such as robotics, GPS systems and micro controllers to understand what engineers do. Our annual STEM Day is an opportunity for pupils to work in teams on projects which bring together skills developed in science, engineering and maths lessons as well as developing a whole host of PSB skills. We also continue to leverage the use of our wonderful grounds in which our children have enjoyed pond dipping, den building and learning about the different flora and fauna. Pupils of all ages get to experience the outdoor learning whereby more traditional learnt knowledge can be re-enforced using the natural world. Our dedicated "outdoor" classroom, Saplings, goes from strength to strength and allows our pre-school children to enjoy a mixed model where existing and new parents can select internal and external classroom time for our youngest pupils.

# SOMERHILL CHARITABLE TRUST LIMITED (A company limited by guarantee)

## GOVERNORS' REPORT AND STRATEGIC REPORT (continued) For the year ended 31 August 2025

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### Co-Curricular Clubs and School Trips at Somerhill

The importance of providing a broad range of co-curricular activities in schools cannot be overstated. These activities are essential in preparing children for the challenges and opportunities they will face beyond the classroom. The benefits extend to several key areas, including social-emotional development (building empathy, self-confidence, and resilience), academic performance (improving grades and learning skills through teamwork and time management), and career prospects (helping students identify passions and interests to guide their future choices). Furthermore, co-curricular activities promote healthy lifestyles through physical activity, offer opportunities for fun and relaxation to counter academic pressures and foster creativity by encouraging exploration beyond the curriculum.

Somerhill actively supports student involvement in co-curricular activities through a three-pronged approach. First, a wide variety of clubs are offered each term, catering to diverse interests, both academic and non-academic. These clubs, run by school staff and external providers, ensure a dynamic and engaging experience for students.

Second, the school offers six weeks of in-house holiday courses annually for our pupils in KS1 to KS3, providing families with flexibility while offering children enriching experiences in a familiar environment. These courses prioritise fun but also aim to enhance specific skills. Our Pre School children now have access to 42 weeks of care provided by Somerhill staff. Additionally, Somerhill has recently engaged the services of JAG (Junior Activity Group) to run holiday clubs during the school holidays. They provide holiday courses for children from within Somerhill and the wider community when our own clubs aren't running.

Finally, Somerhill emphasises educational trips as a crucial component of the co-curricular program. These trips vary in length and location, from local excursions to enhance classroom learning to longer trips to London and coastal areas. For older students, a progression of residential trips builds confidence and independence, culminating in opportunities for more adventurous trips, such as visits to the UKSA (UK Sailing Academy) centre on the Isle of Wight or the annual ski trip in the Alps. This comprehensive approach ensures Somerhill students have abundant opportunities to develop holistically and confidently prepare for future success.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2025

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#### Somerhill Pre Prep

Somerhill Pre Prep continues to deliver an exceptional and nurturing start to education for children aged 2 to 7. With a strong dual focus on academic excellence and pastoral care, the Pre Prep ensures that every child's wellbeing remains at the heart of all decision making. The importance of early education in shaping long term success is well recognised, and Somerhill is proud to have a dedicated team of highly skilled early years practitioners who work in close partnership with parents. This collaborative approach ensures that each child's learning journey is personalised, supported, and aligned with their individual needs, laying a robust foundation for future development.

From Reception through to Year 2, Form Teachers and Teaching Assistants provide a consistent and cohesive educational experience. The curriculum is carefully designed to be age appropriate, engaging, and inspiring, igniting a lifelong passion for learning from the very beginning. Enrichment through specialist subjects such as Music, Physical Education, Swimming, French, and Saplings (our forest school programme) adds depth and variety, promoting both academic and personal growth. These subjects are delivered by expert teachers, offering children diverse opportunities to explore, discover, and thrive.

Our commitment to high educational standards is evident in the structure and delivery of our curriculum. Core subjects are integrated with a dynamic, topic-based approach that encourages deeper learning and real-world application. The Read Write Inc. phonics programme accelerates reading development, with many pupils exceeding age-related expectations. Mathematics teaching consistently yields excellent outcomes, while our inquiry led approach to science fosters curiosity and a deeper understanding of the world around them. This rich and engaging curriculum is complemented by a strong co-curricular offering, including sport, music, art, outdoor education, and drama. Specialist led activities provide children with formative experiences such as sporting fixtures, musical teatime concerts, and drama performances, building confidence, self-esteem, and a sense of achievement.

Personal development is a cornerstone of the Pre Prep experience. Our "Pre Prep Pals," a group of endearing animal characters, embody Somerhill's core values: Kindness, Resilience, Responsibility, Respect, Community and Excellence. These values are woven into daily routines, conversations, and our reward system, shaping a positive and inclusive school culture. Their influence extends beyond the classroom, with parents frequently sharing how their children reference the Pals at home, reinforcing character development in everyday life.

To support our families, Somerhill Pre Prep offers comprehensive wraparound care, including a Breakfast Club from 7:30 a.m. and after-school care until 5:45 p.m. This academic year, we have further enhanced our provision by offering an additional 10 weeks of holiday care. Delivered by experienced Level 3 practitioners who know the children well, this service ensures continuity, familiarity, and a nurturing environment throughout the year.

Transitions are thoughtfully managed across all stages, from settling new children into Pre School and the move up to Reception and Key Stage One and then preparing for the transition to Prep School in Year Three. These moments are carefully planned to support the youngest learners' wellbeing and to help build confidence and independence. By prioritising smooth transitions, we ensure that every child feels secure, happy, and ready to embrace the next stage of their journey. The strong foundations laid in Pre Prep equip children with the skills, mindset, and enthusiasm needed to succeed as they progress through Somerhill.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2025

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#### Music at Somerhill

At Somerhill, we recognise that learning about music and having the opportunity to play instruments and create music together is a vital part of a child's education. Music is not only a creative outlet but also plays a significant role in a child's broader development. Here, music is integral to our curriculum, and all children from Reception to Year Eight have lessons taught by two dedicated and experienced music teachers. In addition to classroom lessons, we are fortunate to have a dynamic team of Visiting Music Teachers (VMTs), who provide many one-on-one lessons each week across all three sections of the school.

Beyond the structured lessons, Somerhill offers numerous opportunities for students to perform and share their talents with others. We have upwards of fifty performances of different kinds, throughout the year, and across the whole school. Our current music groups include an orchestra, year 3 and 4 choirs, a boy's choir, a girl's choir, a chamber choir, a brass ensemble, flute groups, string groups, a clariphones troop, cello groups, and guitar groups.

The Michaelmas term always ends with a whole range of pre-prep performances celebrating Christmas, and carol services for both Juniors and Seniors. In the Michaelmas and Lent terms, instrumentalists and vocalists have the chance to perform in informal after-school Teatime concerts. These provide a relaxed setting for students to perform in front of peers, family, and friends. Similarly, in the summer term, we host a series of instrumental and vocal lunchtime concerts, offering another opportunity for students to see one another perform, and support each other.

At the end of the Lent term, we have one of our showcase events: the Spring Concert for the whole prep school. In the Summer, similarly, we have larger-scale concerts, one for the Juniors and one for Seniors. These performances give students the chance to present their hard work and musical achievements to family and friends.

Somerhill is also proud to continue its tradition of providing choristers for Tonbridge School, where our boys commit to three rehearsals a week and one or two performances on Sundays during term time. The boys involved gain invaluable performance and rehearsal experience.

In addition to this, Somerhill is a thriving ABRSM centre (Associated Board of the Royal Schools of Music), supporting students in entering a variety of music exams across instruments and voice at all levels. This offers our students a structured path for assessing their musical progress, and we are proud of the exceptional results that we have had recently.

Whether it's a quiet lunchtime practice session or a grand concert performance, music at Somerhill is an essential and vibrant part of the school experience.



# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2025

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#### **Sport at Somerhill**

Somerhill has always had a strong sporting tradition and the Governors are keen that this continues. The excellent and extensive facilities and the number of pupils at the School means that there are a large number of teams across many sporting disciplines, allowing all pupils to take part at a standard that is best suited to their abilities. Pupils are introduced to a wide range of physical education skills through the Pre Prep curriculum and clubs. These skills are then developed in the Prep School in both team and individual disciplines.

In the winter, the main sports in the Prep School are football, rugby, hockey, netball, swimming and cross country. In the summer athletics, tennis and cricket. The School has an indoor 25m swimming pool with viewing gallery, four hard court tennis courts, an astro and extensive sports pitches on both our terraces and parkland. Somerhill also offers a wide range of other sports as well, such as equestrian, dance, golf, triathlon and judo through the extensive after-school clubs' programme. Somerhill regularly competes in local, county and national tournaments and has a full fixture list with local Prep Schools. Somerhill is viewed as one of the strongest sporting schools in Kent across many disciplines.



#### **The Libraries at Somerhill**

Somerhill has two libraries managed by a full-time librarian. The pre-prep library caters for pupils from reception to year two and houses approximately 2,000 resources including picture books, chapter books and non-fiction books. Classes visit the pre-prep library weekly with their teachers and borrow books to take home. The Woodgate library is located in the prep school and serves pupils from years three to eight. The library houses 10,000 resources in four sections – Junior Fiction, Middle grade fiction, Young Adult fiction (for years 7 and 8 only) and Non-fiction. Fiction is arranged by genre and non-fiction follows the Dewey Decimal system. The library includes a large selection of dyslexia-friendly books published by Barrington Stoke.

All pupils attend regular library classes with their English teachers. Year three enjoy weekly classes and all other year groups visit fortnightly. The library is also open to all pupils before school between 8.00 and 8.30 and at break times. Pupils may visit the library during their breaks to read, play chess, borrow books and (for students in years 7 and 8) to complete prep. The library has a variety of comfortable seating areas, a quiet well-being zone, a prep zone with tables and chairs and a large communal space furnished with sofas where classes and book groups can meet. The library is equipped with IT for teaching and learning purposes including a large TV and a chrome book which pupils can use to search the library catalogue Accessit (Library Management System) and reserve books. Pupils may access the library catalogue remotely and can use this facility to access booklists, see what is new in the library and reserve books.

In the 2024 Michaelmas term, library staff arranged an author visit for pupils in years 5 and 6. On Book Day in March 2025, four authors visited the prep school as part of the celebrations and engaged pupils from year 3 to year 8.

Library resources in the Pre-prep library and the Woodgate library are regularly audited, reviewed and refreshed so that the libraries remain relevant, enticing and informative and reflect the abilities, identities and interests of our whole community.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2025

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#### **Environmental Awareness**

Somerhill takes its responsibilities towards the environment very seriously and the governors are extremely conscious of the need to work towards becoming net carbon zero, in line with government targets. The school commissioned industry specialists, Re-energise, to produce a Site Decarbonisation Plan and this now forms part of the site Masterplan when considering future priorities. A number of phase 1 priorities have been completed and this has included a new motorized pool cover and the installation of new and more energy efficient boilers in the mansion building and swimming pool. Additionally, planning permission has also been granted to install solar arrays on the Bickmore Hall and dining room roof.

#### **Financial Review**

The financial results of the School for the year ended 31 August 2025 are shown in the Statement of Financial Activities. Overall budget has been exceeded by £632k with a net surplus of £335k for the year. Operating surplus for the year was £945k versus £942k in 2024.

#### **Reserves policy**

The Governors' policy on reserves is to hold sufficient liquid assets to cover short term requirements which range between £1.5 million and £2 million. At 31 August 2025, the School had total reserves of £22,022,161 (2024: £21,884,179), made up of a general fund of £5,336,744 (2024: £5,328,189) and various designated funds, representing the net book value of the school mansion and grounds, of £11,685,417 (2024: £11,555,990), the capital developments fund of £5,000,000 (2024: £5,000,000) and the contingency fund of £1,500,000 (2024: £1,500,000). The school's net current assets were £453,553 (2024: £36,617).

Given the uncertain and changing economic and regulatory environment, the School will keep its reserves and investment policy under constant review to ensure that the policy is appropriate to manage the potential economic headwinds that are anticipated for the sector over the next few years.

#### **Other Assets**

In addition to the school mansion and grounds (circa 120 acres), the Trust owns five residential properties with an aggregate historic cost of £3.3m, a figure the Governors consider to be an approximate current value. These could be liquidated without affecting the ability of the School to operate and continue to provide the excellent facilities enjoyed at present.

The Governors intend to increase financial reserves, where possible, so that they can continue to upgrade the facilities of the School in support of the Site Master Plan, and to continue providing appropriate assisted places/financial assistance for the parents of children who could otherwise not afford independent education.

The Governors recognise the challenging environment for the independent school sector and wider economic climate. The Governors deem the School as well placed to manage these challenges, with the School holding sufficient reserves. The Governors have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future and as a going concern.

#### **Somerhill Parents' Association**

Somerhill Parents' Association (SPA) usually holds 5 events across the academic year; these are for existing parents and their families and other supporters of the school. Some events are designed to raise funds for the School, whilst others are intended to cover expenses and are there to build community spirit. Specific projects raise funds for external charities e.g., a charity auction at the Summer Ball. Funds raised for the School are assigned to projects in consultation with the parent body, the Head, and the Senior Leadership Team. The total raised was £14,803 for range of charities.

#### **Other fundraising**

The School does not carry out any fundraising activity in order to raise funds from the general public. The School has not received any complaints in relation to fundraising in the year.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT AND STRATEGIC REPORT (continued)**  
**For the year ended 31 August 2025**

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**Fee Remissions**

The School provides financial assistance through various means-tested schemes:

- **Bursaries** – bursary applications are assessed by a third party, Bursary Administration Ltd (BAL), who undertake an assessment and subsequently make a recommendation to the School. The Head and Bursar then have the final say on the award of a bursary. The award is based on affordability and BAL uses a means testing formula to inform their recommendation.
- **Employee Fee Concession** – as part of an emphasis on attracting and retaining high calibre staff, the School offers a discount scheme to staff members who choose to educate their children at Somerhill.
- **Family discounts** – to underline the value the Governors place on continuity for families, the School offers sibling discounts of 5% for the second child and 10% for any further siblings.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT AND STRATEGIC REPORT (continued)**  
**For the year ended 31 August 2025**

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**Professional advisers and senior leadership team**

<b>Headmaster of Somerhill</b>	Mr D B Sinclair (resigned 31 August 2025)
<b>Head Elect</b>	Mrs R Thornton (appointment announced 12 May 2025)
<b>Head of Somerhill Pre-Prep</b>	Mrs A L McKnight
<b>Bursar/Company Secretary</b>	Mr J M Hunt
<b>Address and registered office</b>	Somerhill Tonbridge Kent TN11 0NJ
<b>Solicitors</b>	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
<b>Auditors</b>	Azets Audit Services First Floor, River House 1 Maidstone Road Sidcup Kent DA14 5RH
<b>Insurance brokers</b>	Marsh Education Practice 4 Milton Road Haywards Heath West Sussex RH16 1AH
<b>Bankers</b>	Barclays Bank plc 105 High Street Tonbridge Kent TN9 1DJ  National Westminster Bank Plc 130 High Street Tonbridge Kent TN0 1DE

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2025

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#### Structure, governance and management

##### Governing documents

The Company is governed by its Memorandum and Articles of Association of 9 August 2024. These were adopted by special resolution passed on 9 August 2024 and incorporated on 28 August 2024.

##### Recruitment and training of governors

Governors are appointed in accordance with the Memorandum and Articles of Association filed at Companies House (and the Charity Commission) adopted in 2024. The composition of the Board of Governors is designed to offer a wide range of expertise to meet the needs of Somerhill. Possible candidates for election as new Governors are proposed by an existing Governor and recommended by him or her through the Chair to the Board of Governors. Financial provision is made for external training courses for Governors. An induction tour is given by the Chair of the Governors, or by a designated person, to new Governors. Regular visits and inspections take place by existing Governors applicable to the relevant skills and contributions of those appointed. Trustee indemnity insurance is in place for the benefit of the Governors.

##### Scope of activities

The Memorandum of Association of the company restricts the Trust to provision of education but permits the Governors powers to conduct a wide range of activities in support of its aims. Education is also about the personal development of the pupils as recognised by the Charity Commission in their definition of education.

##### Organisation and administrative structure

The Governors determine the general strategy of the School. The Board of Governors meets as and when necessary, but certainly not less than once a term, when it receives reports from the Education Committee, the HR Committee and the Finance and General Purposes Committee (F&GP), along with reports from Head and the School's Senior Leadership Team. The day-to-day management of the School is delegated to the Head and the Senior Leadership Team.

The Head and the Senior Leadership Team prepares the School Development Plan which is considered and reviewed by the Board of Governors on an annual basis at their meeting in the Summer.

**Education Committee:** This is an advisory Committee designed to give guidance and assistance to the Headmaster, Head of Pre-Prep and Deputy Head Teachers. The Education Committee discusses matters specific to the education of children at Somerhill. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

# SOMERHILL CHARITABLE TRUST LIMITED

(A company limited by guarantee)

## GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

For the year ended 31 August 2025

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### Organisation and administrative structure (continued)



**Financial & General Purposes Committee:** This Committee is responsible for monitoring the management of the finances and administration of Somerhill and, where necessary, taking appropriate action. The Committee reports to the Board of Governors and, when necessary, obtains their approval for the recommendations being made to them. The Committee is responsible for the maintenance of the buildings, properties and estate owned by the School. Changes to the Charities Acts and Charity Commission procedures are monitored and, if appropriate, recommendations made to ensure that Somerhill Charitable Trust Limited complies with its legal responsibilities and follows best practice. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

**Human Resources & Remuneration Committee:** The main responsibility of the Committee is to monitor and review all aspects of HR and set the remuneration of the Senior Leadership Team. This Committee also meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

#### **Investment powers and investment policy**

The Memorandum of Association of the School empowers the Governors to invest the monies of the School not immediately required for its purposes in such investments, securities or property as may be thought fit and within the law. The Governors will take professional advice as required.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF GOVERNORS' RESPONSIBILITIES**

**For the year ended 31 August 2025**

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The Governors are responsible for preparing the Governors' 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 prepare a financial statement for each financial year which gives a true and fair view of the state of affairs of the charitable company, the incoming resources and application of resources, including the income and expenditure of the charitable company for the accounting period. In preparing this financial statement, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

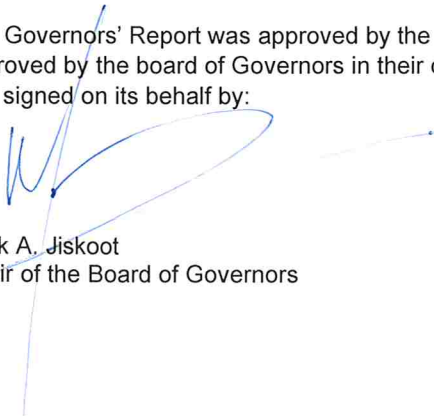
The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

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

**Statement as to disclosure of information to auditor**

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

The Governors' Report was approved by the board of Trustees and the Strategic Report (included therein) was approved by the board of Governors in their capacity as the directors of the company on 17th December 2025 and signed on its behalf by:



Mark A. Jiskoot  
Chair of the Board of Governors

**SOMERHILL CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT**  
To the Governors of Somerhill Charitable Trust Limited

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**Opinion**

We have audited the financial statements of Somerhill Charitable Trust Limited for the year ended 31 August 2025 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 School's state of affairs as at 31 August 2025 and of its incoming resources and application of resources, 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 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 School 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 Governors' 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 School'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 Governors 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 Governors 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 other explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to 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.

**SOMERHILL CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT (continued)**  
To the Governors of Somerhill Charitable Trust Limited

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**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Governors' report has 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 School and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Governors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a strategic report.

**Responsibilities of Governors**

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also directors of the School 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 Governors 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 Governors are responsible for assessing the School'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 Governors either intend to liquidate the School or to cease operations, or have no realistic alternative to do so.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of auditors report.

**Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

**SOMERHILL CHARITABLE TRUST LIMITED**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT (continued)**  
**To the Governors of Somerhill Charitable Trust Limited**

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In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statements disclosure and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, we will be less likely to become aware of instances of non-compliance. 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.

**Use of our report**

This report is made solely to the School'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 School's members those matters we are required to state to them in an auditors' 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 School and the School's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services Limited*

S Holmes FCA  
**for and on behalf of Azets Audit Services**

24 December 2025

**Chartered Accountants**  
**Statutory Auditor**

First Floor, River House  
1 Maidstone Road  
Sidcup  
Kent DA14 5HR

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Including Income and Expenditure Account**  
**For the year ended 31 August 2025**

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies		10,010	-	10,010	10,652
Charitable activities:					
- School fees receivable	2	8,717,440	-	8,717,440	9,184,946
- Ancillary trading income	3	495,266	-	495,266	222,519
- Government grants	4	-	3,069	3,069	3,607
Other trading activities:					
- Lettings income		141,453	-	141,453	109,337
Investments		250,046	-	250,046	185,498
Other income	5	111,970	-	111,970	30,714
<b>Total income</b>		<b>9,726,185</b>	<b>3,069</b>	<b>9,729,254</b>	<b>9,747,273</b>
<b><u>Expenditure on:</u></b>					
Raising funds:					
- Investment management charges		21,738	-	21,738	-
- Financing costs		30,126	-	30,126	12,206
- Fundraising and development		8,485	-	8,485	14,507
Charitable activities:					
- Education		9,735,913	3,069	9,738,982	9,630,638
<b>Total expenditure</b>	6	<b>9,796,262</b>	<b>3,069</b>	<b>9,799,331</b>	<b>9,657,351</b>
<b>Net (expenditure)/income before other gains and losses</b>		<b>(70,077)</b>	<b>-</b>	<b>(70,077)</b>	<b>89,922</b>
<b>Gains on fixed asset investments</b>	12	<b>208,059</b>	<b>-</b>	<b>208,059</b>	<b>245,341</b>
<b>Net income and net movement in funds</b>		<b>137,982</b>	<b>-</b>	<b>137,982</b>	<b>335,263</b>
Fund balances at 1 September 2024		21,884,179	-	21,884,179	21,548,916
<b>Fund balances at 31 August 2025</b>	19	<b>22,022,161</b>	<b>-</b>	<b>22,022,161</b>	<b>21,884,179</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Including Income and Expenditure Account (continued)**  
**For the year ended 31 August 2025**

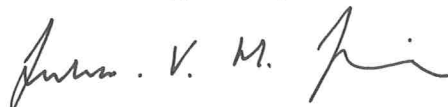
Year ended 31 August 2024 (comparative)		Unrestricted funds	Restricted funds	Total	Total
	Notes	2024	2024	2024	2023
		£	£	£	£
<b><u>Income and endowments from:</u></b>					
Donations and legacies		597	10,055	10,652	40,390
Charitable activities:					
- School fees receivable	2	9,184,946	-	9,184,946	8,934,333
- Ancillary trading income	3	222,519	-	222,519	366,466
- Government grants	4	-	3,607	3,607	3,658
Other trading activities:					
- Lettings income		109,337	-	109,337	78,670
Investments		185,498	-	185,498	81,223
Other income	5	30,714	-	30,714	1,644
<b>Total income</b>		<b>9,733,611</b>	<b>13,662</b>	<b>9,747,273</b>	<b>9,506,384</b>
<b><u>Expenditure on:</u></b>					
Raising funds:					
- Financing costs		12,206	-	12,206	14,128
- Fundraising and development		14,507	-	14,507	8,112
Charitable activities:					
- Education		9,576,976	53,662	9,630,638	8,880,229
<b>Total expenditure</b>	6	<b>9,603,689</b>	<b>53,662</b>	<b>9,657,351</b>	<b>8,902,469</b>
<b>Net income before other gains and losses</b>		129,922	(40,000)	89,922	603,915
<b>Gains/(losses) on fixed asset investments</b>	12	245,341	-	245,341	30,275
<b>Net income and net movement in funds</b>		375,263	(40,000)	335,263	634,190
Fund balances at 1 September 2022		21,508,916	40,000	21,548,916	20,914,726
<b>Fund balances at 31 August 2023</b>	19	<b>21,884,179</b>	<b>-</b>	<b>21,884,179</b>	<b>21,548,916</b>

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**BALANCE SHEET**  
**As at 31 August 2025**

	Notes	2025		2024	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		15,846,254		15,814,775
Investments	12		6,542,805		7,711,669
			<u>22,389,059</u>		<u>23,526,444</u>
<b>Current assets</b>					
Debtors	13	2,496,838		2,351,089	
Investments	14	1,029,339		1,028,488	
Cash at bank and in hand		1,582,067		1,511,333	
		<u>5,108,244</u>		<u>4,890,910</u>	
<b>Creditors: amounts falling due within one year</b>	15	(4,654,691)		(4,854,293)	
Net current assets			453,553		36,617
Total assets less current liabilities			<u>22,842,612</u>		<u>23,563,061</u>
<b>Creditors: amounts falling due after more than one year</b>	16		(820,451)		(1,678,882)
<b>Net assets</b>			<u>22,022,161</u>		<u>21,884,179</u>
<b>Income funds</b>					
Restricted funds	17		-		-
Unrestricted funds	18				
- Designated funds		16,685,417		16,555,990	
- General funds		5,336,744		5,328,189	
		<u>22,022,161</u>		<u>21,884,179</u>	
	19		<u>22,022,161</u>		<u>21,884,179</u>

The financial statements were approved by the Board of Governors on 17 DECEMBER 25 and signed on behalf of the Board by



Julia V. Irvine  
Chair of the Finance and General Purposes Committee

Company Registration No. 02331296

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**CASH FLOW STATEMENT**

**For the year ended 31 August 2025**

	Notes	2025		2024	
		£	£	£	£
<b>Cash flows from operating activities</b>					
<b>Net cash provided in operating activities</b>	<b>22</b>		1,660,544		284,780
<b>Investing activities</b>					
Purchase of tangible fixed assets		(605,521)		(377,366)	
Sale proceeds of fixed assets		-		28,774	
Purchase of fixed asset investments		(1,272,879)		(2,948,012)	
Sale proceeds of fixed asset investments		1,302,361		2,649,513	
Investment income received		250,046		185,498	
Investment management charges		(21,738)		-	
<b>Net cash used in investing activities</b>			<u>(347,731)</u>		<u>(2,651,837)</u>
<b>Net cash inflow before financing</b>			1,312,813		(2,367,057)
<b>Financing activities</b>					
New fees in advance money		389,133		3,114,252	
Fees in advance amounts utilised		(1,630,361)		(248,719)	
<b>Net cash used in financing activities</b>			<u>(1,241,228)</u>		<u>2,865,533</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>			<u>71,585</u>		<u>498,476</u>
Cash and cash equivalents at beginning of year			2,539,821		2,041,345
<b>Cash and cash equivalents at end of year</b>	<b>23</b>		<u>2,611,406</u>		<u>2,539,821</u>

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### For the year ended 31 August 2025

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#### 1 Accounting policies

The School is a registered Charitable Company limited by guarantee in the United Kingdom. The address of the registered office is given in the reference and administrative details, on page 13.

#### 1.1 Basis of preparation

The financial statements of the School, which is a public benefit entity under FRS 102, 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 England and Wales and the Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in England and Wales and the Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The financial statements are prepared in sterling which is the functional currency of the School.

#### 1.2 Going concern

At the time of approving the financial statements, the Governors' have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Consolidation

The School is exempt from the requirement to produce group accounts as the subsidiary is dormant and considered immaterial.

Accordingly, the accounts present a view of the individual charitable company and not of the group of which it is the parent.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives.

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

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

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### For the year ended 31 August 2025

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#### 1 Accounting policies (Continued)

##### 1.5 Income

Income is recognised when the School is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Fees and similar earned income are accounted for in the period in which the service is provided. Invoices are raised in advance of each school term; any invoices outstanding at the balance sheet date are shown as trade debtors. Any element of fees relating to future terms is treated as deferred income and included within current liabilities.

Bursaries are awarded based on financial circumstances.

Donations and other voluntary income are accounted for as and when entitlement arises, the amount can be reasonably quantified, and receipt is considered probable.

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

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

##### 1.6 Expenditure

Expenditure is allocated to functional headings either on a direct cost basis or apportioned accordingly. The irrecoverable element of VAT is included with the item of expense to which it relates. Supplies of books, expenditure and sundry equipment are written off when the expenditure is incurred.

Support costs are those that assist the work of the School but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resource.

Governance costs include those incurred in the governance of the School and are primarily associated with constitutional and statutory requirements.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the School to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### For the year ended 31 August 2025

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#### 1 Accounting policies (Continued)

##### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land	Not depreciated
Freehold buildings	Between 0 and 50 years
Equipment, fixtures and fittings	Between 3 and 10 years
Motor vehicles	5 years
Website	3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Assets below the value of £1,000 are not capitalised.

No depreciation has been charged in relation to the School mansion building and other residential properties on the estate and owned by the School on the basis of immateriality. The Governors consider that any change and accumulated depreciation would be immaterial to the financial statements, due to the assets having a very long useful economic life, in any instance considered to far exceed 50 years, given the age of the buildings to date. The current estimated residual value would exceed any depreciation charged. An impairment review is undertaken annually.

##### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.9 Impairment of fixed assets

At each reporting end date, the School reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities.

Deposit accounts with more than 90 day maturity are classified as current asset investments.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### For the year ended 31 August 2025

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#### 1 Accounting policies (Continued)

##### 1.11 Financial instruments

The School has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the School's balance sheet when the School becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination and redundancy benefits are recognised immediately as an expense when the School is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.13 Pension schemes

A hybrid retirement benefits scheme is provided to the teaching employees of the School. They may choose to be included within the Teachers' Pension Scheme (TPS) or opt out into the group pension plan described below and shared with all other employees. The School's contribution towards teachers' pension is limited for either scheme.

The TPS scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, where are in accordance with the recommendations of the Government actuary, are charged in the period in which the salaries to which they relate are payable.

The School also operates a group Personal Pension Plan (defined contribution). The assets of the plan are held separately from those of the School. For every 1% contribution by employees the School contributes 2% with the School's minimum contribution being 6% and a maximum of 10%. Employer's pension costs are charged in the period in which the salaries to which they relate are payable.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### For the year ended 31 August 2025

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#### 1 Accounting policies (Continued)

##### 1.14 Finance and operating leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

##### 1.15 Value Added Tax

The School is registered for VAT. All amounts in the financial statements are shown exclusive of VAT where appropriate.

##### 1.16 Corporation Tax

Somerhill Charitable Trust Limited is a registered charity and as such its income and gains falling within Section 471 to 489 of the Corporation Tax Act 2010 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

##### 1.17 Judgements and uncertainty

Accounting 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. 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.

###### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed 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 11 for the carrying amount of the property, plant and equipment, and for the useful economic lives for each class of assets.

###### *Bad debt provision*

The value of trade debtors is sensitive to the recoverability in full of school fees. Once a debt becomes overdue, it is chased and periodically reviewed to ensure it is recoverable in full. An external debt collection agency is used. If a provision is deemed necessary, this is included on an annual basis.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

<b>2 School fees receivable</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>The school's fee income comprised:</b>		
Gross fees	9,484,939	9,984,536
Less: Assisted places and fee discounts	<u>(767,499)</u>	<u>(799,590)</u>
	<u>8,717,440</u>	<u>9,184,946</u>

The above awards were all made to individuals.

These include discretionary awards, assisted places, staff remission and sibling discounts made to 245 (2024: 218) individuals.

<b>3 Ancillary trading income</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Income from fundraising events	9,724	10,965
Other educational income:		
- Lunches	280,804	-
- Extras	187,988	197,854
- Entrance and registration fees	<u>16,750</u>	<u>13,701</u>
	<u>495,266</u>	<u>222,519</u>

<b>4 Income from government grants</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Rural payments agency	<u>3,069</u>	<u>3,607</u>
	<u>3,069</u>	<u>3,607</u>

**5 Other income**

Other income in 2025 primarily related to irrecoverable VAT on registration (2024: primarily related to proceeds on sale of a motor vehicle.)

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

6 Expenditure	Staff costs (note 10) £	Direct costs (note 9) £	Support costs (note 7) £	Total 2025 £	Total 2024 £
<b>Raising funds</b>					
Investment management charges	-	-	21,738	21,738	-
Financing costs	-	-	30,126	30,126	12,206
Fundraising events	-	-	8,485	8,485	14,507
	-	-	60,349	60,349	26,713
<b>Charitable activities</b>					
Education	4,507,533	2,008,081	3,283,717	9,738,982	9,630,638
	4,507,533	2,008,081	3,283,717	9,799,331	9,657,351
Total expenditure	4,507,533	2,008,081	3,283,717	9,799,331	9,657,351
				£	£
<b>Expenditure includes:</b>					
Depreciation – owned assets				574,042	583,302
Operating lease rentals – equipment				63,803	56,656
Auditor's remuneration (excl VAT)					
- Current year audit				16,500	15,500
- Other services				4,100	3,950
				£	£
<b>7 Support costs</b>					
				<b>2025</b> £	<b>2024</b> £
Staff costs				2,190,979	2,011,304
Other expenses				39,440	182,957
Depreciation				315,296	339,827
Insurance				169,397	172,940
IT costs				121,822	153,669
Legal and professional fees				89,196	74,286
Motor costs				75,589	74,220
Advertising				65,339	43,592
Recruitment				67,588	15,206
Movement in provision against debts				63,791	28,832
Governance costs (note 8)				24,931	21,682
				3,223,368	3,118,515

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

<b>8 Governance costs</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Audit and statutory accounts fee	19,600	22,200
Under provision in prior year	300	6,582
Teachers' pension scheme audit fee	1,000	1,140
Governors' indemnity insurance	2,881	2,642
Other governance costs	1,150	-
	<u>24,931</u>	<u>21,682</u>
<b>9 Direct costs</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Teaching costs	262,239	333,071
Welfare costs	835,829	740,197
Premises costs	910,906	982,119
	<u>2,008,971</u>	<u>2,132,840</u>
<b>10 Staff costs</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,843,965	4,726,517
Social security costs	546,548	475,035
Pension contributions	1,035,013	1,012,408
Redundancy and termination costs	180,952	30,564
Other staff costs	92,034	172,776
	<u>6,698,512</u>	<u>6,417,300</u>
This is made up of:	<b>£</b>	<b>£</b>
Teaching salaries	4,507,533	4,405,996
Support salaries	2,190,979	2,011,304
	<u>6,698,512</u>	<u>6,417,300</u>
The average number of employees in the year was:	<b>Number</b>	<b>Number</b>
Teaching	108	116
Non-teaching	38	39
	<u>146</u>	<u>155</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

**10 Staff costs (continued)**

The number of employees whose gross pay and benefits (excluding employer NI and pension contributions) exceeded £60,000 in the year were:

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £70,000	1	4
£70,001 - £80,000	4	2
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-
£170,001 - £180,000	-	1
£230,001 - £240,000	1	-
	<u>1</u>	<u>9</u>

Total remuneration for key management personnel (including employer NI and pension contributions) during the year amounted to £852,224 (2024: £687,524). Key management personnel, who are also parents of children at the School, are also entitled to fee discounts, under the School's remission policy.

Termination, voluntary redundancy and compulsory redundancy payments of £180,952 (2024: £30,564) were paid during the year.

Governors were reimbursed £376 (2024: £932) for travel and other meeting related costs.

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

**11 Tangible fixed assets**

	<b>School freehold land and buildings £</b>	<b>Other freehold land and buildings £</b>	<b>Equipment, fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Website £</b>	<b>Total £</b>
<b>Cost or valuation</b>						
At 1 September 2024	13,590,973	3,516,948	1,600,190	150,819	21,302	18,880,232
Additions	388,176	-	217,345	-	-	605,521
Disposals	-	-	-	-	-	-
At 31 August 2025	<u>13,979,149</u>	<u>3,516,948</u>	<u>1,817,535</u>	<u>150,819</u>	<u>21,302</u>	<u>19,485,753</u>
<b>Depreciation and impairment</b>						
At 1 September 2024	2,034,983	79,367	837,035	92,770	21,302	3,065,457
Charge for the year	258,749	18,711	284,896	11,686	-	574,042
Eliminated on disposal	-	-	-	-	-	-
At 31 August 2025	<u>2,293,732</u>	<u>98,078</u>	<u>1,121,931</u>	<u>104,456</u>	<u>21,302</u>	<u>3,639,499</u>
<b>Net book values</b>						
At 31 August 2025	<u>11,685,417</u>	<u>3,418,870</u>	<u>695,604</u>	<u>46,363</u>	<u>-</u>	<u>15,846,254</u>
At 31 August 2024	<u>11,555,990</u>	<u>3,437,581</u>	<u>763,155</u>	<u>58,049</u>	<u>-</u>	<u>15,814,775</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

**11 Tangible fixed assets (continued)**

All freehold land and buildings are valued, for insurance purposes and including contents, at £97 million (2024: £97 million). School freehold land and buildings comprises the school mansion and grounds of 150 acres and other buildings owned by the School that are used for educational purposes. Other freehold land and buildings comprises other residential properties owned by the School.

**12 Fixed asset investments**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Investment in managed funds	6,542,805	7,711,569
Investment in subsidiary	-	100
	<u>6,542,805</u>	<u>7,711,669</u>

Investments in managed funds are made up of an Insignis Cash Account with a market value of £2,108,577 (2024: £2,029,293) and a portfolio with LGT Wealth Management with a market value of £4,434,228 (2024: £5,682,543).

	<b>£</b>	<b>£</b>
Market value at 1 September 2024	7,711,569	5,031,193
Additions	1,272,879	2,948,012
Disposal	(4,350,298)	(512,971)
(Loss)/gain in market value	208,059	245,341
Market value at 31 August 2025	<u>6,542,805</u>	<u>7,711,569</u>
Cost at 31 August 2025	<u>6,332,466</u>	<u>7,503,080</u>

Included in the above are the following investments that make up more than 5% of the total portfolio value:

Insignis Cash Account	2,108,577	32%
LGT Cash Account	1,080,997	17%
GIA Account	3,351,071	51%

The School has a wholly owned subsidiary, Somerhill Enterprises Limited, a company incorporated in England and Wales (company number 02580724). The company was dormant throughout the reporting period. The cost and net book value of the School's investment as at 31 August 2025 was £nil (2024: £100). The company was wound down on 22 October 2024.

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

<b>13 Debtors</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,271,200	2,117,460
Other debtors	33,427	38,172
Prepayments and accrued income	148,263	195,467
	<u>2,496,838</u>	<u>2,351,089</u>
<b>14 Current asset investments</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Cash held in deposit accounts	<u>1,029,339</u>	<u>1,028,488</u>
<b>15 Creditors: amounts falling due within one year</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Trade creditors	271,235	355,603
Other taxation and social security costs	499,286	181,703
Accruals	55,355	51,448
Deferred income	2,387,611	2,461,105
Advance fees	1,110,154	1,492,954
Other creditors	231,050	311,383
Amounts payable to subsidiary company	-	100
	<u>4,654,691</u>	<u>4,854,293</u>

Included within other creditors are amounts totalling £54,599 (2024: £62,046) in respect of outstanding pension contributions.

**Deferred income**

Included within creditors is an amount of £2,387,611 (2024: £2,461,105) in respect of fees invoiced prior to the year-end relating to future terms.

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Balance at 1 September 2024	2,461,105	2,877,974
Released to fee income in year	<u>(2,461,105)</u>	<u>(2,877,974)</u>
	-	-
New deferred income	<u>2,387,611</u>	<u>2,461,105</u>
Balance at 31 August 2025	<u>2,387,611</u>	<u>2,461,105</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

**15 Creditors: amounts falling due within one year (continued)**

**Advanced fees**

Included within creditors is an amount of £1,110,154 (2024: £1,492,951) in respect of fees received in advance, there is also a further amount of £820,451 (2024: £1,678,882) in respect of fees due after more than one year.

Fees paid in advanced are analysed as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Balance at 1 September 2024	3,171,833	306,300
New amounts paid	389,133	3,114,252
	<u>3,560,966</u>	<u>3,420,552</u>
Amounts utilised in the payments of fees	(1,630,361)	(248,719)
Balance at 31 August 2025	<u>1,930,605</u>	<u>3,171,833</u>

**16 Creditors: amounts falling due after more than one year**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Fees in advance	<u>820,451</u>	<u>1,678,882</u>

**17 Restricted funds – current year**

	<b>Balance at 1</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance at 31</b>
	<b>September 2024</b>	<b>£</b>	<b>£</b>	<b>August 2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Long Library fund	-	-	-	-
Government grants	-	3,069	(3,069)	-
	<u>-</u>	<u>3,069</u>	<u>(3,069)</u>	<u>-</u>

Restricted funds represent donations received for specific items or appeals.

The School received restricted government grant income of £3,069 in the year (2024: £3,607) – see note 4 for further details. All monies were fully spent during the year.

The School received a donation of £nil in the year (2024: £10,055) specifically towards the Long Library refurbishment and all monies, including gift aid recoverable, were fully spent post year end on the works carried out.

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

**17 Restricted funds (continued) – prior year**

	<b>Balance at 1 September 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 31 August 2024 £</b>
Long Library fund	40,000	10,055	(50,055)	-
Government grants	-	3,607	(3,607)	-
	<u>40,000</u>	<u>13,662</u>	<u>(53,662)</u>	<u>-</u>

**18 Designated funds – current year**

	<b>Balance at 1 September 2024 £</b>	<b>New designations £</b>	<b>Designations released £</b>	<b>Balance at 31 August 2025 £</b>
Designated property	11,555,990	-	129,427	11,685,417
Capital developments fund	5,000,000	-	-	5,000,000
	<u>16,555,990</u>	<u>-</u>	<u>129,427</u>	<u>16,685,417</u>

The designated property reserve fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of school freehold land and buildings.

The capital developments fund represents funds designated for future projects that support the strategic vision of the School.

**Prior year**

	<b>Balance at 1 September 2023 £</b>	<b>New designations £</b>	<b>Designations released £</b>	<b>Balance at 31 August 2024 £</b>
Designated property	11,743,827	-	(243,475)	11,555,990
Capital developments fund	5,000,000	-	-	5,000,000
	<u>16,743,827</u>	<u>-</u>	<u>(243,475)</u>	<u>16,555,990</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

**19 Analysis of net assets between funds – current year**

	<b>Unrestricted funds £</b>	<b>Designated funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Fund balances at 31 August 2025 are represented by:				
Tangible fixed assets	4,160,837	11,685,417	-	15,846,254
Investments	1,542,805	5,000,000	-	6,542,805
Net current assets	453,553	-	-	453,553
Non-current liabilities	(820,451)	-	-	(820,451)
	<u>5,336,744</u>	<u>16,685,417</u>	<u>-</u>	<u>22,022,161</u>

**Prior year**

	<b>Unrestricted funds £</b>	<b>Designated funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Fund balances at 31 August 2024 are represented by:				
Tangible fixed assets	4,258,785	11,555,990	-	15,814,775
Investments	7,711,669	-	-	7,711,669
Net current assets	(4,963,443)	5,000,000	-	36,557
Non-current liabilities	(1,678,822)	-	-	(1,678,822)
	<u>5,328,189</u>	<u>16,555,990</u>	<u>-</u>	<u>21,884,179</u>

**20 Related party transactions**

There were no related party transactions in the year (2024: none). No Governors' received remuneration or payments for services. Governors were reimbursed expenses during the year of £376 (2024: £932).

**21**

**Operating lease commitments**

At 31 August 2025, the School was committed to make minimum lease payments in respect of non-cancellable operating leases as follows:

	<b>2025 £</b>	<b>2024 £</b>
Amounts payable:		
Within one year	51,861	46,079
Between two and five years	116,694	58,673
	<u>168,555</u>	<u>104,752</u>

All leases relate to amounts payable in respect of equipment.

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2025**

<b>22</b>	<b>Cash generated from operations</b>	<b>2025</b>	<b>2024</b>	
		<b>£</b>	<b>£</b>	
	Surplus for the year	167,982	335,263	
	Adjustments for:			
	Depreciation charges	574,042	583,302	
	Interest receivable	(250,046)	(185,498)	
	Investment management charges	21,738	-	
	Gain in market value of fixed asset investments	(208,059)	(245,341)	
	Gain on sale of fixed assets	-	27,861	
	(Increase)/decrease in debtors	(145,749)	262,140	
	(Decrease)/increase in creditors	(1,530,636)	(639,300)	
	<b>Cash generated from operations</b>	<u>1,660,544</u>	<u>284,780</u>	
<b>23</b>	<b>Analysis of changes in net funds</b>	<b>At 1 September</b>	<b>Cash flows</b>	<b>At 31 August</b>
		<b>2024</b>	<b>£</b>	<b>2025</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	Cash at bank and in hand	1,511,333	70,734	1,582,067
	Current asset investments	1,028,488	851	1,029,339
		<u>2,539,821</u>	<u>71,585</u>	<u>2,611,406</u>

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### For the year ended 31 August 2025

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#### 24 Pension and similar obligations

##### ***Defined contribution pension scheme***

The School makes contributions to one defined contribution scheme on behalf of its employees. The assets of the defined contribution scheme in which employees participate are held separately from those of the School in independently administered funds. The pension costs charge represents contributions payable by the School to the funds and amounted to £748,354 (2024: £723,475). At the year-end £54,053 (2024: £61,828) was accrued in respect of employer contributions to other pension schemes.

##### ***Teachers' Pension Scheme***

###### Introduction

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Teachers are now offered a hybrid scheme and they have a choice to remain in this scheme or to opt out of it completely.

The TPS is an unfunded scheme and members to which both the member and employer makes contributions, as a percentage of salary – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The pension charge for the period includes employer contributions payable to the TPS of £286,659 (2024: £350,761) and at the year-end £546 (2024: £nil) was accrued in respect of employer contributions to this scheme.

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set from 1 September 2019 at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218.1 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196.1 billion giving a notional past service deficit of £22 billion
- The SCAPE rate, set by HMR, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

#### 25 Capital commitments

Capital commitments totalling £nil (2024: £nil).

**SOMERHILL CHARITABLE TRUST LIMITED**

England & Wales - Charity number 1002212

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# Accounts

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Registered Charity No. 1002212 (England and Wales)  
Company Registration No. 02331296



Somerhill Charitable Trust Limited  
(a company limited by guarantee)

Report and Financial Statements  
for the year ended 31 August 2024

**SOMERHILL**  
**SOME SCHOOL**

A LEADING INDEPENDENT PREP SCHOOL FOR GIRLS AND BOYS

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**CONTENTS**

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**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**CHAIR OF GOVERNORS' SUMMARY**  
**For the year ended 31 August 2024**

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This note has been updated as of the recorded date for post-year events.

The board currently has a full complement of skills, but there have been two resignations for which we have excellent candidates.

We were saddened by the resignation of our head teacher for personal reasons and we are currently in the midst of a recruitment drive with a strong slate of candidates. We are blessed to have an extremely strong and time-served leadership team that works extremely well together and that has made it such that we have not needed to find an interim head.

Much of our strategic focus has been and remains around risk planning for the imposition of VAT and business rates and the reducing demographic pool of pupils for which we must compete. We are fortunate to be in a strong financial position that will enable us to weather any significant shakeout in our sector as we continue to see mergers and consolidations both between prep-schools and in some cases senior schools. We also plan to ensure that we are the school of choice in this area maintaining an excellent offering at a reasonable cost.

We had excellent reports for both our PSB and ISI inspections and these are available on our website.

We are continuing to invest towards net Zero with contracts to both reduce our energy usage and generate more solar energy.

Saplings, our outside teaching environment, is well established, popular and profitable.

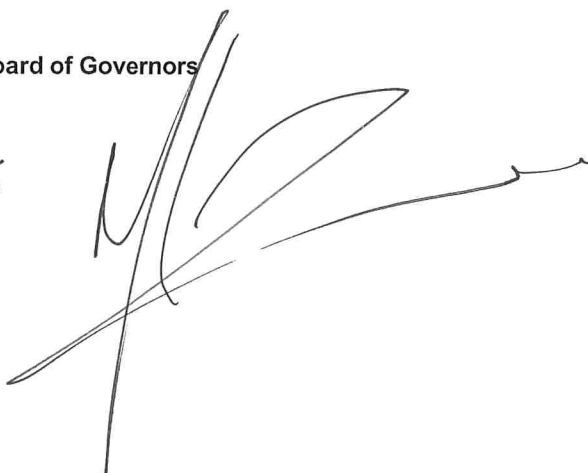
We continue to focus on excellence in provision of facilities for education and overall wellbeing. We plan to upgrade our hard play area (Hockey/football) in the upcoming year, discussions are underway that may result in our becoming a centre of excellence.

The year has been pleasingly successful in both academic, sporting and other extra-curricular offerings reported elsewhere. We are happy to report that we were extremely successful both in placement of 11+ candidates (our success rate is one of the highest around) and in gaining scholarships and places at public schools, with over 24 awards, one of our best outcomes and, perhaps per pupil headcount, the best we have ever delivered. In summary, while we are often asked what our specialization is, and we say that "we grow amazing people", the reality is that we are very successful in delivering the best for each pupil who joins us in achieving the outcomes they and their parents wish.

Mark A. Jiskoot  
**Chair of the Board of Governors**

Date:

11/4/25



# SOMERHILL CHARITABLE TRUST LIMITED (A company limited by guarantee)

## GOVERNORS' REPORT AND STRATEGIC REPORT For the year ended 31 August 2024

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The Directors of Somerhill Charitable Trust Limited (the "School", "Somerhill"), who are also the Trustees of the charity and the Governors of the School (and will be referred to throughout these financial statements as the "Governors"), present their annual report and the audited financial statements of the company for the year ended 31 August 2024 and confirm they comply with the requirements of the Charities Act 2011, the governing document, the Charities SORP (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

### Constitution

The School is a charitable company incorporated under the Companies Act with company number 02331296 and charity number 1002212. The company is limited by guarantee and does not have a share capital. The liability of the members is limited to £1 each. The School's governing document is the Memorandum and Articles of Association adopted by special resolution on 9 August 2024.

### Directors, Trustees and Governors

The Board should have a minimum of three members, with no maximum unless determined at a General Meeting through an Ordinary Resolution. Each Governor has one vote.

The Directors from 1 September 2023 to the date of signing were:

C A Barry \*\* (appointed 30 November 2023)  
P G Bromley \*  
P R Brooks +\*\* (resigned 22 January 2025)  
P M Goodyer +  
E Henery +  
C Holder \*  
J V Irvine \* \*\*  
M A Jiskoot \* + \*\* ++ (Chair of Governors from 1 September 2022)  
P J North +  
R E Verrell \*  
D A Wells \*

\* Members of the Finance and General Purposes Committee chaired by J V Irvine.

+ Members of the Education Committee chaired by P R Brooks until 22 January 2025 and then by P M Goodyer.

\*\* Members of the HR Committee chaired by C A Barry.

++ Members of the Health & Safety Committee chaired by J M Hunt (Bursar).

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2024

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#### Strategic Report

##### Objectives and Activities

The Governors' aim is to provide an all-round excellent education to boys and girls from ages 3 – 13. The objectives are set to reflect the educational aims and ethos of Somerhill. It is important that the Governors maintain and enhance the reputation of the School through the continued success of the curricular and co-curricular programmes. In setting the objectives and planning the activities, the Governors have carefully considered the Charity Commission's general guidance on public benefit and in particular its supplementary public benefit guidance on advancing education, including the provision of assisted places. Particular reference is given to a) promoting the spiritual, moral, cultural, mental and physical development of pupils and b) preparing pupils at the school for the opportunities, responsibilities and experiences of later life.

The key objectives include:

- To continue to enhance the academic curriculum offered across the School
- To continue to monitor and enhance the co-curricular programmes across the School
- To continue to develop the first-class pastoral care the School provides for pupils
- To maintain pupil numbers in the School
- To provide continuing support to the pupils already in receipt of fee assistance
- To provide access to the School from age 7 through means tested financial assistance
- To monitor and review the key policies and procedures to ensure a safe environment for employees, pupils and visitors to the School
- To continue to develop the links with local state schools and to open the facilities to the local community
- To manage and maintain the historic buildings and estate in a cost effective, sustainable and environmentally responsible manner

##### Risk management

The Governors consider that the principal risks and uncertainties facing the School are as follows:

- Child protection and safer recruitment
- Safeguarding and welfare of employees, pupils and visitors
- Maintenance of reputation
- Reduction in pupil numbers
- Retention of key personnel
- Imposition by Parliament of tax changes or changes to charitable status
- Security of school buildings
- Impact of a resurgent Covid pandemic or similar

The Governors formally review the major risks that the company faces each financial year when preparing the strategic development plan and budget. The School has developed systems and procedures to manage and monitor these risks. The key controls used by the Governors include:

- Budgeting and budget accountability
- Monitoring of pupil intake and retention
- Formal written policies including policies on the safeguarding of children and health & safety
- Authorisation procedures
- External audit of and internal identification of health & safety risks
- Appropriate training of governors, teaching and non-teaching staff
- Appropriate insurance to mitigate perceived risks

## **SOMERHILL CHARITABLE TRUST LIMITED** **(A company limited by guarantee)**

### **GOVERNORS' REPORT AND STRATEGIC REPORT (continued)** **For the year ended 31 August 2024**

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#### **Remuneration of key management personnel**

The day-to-day running of the School is delegated to the Headmaster of Somerhill. He is supported by other members of the School's Senior Leadership Team, as set out on page 12. The remuneration of key management personnel is agreed by the Board through the School's annual budget, as recommended by the F&GP and HR Committees. It is the objective of the Board to ensure that key management personnel are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The appropriateness of the remuneration policy is reviewed annually with reference to published salary levels of other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

#### **Public Benefit**

The Governors have given due regard to the Charity Commission's guidance on public benefit. As a Registered Charity, the Trustees (Governors) are mindful of the School's obligation to provide public benefit through means tested assisted places, by providing access to the School's facilities and links with local maintained schools which complement its objectives to provide for the advancement of education.

The School maintains a Public Benefit Register which is reviewed by the Governors each year. The School continues to support a range of local schools and organisations within the local community. This includes weekly swimming lessons with Somerhill swimming teachers, including transport for four local primary schools, all at no charge to the schools. Monson Swimming Club also use the pool on a near daily basis, both to teach swimming and for coaching competitive swimming for children in the local area.

The sports hall and playing fields are used by local sporting clubs, both for children and adult use, and our parkland is regularly used for cross-country events, football tournaments and mountain biking.

The school provided financial assistance of £560,703 in 2023-24 (£495,090 in 2022-23).

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2024

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#### Achievements and Performance

**Overview:** Somerhill is a vibrant, successful school with a good reputation within its marketplace. During the final term of the year ended 31 August 2024, Somerhill had 600 pupils.

**Business review, achievements and performance:** The company is principally engaged in the owning and running of the School and is a registered charity. The operation of the School is the responsibility of the Governors, who are the directors of the company, none of whom receive any remuneration.

**Academic Achievement:** As mentioned in the last ISI report, the teaching across the school is cited as being 'of a consistently high standard'; teachers 'know their pupils' abilities and needs well', 'challenge pupils to think' and 'have ambitious aims for pupils' achievements' whilst also planning 'to ensure all are appropriately supported and challenged.' As a result, Somerhill pupils are described as 'highly numerate and literate'. Pupils move on successfully to secondary education in both the grammar and independent sectors, notably with 10 pupils heading to Tonbridge or Sevenoaks School and 35 gaining entry to local grammar schools. Also impressive was the fact that 24 leavers gained scholarships in academics, art, drama, music and sport.

**Pupil Experience:** Somerhill prides itself on providing a wide ranging and varied education. The School believes that enjoyment and inclusivity should go hand in hand with the setting of high standards and the pursuit of excellence. This year we have not only continued to celebrate our proud tradition of excellent academic results, but we have thoroughly enjoyed our sporting contests, been wonderfully entertained by top class musical and dramatic performances and seen our children thrive in a broad and exciting co-curricular programme which offers opportunity to all our young people – from beekeeping to Formula One model design and racing. As a unique school with a 'diamond model' for our boys and girls, we have enjoyed recognising where differences exist in their approaches to learning while promoting a unified and equal approach to their broader educational experience. The diamond model allows for a 'best of both worlds' approach – boys and girls are taught in the classroom together until Year 3; at this point classroom lessons become single sex although all other co-curricular and day-to-day activities take place in a co-educational environment. Pupils are then well prepared to go into a co-educational classroom setting at either secondary school or sixth form.

**Pre-Senior Baccalaureate:** The introduction of the Pre-Senior Baccalaureate (PSB) in the past few years has moved the curriculum to discovery-led, enquiry-based learning for our pupils, which sees the teacher as a facilitator to learning, not an oracle imparting academic knowledge. The skills extend more broadly into the establishment of skills for life. It is a programme of study that sits not only in the academic lessons of the School, but extends into the creative and performing arts, the practical elements of engineering and also onto the sports pitch and playground. The Pre-Senior Project Qualification (PSPQ) aims to develop pupils' independent learning and performance, inspiring them to consider new areas or methods of study and preparing them for their learning at senior schools and later at university and at work. It has been very well received by destination senior schools. The PSPQ is now an annual feature of the Year 8 curriculum culminating in some outstanding oral presentations. The PSB is now firmly established in both Year 8 and Year 7 with PSB style project work extending to art, engineering and drama as well as expanding to the rest of the Prep School where we have designed age appropriate PSB skills grids and pupils reflect on academic performance regularly with their Form teachers.

**Curriculum Enhancements:** Somerhill was only the second prep school in the UK to introduce Engineering as part of its curriculum. Pupils have used woodworking skills to make canvas frames and full-sized catapults, utilising skills in aerodynamics and civil engineering. Other practical units work with technology such as robotics, GPS systems and micro controllers to understand what engineers do. Our annual STEM Day is an opportunity for pupils to work in teams on projects which bring together skills developed in science, engineering and maths lessons as well as developing a whole host of PSB skills. We also continue to leverage the use of our wonderful grounds in which our children have enjoyed pond dipping, den building and learning about the different flora and fauna. Pupils of all ages get to experience the outdoor learning whereby more traditional learnt knowledge can be re-enforced using the natural world. Our dedicated "outdoor" classroom, Saplings, goes from strength to strength and allows our pre-school children to enjoy a mixed model where existing and new parents can select internal and external classroom time for our youngest pupils.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT AND STRATEGIC REPORT (continued)**  
**For the year ended 31 August 2024**

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**Co-Curricular Clubs and School Trips at Somerhill**

The importance of providing a broad range of co-curricular activities in schools cannot be overstated. These activities are essential in preparing children for the challenges and opportunities they will face beyond the classroom. The benefits extend to several key areas, including social-emotional development (building empathy, self-confidence, and resilience), academic performance (improving grades and learning skills through teamwork and time management), and career prospects (helping students identify passions and interests to guide their future choices). Furthermore, co-curricular activities promote healthy lifestyles through physical activity, offer opportunities for fun and relaxation to counter academic pressures and foster creativity by encouraging exploration beyond the curriculum.

Somerhill School actively supports student involvement in co-curricular activities through a three-pronged approach. First, a wide variety of clubs are offered each term, catering to diverse interests, both academic and non-academic. These clubs, run by school staff and external providers, ensure a dynamic and engaging experience for students. Second, the school provides six weeks of in-house holiday courses annually, allowing families flexibility while offering children enriching experiences in a familiar environment. These courses prioritise fun but also aim to enhance specific skills.

Finally, Somerhill emphasises educational trips as a crucial component of the co-curricular program. These trips vary in length and location, from local excursions to enhance classroom learning to longer trips to London and coastal areas. For older students, a progression of residential trips builds confidence and independence, culminating in opportunities for more adventurous trips, such as visits to the UKSA centre on the Isle of Wight or the annual ski trip in the Alps. This comprehensive approach ensures Somerhill students have abundant opportunities to develop holistically and confidently prepare for future success.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2024

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#### **Pre Prep at Somerhill**

Somerhill Pre-Prep provides a nurturing and high-quality start to education for children aged 2 to 7. The Pre-Prep places significant emphasis on both academic excellence and pastoral care, ensuring that each child's wellbeing is central to every decision made. Recognising the vital role early education plays in shaping future success, Somerhill is proud of its highly skilled team of early years practitioners who collaborate closely with parents. This partnership ensures that each child's learning journey is personalised and supported to meet their individual needs, providing a strong foundation for future development.

From Reception to Year 2, Form Teachers and Teaching Assistants ensure a consistent and cohesive educational experience. The curriculum is age-appropriate, fun, and exciting, designed to ignite a passion for learning that is crucial at the beginning of each child's educational journey. Enriched by specialist subjects such as music, physical education, swimming, French, and Saplings—the forest school programme—this diverse curriculum not only promotes academic growth but also encourages personal development. Taught by experts, these subjects offer children a variety of opportunities to explore and engage, fostering a love for learning while supporting both intellectual and emotional growth.

The Pre-Prep's commitment to high educational standards is reflected in its carefully designed, comprehensive curriculum. The curriculum integrates core subjects with a dynamic, topic-based approach, encouraging deeper learning and helping children apply knowledge in real-world contexts. The structured phonics programme, Read Write Inc., ensures that children develop strong reading skills at an accelerated pace, with many surpassing age-related expectations. Additionally, the mathematics curriculum consistently delivers outstanding results, while the hands-on, inquiry-based approach to science sparks curiosity and fosters a deeper understanding of the world. This thoughtfully structured and engaging curriculum nurtures each child's curiosity and ignites a passion for discovery, helping them a strong emphasis on co-curricular development, offering a broad range of opportunities in sport, music, art, outdoor education, and drama. Specialist teachers lead these activities, giving children their first experiences of sporting fixtures, musical tea-time concerts, and drama performances. This exposure helps students explore their interests and talents, while building confidence and self-esteem, which positively impacts their overall development.

Personal growth is a key focus in the Pre-Prep, with the "Pre-Prep Pals"—a group of charming animal characters that personify Somerhill's core values of Kindness, Resilience, Responsibility, Respect, Community, and Excellence. These values are deeply embedded in the Pre-Prep's daily routines, conversations, and reward system, helping to shape the overall school culture. The influence of these values extends beyond the school environment, with parents frequently sharing examples of how their children have referenced the "Pre-Prep Pals" at home. In many cases, parents have also invoked the animals' attributes to support their children through activities outside of school, further reinforcing the school's commitment to developing strong character both in and out of the classroom.

To support our working families, Somerhill Pre-Prep offers wraparound care, including a Breakfast Club from 7:30 a.m., and after-school care from 3:30 p.m. until 5:45 p.m. Experienced teaching assistants, who are already familiar with the children and their individual needs, provide a nurturing environment that ensures consistency and continued support after a busy school day. This thoughtful care allows children to unwind and feel secure, fostering a positive end to their day.

Transitions are a vital part of a child's educational journey, whether helping new children settle into school, guiding them from Pre-school to Reception, or supporting the move from Pre-Prep to Prep School in Year 3. In Pre-Prep, careful planning is essential, as the youngest learners are still building the confidence and independence needed to navigate change. By prioritising these transitions, we ensure that every child feels secure, confident, and happy as they take the next step. The strong foundations established in Pre-Prep provide the perfect springboard for the challenges and opportunities ahead in the Prep, enabling children to embrace new experiences with enthusiasm and setting them up for ongoing success at Somerhill.

## SOMERHILL CHARITABLE TRUST LIMITED (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued) For the year ended 31 August 2024

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#### Music at Somerhill

At Somerhill, we recognize that learning about music and having the opportunity to play instruments and create music together is a vital part of a child's education. Music is not only a creative outlet but also plays a significant role in a child's broader development. Here, music is integral to our curriculum, and all children from Reception to Year Eight have lessons taught by two dedicated and experienced music teachers. In addition to classroom lessons, we are fortunate to have a dynamic team of Visiting Music Teachers (VMTs), who provide many one-on-one lessons each week across all three sections of the school.

Beyond the structured lessons, Somerhill offers numerous opportunities for students to perform and share their talents with others. We have upwards of fifty performances of different kinds, throughout the year, and across the whole school. Our current music groups include an orchestra, year 3 and 4 choirs, a boys choir, a girls choir, a chamber choir, a brass ensemble, flute groups, string groups, a clariphones troop, cello groups, and guitar groups.

The Michaelmas term always ends with a whole range of pre-prep performances celebrating Christmas, and carol services for both Juniors and Seniors. In the Michaelmas and Lent terms, instrumentalists and vocalists have the chance to perform in informal after-school Teatime concerts. These provide a relaxed setting for students to perform in front of peers, family, and friends. Similarly, in the summer term, we host a series of instrumental and vocal lunchtime concerts, offering another opportunity for students to see one another perform, and support each other.

At the end of the Lent term, we have one of our showcase events: the Spring Concert for the whole prep school. In the Summer, similarly, we have larger-scale concerts, one for the Juniors and one for Seniors. These performances give students the chance to present their hard work and musical achievements to family and friends.

Somerhill is also proud to continue its tradition of providing choristers for Tonbridge School, where our boys commit to three rehearsals a week and one or two performances on Sundays during term time. The boys involved gain an invaluable performance and rehearsal experience.

In addition to this, Somerhill is a thriving ABRSM centre (Associated Board of the Royal Schools of Music), supporting students in entering a variety of music exams across instruments and voice at all levels. This offers our students a structured path for assessing their musical progress, and we are proud of the exceptional results that we have had recently.

Whether it's a quiet lunchtime practice session or a grand concert performance, music at Somerhill is an essential and vibrant part of the school experience.



## SOMERHILL CHARITABLE TRUST LIMITED (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued) For the year ended 31 August 2024

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#### **Sport at Somerhill**

Somerhill has always had a strong sporting tradition and the Governors are keen that this continues. The excellent and extensive facilities and the number of pupils at the School means that there are a large number of teams across many sporting disciplines, allowing all pupils to take part at a standard that is best suited to their abilities. Pupils are introduced to a wide range of physical education skills through the Pre Prep curriculum and clubs. These skills are then developed in the Prep School in both team and individual disciplines.

In the winter, the main sports in the Prep School are football, rugby, hockey, netball, swimming and cross country. In the summer athletics, tennis and cricket. The School has an indoor 25m swimming pool with viewing gallery, four hardcourt tennis courts, an astro and extensive sports pitches on both our terraces and parkland. Somerhill also offers a wide range of other sports as well, such as equestrian, dance, golf, triathlon and judo through the extensive after school clubs' programme. Somerhill regularly competes in local, county and national tournaments and has a full fixture list with local Prep Schools. Somerhill is viewed as one of the strongest sporting schools in Kent across many disciplines.



#### **The Libraries at Somerhill**

Somerhill has two libraries managed by a full-time librarian. The pre-prep library caters for pupils from reception to year two and houses approximately 2000 resources including picture books, chapter books and non-fiction books. Classes visit the pre-prep library weekly with their teachers and borrow books to take home. The Woodgate library is located in the prep school and serves pupils from years three to eight. The library houses 10,000 resources in four sections – Junior Fiction, Middle grade fiction, Young Adult fiction (for years 7 and 8 only) and Non-fiction. Fiction is arranged by genre and non-fiction follows the Dewey Decimal system. The library includes a large selection of dyslexia-friendly books published by Barrington Stoke.

All pupils attend regular library classes with their English teachers. Year three enjoy weekly classes and all other year groups visit fortnightly. The library is also open to all pupils before school between 8.00 and 8.30 and at break times. Pupils may visit the library during their breaks to read, play chess, borrow books and (for students in years 7 and 8) to complete prep. The library has a variety of comfortable seating areas, a quiet well-being zone, a prep zone with tables and chairs and a large communal space furnished with sofas where classes and book groups can meet. The library is equipped with IT for teaching and learning purposes including a large TV and a chrome book which pupils can use to search the library catalogue Accessit (Library Management System) and reserve books. Pupils may access the library catalogue remotely and can use this facility to access booklists, see what is new in the library and reserve books.

Library resources in the Pre-prep library and the Woodgate library are regularly audited, reviewed and refreshed so that the libraries remain relevant, enticing and informative and reflect the abilities, identities and interests of our whole community.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2024

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#### **Environmental Awareness**

Somerhill takes its responsibilities towards the environment very seriously and the governors are extremely conscious of the need to work towards becoming net carbon zero, in line with government targets. The school commissioned industry specialists, Re-energise, to produce a Site Decarbonisation Plan and this now forms part of the site Masterplan when considering future priorities. A number of phase 1 priorities have been identified, such as the installation of two solar panel arrays, and these will be progressed in the next academic year.

#### **Recent projects and plans for future development**

The Governors continue to provide the necessary resources from unrestricted general funds to maintain the buildings and structures that the Trust owns, especially the Grade 1 listed Jacobean Mansion. The year-long total redecoration of the school was completed in August 2024 and this included an improved layout for the dining room and opening of the new Woodgate library.

#### **Financial Review**

The financial results of the School for the year ended 31 August 2024 are shown in the Statement of Financial Activities. The School has maintained a strong NOR (numbers on roll) ending the year with 600 pupils. Overall budget has been exceeded by £122k with a net surplus of £335k for the year. Operating surplus was £942k, which is a £118k (14%) improvement on budgeted operating surplus of £824k.

#### **Reserves policy**

The Governors' policy on reserves is to hold sufficient liquid assets to cover short term requirements which range between £1.5 million and £2 million. At 31 August 2024, the School had total reserves of £21,884,179 (2023: £21,508,916), made up of a general fund of £5,328,189 (2023: £4,765,089) and various designated funds, representing the net book value of the school mansion and grounds, of £11,555,990 (2023: £11,743,827), the capital developments fund of £5,000,000 (2023: £nil) and the contingency fund of £1,500,000 (2023: £nil). The school's net current assets were £36,617 (2023: £631,011).

Given the uncertain and changing economic and regulatory environment, the School will review and update its reserves and investment policy in the next academic year to ensure that it is robust enough to handle the potentially challenging times ahead. Reserves are high at the moment to allow for capital expenditure as part of both the Site Master Plan and Site Decarbonisation Plan but also give a buffer to any unexpected regulatory and fiscal changes that may be introduced by the current government.

#### **Other Assets**

In addition to the school mansion and grounds (circa 120 acres), the Trust owns five residential properties with an aggregate historic cost of £3.3m, a figure the Governors consider to be an approximate current value. These could be liquidated without affecting the ability of the School to operate and continue to provide the excellent facilities enjoyed at present.

The Governors intend to build financial reserves so that they can continue to upgrade the facilities of the School in support of the Site Master Plan, and to continue providing appropriate assisted places/financial assistance for the parents of children who could otherwise not afford independent education.

#### **Somerhill Parents' Association**

Somerhill Parents' Association (SPA) holds circa 5 events across the academic year; these are for existing parents and their families, and other supporters of the school. Some events are designed to raise funds for the School, whilst others are intended to cover expenses and are there to build community spirit. Specific projects may raise funds for external charities e.g., a charity auction at the Summer Ball. Funds raised for the School are assigned to projects in consultation with the parent body, the Headmaster, and the Senior Leadership Team.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT AND STRATEGIC REPORT (continued)**  
**For the year ended 31 August 2024**

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**Other fundraising**

The School does not carry out any fundraising activity in order to raise funds from the general public. The School has not received any complaints in relation to fundraising in the year (2022: none).

**Fee Remissions**

The School provides financial assistance through various means-tested schemes:

- **Bursaries** – bursary applications are assessed by a third party, Bursary Administration Ltd (BAL), who undertake an assessment and subsequently make a recommendation to the School. The Principal and Bursar then have the final say on the award of a bursary. The award is based on affordability and BAL use a means testing formula to inform their recommendation.
- **Employee Fee Concession** – as part of an emphasis on attracting and retaining high calibre staff, the School offers a discount scheme to staff members who choose to educate their children at Somerhill.

**Family discounts** – to underline the value the Governors place on continuity for families, the School offers sibling discounts of 5% for the second child and 10% for any further siblings.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT AND STRATEGIC REPORT (continued)**  
**For the year ended 31 August 2024**

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**Professional advisers and senior leadership team**

<b>Headmaster of Somerhill</b>	Mr D B Sinclair
<b>Head of Somerhill Pre-Prep</b>	Mrs A L McKnight
<b>Bursar/Company Secretary</b>	Mr J M Hunt
<b>Address and registered office</b>	Somerhill Tonbridge Kent TN11 0NJ
<b>Solicitors</b>	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
<b>Auditors</b>	Azets Audit Services First Floor, River House 1 Maidstone Road Sidcup Kent DA14 5RH
<b>Insurance brokers</b>	Marsh Education Practice 4 Milton Road Haywards Heath West Sussex RH16 1AH
<b>Bankers</b>	Barclays Bank plc 105 High Street Tonbridge Kent TN9 1DJ  National Westminster Bank Plc 130 High Street Tonbridge Kent TN0 1DE

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

#### For the year ended 31 August 2024

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#### Structure, governance and management

##### Governing documents

The Company is governed by its Memorandum and Articles of Association of 9 August 2024. These were adopted by special resolution passed on 9 August 2024 and incorporated on 28 August 2024.

##### Recruitment and training of governors

Governors are appointed in accordance with the Memorandum and Articles of Association filed at Companies House (and the Charity Commission) adopted in 2024. The composition of the Board of Governors is designed to offer a wide range of expertise to meet the needs of Somerhill. Possible candidates for election as new Governors are proposed by an existing Governor and recommended by him or her through the Chair to the Board of Governors. Financial provision is made for external training courses for Governors. An induction tour is given by the Chair of the Governors, or by a designated person, to new Governors. Regular visits and inspections take place by existing Governors applicable to the relevant skills and contributions of those appointed. Trustee indemnity insurance is in place for the benefit of the Governors.

##### Scope of activities

The Memorandum of Association of the company restricts the Trust to provision of education but permits the Governors powers to conduct a wide range of activities in support of its aims. Education is also about the personal development of the pupils as recognised by the Charity Commission in their definition of education.

##### Organisation and administrative structure

The Governors determine the general strategy of the School. The Board of Governors meets as and when necessary, but certainly not less than once a term, when it receives reports from the Education Committee, the HR Committee and the Finance and General Purposes Committee (F&GP), along with reports from the School's Senior Leadership Team. The day-to-day management of the School is delegated to the Headmaster and the Senior Leadership Team.

The Headmaster, in conjunction with the F&GP, the Education Committee and the Senior Leadership Team, prepares the School Development Plan (Achievements and Performance) which is considered and reviewed by the Board of Governors on an annual basis at their meeting in the Summer.

**Education Committee:** This is an advisory Committee designed to give guidance and assistance to the Headmaster, Head of Pre-Prep and Deputy Head Teachers. The Education Committee discusses matters specific to the education of children at Somerhill. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

# SOMERHILL CHARITABLE TRUST LIMITED (A company limited by guarantee)

GOVERNORS' REPORT AND STRATEGIC REPORT (continued)  
For the year ended 31 August 2024

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## Organisation and administrative structure (continued)



**Financial & General Purposes Committee:** This Committee is responsible for monitoring the management of the finances and administration of Somerhill and, where necessary, taking appropriate action. The Committee reports to the Board of Governors and, when necessary, obtains their approval for the recommendations being made to them. The Committee is responsible for the maintenance of the buildings, properties and estate owned by the School. Changes to the Charities Acts and Charity Commission procedures are monitored and, if appropriate, recommendations made to ensure that Somerhill Charitable Trust Limited complies with its legal responsibilities and follows best practice. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

**Human Resources & Remuneration Committee:** The main responsibility of the Committee is to monitor and review all aspects of HR and set the remuneration of the Senior Leadership Team. This Committee also meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

### **Charitable Activity**

Somerhill pupils take part in regular charitable fundraising activities. Pupils have previously raised money for a diverse set of charities addressing local and global issues. These include the Nourish Food Bank, Anti Bullying Alliance, Children in Need, Hospice in the Weald, Save the Children, Marie Curie, Battersea Dogs and Cats Home, RSCPA, RNLI, Restless Development and Sport in Mind. In addition, the School annually supports the Royal British Legion Poppy Appeal and Books for Africa, whereby books are sent to schools across Africa.

### **Investment powers and investment policy**

The Memorandum of Association of the School empowers the Governors to invest the monies of the School not immediately required for its purposes in such investments, securities or property as may be thought fit and within the law. The Governors will take professional advice as required.

# SOMERHILL CHARITABLE TRUST LIMITED

(A company limited by guarantee)

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

For the year ended 31 August 2024

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The Governors are responsible for preparing the Governors' 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 prepare a financial statement for each financial year which gives a true and fair view of the state of affairs of the charitable company, the incoming resources and application of resources, including the income and expenditure of the charitable company for the accounting period. In preparing this financial statement, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping proper accounting records that 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

### Statement as to disclosure of information to auditor

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

The Governors' Report was approved by the board of Trustees and the Strategic Report (included therein) was approved by the board of Governors in their capacity as the directors of the company on 19th March 2025 and signed on its behalf by:



Mark A. Jiskoot  
Chair of the Board of Governors

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### INDEPENDENT AUDITOR'S REPORT

#### To the Governors of Somerhill Charitable Trust Limited

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#### Opinion

We have audited the financial statements of Somerhill Charitable Trust Limited (the 'School') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 School's affairs as at 31 August 2024 and of its incoming resources and application of resources, 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 School 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 Governors' 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 School'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 Governors 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 Governors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# SOMERHILL CHARITABLE TRUST LIMITED

(A company limited by guarantee)

## INDEPENDENT AUDITOR'S REPORT

### To the Governors of Somerhill Charitable Trust Limited (continued)

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Governors' report has 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 School and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Governors' report.

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 Governors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Governors**

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the School for the purpose 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 Governors 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 Governors are responsible for assessing the School'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 Governors either intend to liquidate the School or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT**  
**To the Governors of Somerhill Charitable Trust Limited (continued)**

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In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

**Use of our report**

This report is made solely to the School'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 School's members those matters we are required to state to them in an auditors' 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 School and the School's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services Limited*

M Wilkes FCA  
for and on behalf of Azets Audit Services

Date: 7 May 2025

**Chartered Accountants**  
**Statutory Auditor**

First Floor, River House  
1 Maidstone Road  
Sidcup  
Kent DA14  
5R

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Including Income and Expenditure Account**  
**For the year ended 31 August 2024**

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies		597	10,055	10,652	40,390
Charitable activities:					
- School fees receivable	2	9,184,946	-	9,184,946	8,934,333
- Ancillary trading income	3	222,519	-	222,519	366,466
- Government grants	4	-	3,607	3,607	3,658
Other trading activities:					
- Lettings income		109,337	-	109,337	78,670
Investments		185,498	-	185,498	81,223
Other income	5	30,714	-	30,714	1,644
<b>Total income</b>		<b>9,733,611</b>	<b>13,662</b>	<b>9,747,273</b>	<b>9,506,384</b>
<b><u>Expenditure on:</u></b>					
Raising funds:					
- Financing costs		12,206	-	12,206	14,128
- Fundraising and development		14,507	-	14,507	8,112
Charitable activities:					
- Education		9,576,976	53,662	9,630,638	8,880,229
<b>Total expenditure</b>	6	<b>9,603,689</b>	<b>53,662</b>	<b>9,657,351</b>	<b>8,902,469</b>
<b>Net income/(expenditure) before other gains and losses</b>		<b>129,922</b>	<b>(40,000)</b>	<b>89,922</b>	<b>603,915</b>
<b>Gains on fixed asset investments</b>	12	<b>245,341</b>	<b>-</b>	<b>245,341</b>	<b>30,275</b>
<b>Net income and net movement in funds</b>		<b>375,263</b>	<b>(40,000)</b>	<b>335,263</b>	<b>634,190</b>
Fund balances at 1 September 2023		21,508,916	40,000	21,548,916	20,914,726
<b>Fund balances at 31 August 2024</b>	19	<b>21,884,179</b>	<b>-</b>	<b>21,884,179</b>	<b>21,548,916</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Including Income and Expenditure Account (continued)**  
**For the year ended 31 August 2024**

Year ended 31 August 2023 (comparative)

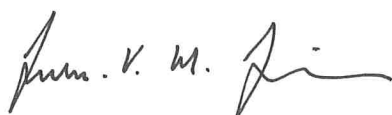
	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies		390	40,000	40,390	5,010
Charitable activities:					
- School fees receivable	2	8,934,333	-	8,934,333	8,174,768
- Ancillary trading income	3	366,466	-	366,466	388,419
- Government grants	4	-	3,658	3,658	5,970
Other trading activities:					
- Lettings income		78,670	-	78,670	105,214
Investments		81,223	-	81,223	17,788
Other income	5	1,644	-	1,644	99,773
<b>Total income</b>		<b>9,462,726</b>	<b>43,658</b>	<b>9,506,384</b>	<b>8,796,942</b>
<b><u>Expenditure on:</u></b>					
Raising funds:					
- Financing costs		14,128	-	14,128	10,333
- Fundraising and development		8,112	-	8,112	14,794
Charitable activities:					
- Education		8,876,571	3,658	8,880,229	8,123,811
<b>Total expenditure</b>	6	<b>8,898,811</b>	<b>3,658</b>	<b>8,902,469</b>	<b>8,148,938</b>
<b>Net income before other gains and losses</b>		<b>563,915</b>	<b>40,000</b>	<b>603,915</b>	<b>648,004</b>
<b>Gains/(losses) on fixed asset investments</b>	12	<b>30,275</b>	<b>-</b>	<b>30,275</b>	<b>-</b>
<b>Net income and net movement in funds</b>		<b>594,190</b>	<b>40,000</b>	<b>634,190</b>	<b>648,004</b>
Fund balances at 1 September 2022		20,914,726	-	20,914,726	20,266,722
<b>Fund balances at 31 August 2023</b>	19	<b>21,508,916</b>	<b>40,000</b>	<b>21,548,916</b>	<b>20,914,726</b>

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**BALANCE SHEET**  
**As at 31 August 2024**

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		15,814,775		16,038,210
Investments	12		7,711,669		5,031,293
			<u>23,526,444</u>		<u>21,069,503</u>
<b>Current assets</b>					
Debtors	13	2,351,089		2,613,229	
Investments	14	1,028,488		1,508,007	
Cash at bank and in hand		1,511,333		533,337	
			<u>4,890,910</u>		<u>4,654,573</u>
<b>Creditors: amounts falling due within one year</b>	15	(4,854,293)		(4,023,562)	
Net current assets			36,617		631,011
Total assets less current liabilities			<u>23,563,061</u>		<u>21,700,514</u>
<b>Creditors: amounts falling due after more than one year</b>	16		(1,678,882)		(151,598)
<b>Net assets</b>			<u>21,884,179</u>		<u>21,548,916</u>
<b>Income funds</b>					
Restricted funds	17		-		40,000
Unrestricted funds	18				
- Designated funds		16,555,990		16,743,827	
- General funds		5,328,189		4,765,089	
			<u>21,884,179</u>		<u>21,508,916</u>
	19		<u>21,884,179</u>		<u>21,548,916</u>

The financial statements were approved by the Board of Governors on 11 APRIL 2025 and signed on behalf of the Board by



Julia V. Irvine  
**Chair of the Finance and General Purposes Committee**

Company Registration No. 02331296

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**CASH FLOW STATEMENT**  
**For the year ended 31 August 2024**

	Notes	2024		2023	
		£	£	£	£
<b>Cash flows from operating activities</b>					
<b>Net cash provided in operating activities</b>	22		284,780		1,069,756
<b>Investing activities</b>					
Purchase of tangible fixed assets		(377,366)		(651,535)	
Sale proceeds of fixed assets		28,774		-	
Purchase of fixed asset investments		(2,948,012)		(7,590,495)	
Sale proceeds of fixed asset investments		512,977		2,649,513	
Investment income received		184,743		81,223	
<b>Net cash used in investing activities</b>			(2,651,837)		(5,511,294)
<b>Net cash inflow before financing</b>			(2,367,057)		(4,441,538)
<b>Financing activities</b>					
New fees in advance money		2,985,743		194,326	
Fees in advance amounts utilised		(120,210)		(326,108)	
<b>Net cash used in financing activities</b>			2,865,533		(131,782)
<b>Net increase/(decrease) in cash and cash equivalents</b>			498,476		(4,441,538)
Cash and cash equivalents at beginning of year			2,041,345		6,482,883
<b>Cash and cash equivalents at end of year</b>	23		2,539,821		2,041,345

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2024

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#### 1 Accounting policies

The School is a registered Charitable Company limited by guarantee in the United Kingdom. The address of the registered office is given in the reference and administrative details, on page 12.

#### 1.1 Basis of preparation

The financial statements of the School, which is a public benefit entity under FRS 102, 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 England and Wales and the Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in England and Wales and the Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The financial statements are prepared in sterling which is the functional currency of the School.

#### 1.2 Going concern

At the time of approving the financial statements, the Governors' have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Consolidation

The School is exempt from the requirement to produce group accounts as the subsidiary is dormant and considered immaterial.

Accordingly, the accounts present a view of the individual charitable company and not of the group of which it is the parent.

#### 1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives.

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

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

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### For the year ended 31 August 2024

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#### 1 Accounting policies (Continued)

##### 1.5 Income

Income is recognised when the School is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Fees and similar earned income are accounted for in the period in which the service is provided. Invoices are raised in advance of each school term; any invoices outstanding at the balance sheet date are shown as trade debtors. Any element of fees relating to future terms is treated as deferred income and included within current liabilities.

Bursaries are awarded based on financial circumstances.

Donations and other voluntary income are accounted for as and when entitlement arises, the amount can be reasonably quantified, and receipt is considered probable.

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

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

##### 1.6 Expenditure

Expenditure is allocated to functional headings either on a direct cost basis or apportioned accordingly. The irrecoverable element of VAT is included with the item of expense to which it relates. Supplies of books, expenditure and sundry equipment are written off when the expenditure is incurred.

Support costs are those that assist the work of the School but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resource.

Governance costs include those incurred in the governance of the School and are primarily associated with constitutional and statutory requirements.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the School to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### For the year ended 31 August 2024

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#### 1 Accounting policies (Continued)

##### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land	Not depreciated
Freehold buildings	Between 0 and 50 years
Equipment, fixtures and fittings	Between 3 and 10 years
Motor vehicles	5 years
Website	3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Assets below the value of £1,000 are not capitalised.

No depreciation has been charged in relation to the School mansion building and other residential properties on the estate and owned by the School on the basis of immateriality. The Governors consider that any change and accumulated depreciation would be immaterial to the financial statements, due to the assets having a very long useful economic life, in any instance considered to far exceed 50 years, given the age of the buildings to date. The current estimated residual value would exceed any depreciation charged. An impairment review is undertaken annually.

##### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.9 Impairment of fixed assets

At each reporting end date, the School reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities.

Deposit accounts with more than 90 day maturity are classified as current asset investments.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### For the year ended 31 August 2024

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#### 1 Accounting policies (Continued)

##### 1.11 Financial instruments

The School has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the School's balance sheet when the School becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the School is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.13 Pension schemes

A hybrid retirement benefits scheme is provided to the teaching employees of the School. They may choose to be included within the Teachers' Pension Scheme (TPS) or opt out into the group pension plan described below and shared with all other employees. The School's contribution towards teachers' pension is limited for either scheme.

The TPS scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, where are in accordance with the recommendations of the Government actuary, are charged in the period in which the salaries to which they relate are payable.

The School also operates a group Personal Pension Plan (defined contribution). The assets of the plan are held separately from those of the School. The School will contribute double the amount of employee's contribution percentage to a maximum of 10% for non-teaching staff. For teachers in this scheme, the School contributes 16% plus the employer NI saving under the salary sacrifice regulations. Employer's pension costs are charged in the period in which the salaries to which they relate are payable.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### For the year ended 31 August 2024

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#### 1 Accounting policies (Continued)

##### 1.14 Finance and operating leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

##### 1.15 Value Added Tax

The School is not registered for VAT. All amounts in the financial statements are shown inclusive of VAT where appropriate.

##### 1.16 Corporation Tax

Somerhill Charitable Trust Limited is a registered charity and as such its income and gains falling within Section 471 to 489 of the Corporation Tax Act 2010 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

##### 1.17 Judgements and uncertainty

Accounting 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. 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.

###### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed 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 11 for the carrying amount of the property, plant and equipment, and for the useful economic lives for each class of assets.

###### *Defined benefit pension scheme*

The present value of the defined benefit pension deficit contributions payable depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the future recovery plan contributions due include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation has been used by the actuary in valuing the pension liability. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

###### *Bad debt provision*

The value of trade debtors is sensitive to the recoverability in full of school fees. Once a debt becomes overdue, it is chased and periodically reviewed to ensure it is recoverable in full. An external debt collection agency is used. If a provision is deemed necessary, this is included on an annual basis.

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

<b>2</b>	<b>School fees receivable</b>	<b>2024</b>	<b>2023</b>
		£	£
	<b>The school's fee income comprised:</b>		
	Gross fees	9,984,536	9,550,980
	Less: Assisted places and fee discounts	(799,590)	(616,647)
		<u>9,184,946</u>	<u>8,934,333</u>

The above awards were all made to individuals.

These include discretionary awards, assisted places, staff remission and sibling discounts made to 218 (2023: 253) individuals.

<b>3</b>	<b>Ancillary trading income</b>	<b>2024</b>	<b>2023</b>
		£	£
	Income from fundraising events	10,965	8,930
	Other educational income:		
	- Extras	197,854	340,786
	- Entrance and registration fees	13,701	16,750
		<u>222,519</u>	<u>366,466</u>

<b>4</b>	<b>Income from government grants</b>	<b>2024</b>	<b>2023</b>
		£	£
	Rural payments agency	3,607	3,658
		<u>3,607</u>	<u>3,658</u>

**5 Other income**

Other income in 2024 primarily related to proceeds on sale of a motor vehicle (2023: primarily related to amount received from an insurance claim).

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

6 Expenditure	Staff costs (note 10) £	Direct costs (note 9) £	Support costs (note 7) £	Total 2024 £	Total 2023 £
<b>Raising funds</b>					
Financing costs	-	-	12,206	12,206	14,128
Fundraising events	-	-	14,507	14,507	8,112
	-	-	26,713	26,713	22,240
<b>Charitable activities</b>					
Education	4,405,996	2,132,840	3,091,802	9,630,638	8,880,229
	4,405,996	2,132,840	3,118,515	9,657,351	8,880,229
Total expenditure	4,405,996	2,132,840	3,118,515	9,657,351	8,902,469
				£	£
<b>Expenditure includes:</b>					
Depreciation – owned assets				583,302	515,741
Operating lease rentals – equipment				56,656	52,200
Auditor's remuneration (excl VAT)					
- Current year audit				15,500	14,750
- Prior year audit				-	5,485
- Other services				3,950	3,650
				3,950	3,650
				£	£
<b>7 Support costs</b>					
				<b>2024</b>	<b>2023</b>
				£	£
Staff costs				2,011,304	1,736,683
Other expenses				182,957	155,934
Depreciation				339,827	283,895
Insurance				172,940	148,875
IT costs				153,669	143,815
Legal and professional fees				74,286	69,640
Motor costs				74,220	64,818
Advertising				58,798	53,948
Movement in provision against debts				28,832	8,552
Governance costs (note 8)				21,682	30,611
				3,118,515	2,696,771

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

<b>8 Governance costs</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Audit and statutory accounts fee	22,200	21,000
(Over)/under provision in prior year	(4,300)	6,582
Teachers' pension scheme audit fee	1,140	1,080
Governors' indemnity insurance	2,642	1,949
	<u>21,682</u>	<u>30,611</u>
<b>9 Direct costs</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Teaching costs	333,071	516,305
Welfare costs	822,055	740,197
Premises costs	977,714	982,119
	<u>2,132,840</u>	<u>2,238,621</u>
<b>10 Staff costs</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,676,536	4,323,534
Social security costs	475,035	415,399
Pension contributions	1,012,408	877,162
Other staff costs	253,321	87,665
	<u>6,417,300</u>	<u>5,703,760</u>
This is made up of:	<b>£</b>	<b>£</b>
Teaching salaries	4,405,996	3,967,077
Support salaries	2,011,304	1,736,683
	<u>6,417,300</u>	<u>5,703,760</u>
The average number of employees in the year was:	<b>Number</b>	<b>Number</b>
Teaching	116	111
Non-teaching	39	36
	<u>155</u>	<u>147</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

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**10 Staff costs (continued)**

The number of employees whose gross pay and benefits (excluding pension contributions) exceeded £60,000 in the year were:

	<b>2024</b>	<b>2023</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £70,000	4	3
£70,001 - £80,000	2	-
£80,001 - £90,000	1	1
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
	<u>1</u>	<u>-</u>

Total remuneration for key management personnel (including pension contributions) during the year amounted to £687,524 (2023: £543,589).

There were £nil of termination payments in the year (2023: £nil).

Governors were reimbursed £932 (2023: £1,379) for travel and other meeting related costs.

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 31 August 2024

11 Tangible fixed assets	School freehold land and buildings £	Other freehold land and buildings £	Equipment, fixtures and fittings £	Motor vehicles £	Website £	Total £
<b>Cost or valuation</b>						
At 1 September 2023	13,535,335	3,488,016	1,709,949	136,971	21,302	18,891,573
Additions	55,638	28,933	236,348	56,448	-	377,366
Disposals	-	-	(346,107)	(42,600)	-	(388,707)
At 31 August 2024	13,590,973	3,516,948	1,600,190	150,819	21,302	18,880,232
<b>Depreciation and impairment</b>						
At 1 September 2023	1,791,508	61,060	879,485	105,689	15,622	2,853,363
Charge for the year	243,475	18,307	303,657	12,182	5,681	583,302
Eliminated on disposal	-	-	(346,107)	(25,101)	-	(371,208)
At 31 August 2024	2,034,983	79,367	837,035	92,770	21,302	3,065,457
<b>Net book values</b>						
At 31 August 2024	11,555,990	3,437,581	763,155	58,049	-	15,814,775
At 31 August 2023	11,743,827	3,426,956	830,514	31,282	5,680	16,038,210

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

**11 Tangible fixed assets (continued)**

All freehold land and buildings are valued, for insurance purposes and including contents, at £97 million (2023: £97 million). School freehold land and buildings comprises the school mansion and grounds of 150 acres and other buildings owned by the School that are used for educational purposes. Other freehold land and buildings comprises other residential properties owned by the School.

**12 Fixed asset investments**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Investment in managed funds	7,711,569	5,031,193
Investment in subsidiary	100	100
	<u>7,711,669</u>	<u>5,031,293</u>

Investments in managed funds are made up of an Insignis Cash Account with a market value of £2,029,293 (2023: £2,000,917) and a portfolio with LGT Wealth Management with a market value of £5,682,543 (2023: £3,030,276).

	<b>£</b>	<b>£</b>
Market value at 1 September 2023	5,031,193	-
Additions	2,948,012	7,590,495
Disposal	(512,971)	(2,589,577)
Gain in market value	245,341	30,275
Market value at 31 August 2024	<u>7,711,569</u>	<u>5,031,193</u>
Cost at 31 August 2024	<u>7,503,080</u>	<u>5,036,513</u>

Included in the above are the following investments that make up more than 5% of the total portfolio value:

Insignis Cash Account	£2,029,293	26%
LGT Cash Account	£2,464,456	32%
GIA Account	£3,217,820	42%

The School has a wholly owned subsidiary, Somerhill Enterprises Limited, a company incorporated in England and Wales (company number 02580724). The company was dormant throughout the reporting period. The cost and net book value of the School's investment as at 31 August 2024 was £100 (2023: £100). The company was wound down after the year-end.

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

13 Debtors	2024 £	2023 £
Trade debtors	2,117,460	2,411,372
Other debtors	38,172	313
Prepayments and accrued income	195,467	201,543
	<u>2,351,089</u>	<u>2,613,229</u>
14 Current asset investments	2024 £	2023 £
Cash held in deposit accounts	1,028,488	1,508,007
	<u>1,028,488</u>	<u>1,508,007</u>
15 Creditors: amounts falling due within one year	2024 £	2023 £
Trade creditors	355,603	359,896
Other taxation and social security costs	181,703	177,163
Accruals	51,448	174,403
Deferred income	2,461,105	2,877,974
Advance fees	1,492,954	154,702
Other creditors	311,383	279,324
Amounts payable to subsidiary company	100	100
	<u>4,854,293</u>	<u>4,023,562</u>

Included within other creditors are amounts totalling £62,046 (2023: £55,227) in respect of outstanding pension contributions.

**Deferred income**

Included within creditors is an amount of £2,461,105 (2023: £2,877,974) in respect of fees invoiced prior to the year-end relating to future terms.

	2024 £	2023 £
Balance at 1 September 2023	2,877,974	2,771,421
Released to fee income in year	<u>(2,877,974)</u>	<u>(2,771,421)</u>
	-	-
New deferred income	<u>2,461,105</u>	<u>2,877,974</u>
Balance at 31 August 2024	<u>2,461,105</u>	<u>2,877,974</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

**15 Creditors: amounts falling due within one year (continued)**

**Advanced fees**

Included within creditors is an amount of £1,492,951 (2023: £154,702) in respect of fees received in advance, there is also a further amount of £1,678,882 (2023: £151,598) in respect of fees due after more than one year.

Fees paid in advanced are analysed as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Balance at 1 September 2023	306,300	438,082
New amounts paid	3,114,252	194,326
	<u>3,420,552</u>	<u>632,408</u>
Amounts utilised in the payments of fees	(248,719)	(326,108)
Balance at 31 August 2024	<u>3,171,833</u>	<u>306,300</u>

**16 Creditors: amounts falling due after more than one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Fees in advance	<u>1,678,882</u>	<u>151,598</u>

**17 Restricted funds – current year**

	<b>Balance at 1</b>			<b>Balance at 31</b>
	<b>September 2023</b>	<b>Income</b>	<b>Expenditure</b>	<b>August 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Long Library fund	40,000	10,055	(50,055)	-
Government grants	-	3,607	(3,607)	-
	<u>40,000</u>	<u>13,662</u>	<u>(53,662)</u>	<u>-</u>

Restricted funds represent donations received for specific items or appeals.

The School received restricted government grant income of £3,607 in the year (2023: £3,658) – see note 4 for further details. All monies were fully spent during the year.

The School received a donation of £10,055 in the year (2023: £40,000) specifically towards the Long Library refurbishment and all monies, including gift aid recoverable, were fully spent post year end on the works carried out. Further donations were received in the year 2023/24 to cover the final costs of the project.

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

**17 Restricted funds (continued) – prior year**

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Long Library fund	-	40,000	-	40,000
Government grants	-	3,658	(3,658)	-
	<u>-</u>	<u>43,658</u>	<u>(3,658)</u>	<u>40,000</u>

**18 Designated funds – current year**

	Balance at 1 September 2023 £	New designations £	Designations released £	Balance at 31 August 2024 £
Designated property	11,743,827	-	(243,475)	11,555,990
Capital developments fund	5,000,000	-	-	5,000,000
	<u>16,743,827</u>	<u>-</u>	<u>(243,475)</u>	<u>16,555,990</u>

The designated property reserve fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of school freehold land and buildings.

The capital developments fund represents funds designated for future projects that support the strategic vision of the School.

**Prior year**

	Balance at 1 September 2022 £	New designations £	Designations released £	Balance at 31 August 2023 £
Designated property	11,867,027	-	(123,200)	11,743,827
Capital developments fund	-	5,000,000	-	5,000,000
	<u>11,867,027</u>	<u>5,000,000</u>	<u>(123,200)</u>	<u>16,743,827</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

**19 Analysis of net assets between funds – current year**

	Unrestricted funds £	Designated funds £	Restricted Funds £	Total £
Fund balances at 31 August 2024 are represented by:				
Tangible fixed assets	4,258,785	11,555,990	-	15,814,775
Investments	7,711,669	-	-	7,711,669
Net current assets	(4,963,443)	5,000,000	-	36,557
Non-current liabilities	(1,678,822)	-	-	(1,678,822)
	<u>5,328,189</u>	<u>16,555,990</u>	<u>-</u>	<u>21,884,179</u>

**Prior year**

	Unrestricted funds £	Designated funds £	Restricted Funds £	Total £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	4,294,383	11,743,827	-	16,038,210
Investments	31,293	5,000,000	-	5,031,293
Net current assets	591,011	-	40,000	631,011
Non-current liabilities	(151,598)	-	-	(151,598)
	<u>4,765,089</u>	<u>16,743,827</u>	<u>40,000</u>	<u>21,548,916</u>

**20 Related party transactions**

There were no related party transactions in the year (2023: none). No Governors' received remuneration, payments for services or reimbursed expenses during the year (2023: none).

**21 Operating lease commitments**

At 31 August 2024, the School was committed to make minimum lease payments in respect of non-cancellable operating leases as follows:

	2024 £	2023 £
Amounts payable:		
Within one year	46,079	43,737
Between two and five years	58,673	51,702
	<u>104,752</u>	<u>95,439</u>

All leases relate to amounts payable in respect of equipment.

**SOMERHILL CHARITABLE TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2024**

<b>22</b>	<b>Cash generated from operations</b>		<b>2024</b> £	<b>2023</b> £
	Surplus for the year		335,263	634,190
	Adjustments for:			
	Depreciation charges		583,302	515,741
	Interest receivable		(185,498)	(81,223)
	Gain in market value of fixed asset investments		(245,341)	(30,275)
	Gain on sale of fixed assets		27,861	-
	Decrease/(increase)/in debtors		262,140	62,957
	Increase/(decrease) in creditors		(639,300)	(31,634)
	<b>Cash generated from operations</b>		<b>284,780</b>	<b>1,069,756</b>
 <b>23</b>	 <b>Analysis of changes in net funds</b>	<b>At 1 September</b> <b>2023</b> £	<b>Cash flows</b> £	<b>At 31 August</b> <b>2024</b> £
	Cash at bank and in hand	533,338	977,995	1,511,333
	Current asset investments	1,508,007	(479,519)	1,028,488
		2,041,345	498,476	2,539,821

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### For the year ended 31 August 2024

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#### 24 Pension and similar obligations

##### ***Defined contribution pension scheme***

The School makes contributions to one defined contribution scheme on behalf of its employees. The assets of the defined contribution scheme in which employees participate are held separately from those of the School in independently administered funds. The pension costs charge represents contributions payable by the School to the funds and amounted to £723,476 (2023: £538,638). At the year-end £61,828 (2023: £54,681) was accrued in respect of employer contributions to other pension schemes.

##### ***Teachers' Pension Scheme***

###### Introduction

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Teachers are now offered a hybrid scheme and they have a choice to remain in this scheme or to opt out of it completely.

The TPS is an unfunded scheme and members to which both the member and employer makes contributions, as a percentage of salary – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The pension charge for the period includes employer contributions payable to the TPS of £350,761 (2023: £295,011) and at the year-end £nil (2023: £546) was accrued in respect of employer contributions to this scheme.

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set from 1 September 2019 at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218.1 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196.1 billion giving a notional past service deficit of £22 billion
- The SCAPE rate, set by HMR, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

#### 25 Capital commitments

Capital commitments totalling £nil (2023: £20,448) relate to the roofing works on 3 and 4 Bothy Cottages properties, which straddled the year-end.



**SOMERHILL CHARITABLE TRUST LIMITED**

England & Wales - Charity number 1002212

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# Accounts

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**Registered Charity No. 1002212 (England and Wales)**  
**Company Registration No. 02331296**



**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Report and Financial Statements**  
**For the year ended 31 August 2023**



**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

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## **SOMERHILL CHARITABLE TRUST LIMITED** **(A company limited by guarantee)**

### **CHAIR OF GOVERNORS' SUMMARY** **For the year ended 31 August 2023**

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The board saw the retirement of Diane Huntingford at the end of the summer term 2023 and the election of Christine Barry which strengthens us in the area of HR, she will also take over the chair of the HR committee.

The year has been pleasingly normal and successful in both academic, sporting and other extra-curricular offerings reported elsewhere. Staff turnover is down and extensive refurbishment and improvements have been made to the School. A pre-application was made to the local planning authority in regard to our "masterplan"; this plan encompasses a variety of options to ensure the School is suitably provisioned to support our aims and provide the best structure in support of them.

We have also recently contracted a plan to progress our objectives in the long term to be a net zero site, this is providing some interesting challenges.

We have restructured our board meetings to provide additional focus to risk and strategies, particularly given the potential risk to our parent body (and therefore student headcounts) should VAT be levied on school fees and business rates be charged.

Saplings, our outside teaching environment, is well established, popular and profitable.

The School's pupil headcount and finances remain strong although, along with all independent schools, we are wary of challenges that a downturn in the economy, changing tax regimes or a loss of charity status might inflict and we have appropriate plans in place to mitigate risks as they arise.

DocuSigned by:  
  
9E83BB2282F74B3...

Mark A. Jiskoot  
**Chair of the Board of Governors**

Date:

## **SOMERHILL CHARITABLE TRUST LIMITED** **(A company limited by guarantee)**

### **GOVERNORS' REPORT AND STRATEGIC REPORT** **For the year ended 31 August 2023**

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The Directors of Somerhill Charitable Trust Limited (the "School", "Somerhill"), who are also the Trustees of the charity and the Governors of the School (and will be referred to throughout these financial statements as the "Governors"), present their annual report and the audited financial statements of the company for the year ended 31 August 2023 and confirm they comply with the requirements of the Charities Act 2011, the governing document, 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 England and Wales and the Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in England and Wales and the Republic of Ireland' and the Companies Act 2006.

#### **Constitution**

The School is a charitable company incorporated under the Companies Act with company number 02331296 and charity number 1002212. The company is limited by guarantee and does not have a share capital. The liability of the members is limited to £1 each. The School's governing document is the Memorandum and Articles of Association of 29 December 1988 as amended by special resolution passed on 14 February 1991 and incorporated on 25 February 1991.

#### **Directors, Trustees and Governors**

The Board should have a minimum of three members, with no maximum unless determined at a General Meeting through an Ordinary Resolution. Each Governor has one vote.

The Directors from 1 September 2022 to the date of signing were:

C A Barry \*\* (appointed 30 November 2023)  
P G Bromley \* (appointed 30 November 2022)  
P R Brooks + \*\*  
P M Goodyer +  
E Henery + (appointed 30 November 2022)  
C Holder \* (appointed 28 February 2023)  
D M Huntingford \* + \*\* (resigned 31 August 2023)  
J V Irvine \* \*\*  
M A Jiskoot \* + \*\* ++ (Chair of Governors from 1 September 2022)  
P J North +  
R E Verrell \*  
D A Wells \*

\* Members of the Finance and General Purposes Committee chaired by J V Irvine.

+ Members of the Education Committee chaired by P R Brooks.

\*\* Members of the HR Committee chaired by C Barry.

++ Members of the Health & Safety Committee chaired by J M Hunt (Bursar).

## **SOMERHILL CHARITABLE TRUST LIMITED**

### **(A company limited by guarantee)**

#### **GOVERNORS' REPORT AND STRATEGIC REPORT (continued)**

##### **For the year ended 31 August 2023**

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### **Strategic Report**

#### **Objectives and Activities**

The Governors' aim is to provide an all-round excellent education to boys and girls from ages 3 – 13. The objectives are set to reflect the educational aims and ethos of Somerhill. It is important that the Governors maintain and enhance the reputation of the School through the continued success of the curricular and co-curricular programmes. In setting the objectives and planning the activities, the Governors have carefully considered the Charity Commission's general guidance on public benefit and in particular its supplementary public benefit guidance on advancing education including the provision of assisted places. Particular reference is given to a) promoting the spiritual, moral, cultural, mental and physical development of pupils and b) preparing pupils at the school for the opportunities, responsibilities and experiences of later life.

The key objectives include:

- To continue to enhance the academic curriculum offered across the School
- To continue to monitor and enhance the co-curricular programmes across the School
- To continue to develop the first-class pastoral care the School provides for pupils
- To maintain pupil numbers in the School
- To provide continuing support to the pupils already in receipt of fee assistance
- To increase the access to the School from age 7 through means tested financial assistance
- To monitor and review the key policies and procedures to ensure a safe environment for employees, pupils and visitors to the School
- To continue to develop the links with local state schools and to open the facilities to the local community
- To manage and maintain the historic buildings and estate in a cost effective, sustainable and environmentally responsible manner

#### **Risk management**

The Governors consider that the principal risks and uncertainties facing the School are as follows:

- Child protection and safer recruitment
- Safeguarding and welfare of employees, pupils and visitors
- Maintenance of reputation
- Reduction in pupil numbers
- Retention of key personnel
- Imposition by Parliament of changes to charitable status and unknown consequent tax changes
- Security of school buildings
- Impact of a resurgent Covid pandemic or similar

The Governors formally review the major risks that the company faces each financial year when preparing the strategic development plan and budget. The School has developed systems and procedures to manage and monitor these risks. The key controls used by the Governors include:

- Budgeting and budget accountability
- Monitoring of pupil intake and retention
- Formal written policies including policies on the safeguarding of children and health & safety
- Authorisation procedures
- External audit of and internal identification of health & safety risks
- Appropriate training of governors, teaching and non-teaching staff
- Appropriate insurance to mitigate perceived risks

## **SOMERHILL CHARITABLE TRUST LIMITED** **(A company limited by guarantee)**

### **GOVERNORS' REPORT AND STRATEGIC REPORT (continued)** **For the year ended 31 August 2023**

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#### **Remuneration of key management personnel**

The day-to-day running of the School is delegated to the Headmaster of Somerhill. He is supported by other members of the School's Senior Leadership Team. The remuneration of key management personnel is agreed by the Board through the School's annual budget, as recommended by the F&GP and HR Committees. It is the objective of the Board to ensure that key management personnel are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The appropriateness of the remuneration policy is reviewed annually with reference to published salary levels of other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.



#### **Public Benefit**

The Governors have given due regard to the Charity Commission's guidance on public benefit. As a Registered Charity, the Trustees (Governors) are mindful of the School's obligation to provide public benefit through means tested assisted places, by providing access to the School's facilities and links with local maintained schools which complement its objectives to provide for the advancement of education.

The School maintains a Public Benefit Register which is reviewed by the Governors each year. The School continues to support a range of local schools and organisations within the local community. This includes weekly swimming lessons with Somerhill swimming teachers, including transport for four local primary schools, all at no charge to the school. Monson Swimming Club also use the pool on a near daily basis, both to teach swimming and for coaching competitive swimming for children in the local area.

The sports hall and playing fields are used by local sporting clubs, both for children and adult use, and our parkland is regularly used for cross-country events, football tournaments and mountain biking.

The School provided financial assistance of £495,090 in 2022/23 (2021/22: £560,137).

## SOMERHILL CHARITABLE TRUST LIMITED (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued) For the year ended 31 August 2023

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#### Achievements and Performance

**Overview:** Somerhill is a vibrant, successful school with a good reputation within its marketplace. During the final term of the year ended 31 August 2023, Somerhill had 620 pupils.

**Business review, achievements and performance:** The company is principally engaged in the owning and running of the School and is a registered charity. The operation of the School is the responsibility of the Governors, who are the directors of the company, none of whom receive any remuneration.

**Academic Achievement:** As mentioned in the last ISI report, the achievement and progress of pupils at Somerhill is excellent. Pupils move on successfully to secondary education in both the grammar and independent sectors, notably with 19 boys going to Tonbridge School. Also impressive was the fact that 18 leavers gained scholarships.

**Pupil Experience:** Somerhill prides itself on providing a wide ranging and varied education. The School believes that enjoyment and inclusivity should go hand in hand with the setting of high standards and the pursuit of excellence. This year we have not only continued to celebrate our proud tradition of excellent academic results, but we have thoroughly enjoyed our sporting contests, been wonderfully entertained by top class musical and dramatic performances and seen our children thrive in a broad and exciting co-curricular programme which offers opportunity to all our young people – from beekeeping to Formula One model design and racing. As a unique school with a 'diamond model' for our boys and girls, we have enjoyed recognising where differences exist in their approaches to learning while promoting a unified and equal approach to their broader educational experience. The diamond model allows for a 'best of both worlds' approach – boys and girls are taught in the classroom together until Year 3; at this point classroom lessons become single sex although all other co-curricular and day-to-day activities take place in a co-educational environment. Pupils are then well prepared to go into a co-educational classroom setting at either secondary school or sixth form.

**Pre-Senior Baccalaureate:** The introduction of the Pre-Senior Baccalaureate (PSB) in the past few years has moved the curriculum to discovery-led, enquiry-based learning for our pupils, which sees the teacher as a facilitator to learning, not an oracle imparting academic knowledge. The skills extend more broadly into the establishment of skills for life. It is a programme of study that sits not only in the academic lessons of the School, but extends into the creative and performing arts, the practical elements of engineering and also onto the sports pitch and playground. The Pre-Senior Project Qualification (PSPQ) aims to develop pupils' independent learning and performance, inspiring them to consider new areas or methods of study and preparing them for their learning at senior schools and later at university and at work. It has been very well received by destination senior schools. The PSPQ is now an established feature of Year 8 with the PSB now firmly established in both Year 8 and Year 7. PSB style project work has extended to art, engineering and drama as well as expanding into Year 6.

**Curriculum Enhancements:** Somerhill was only the second prep school in the UK to introduce Engineering as part of its curriculum. Pupils have used woodworking skills to make canvas frames and full-sized catapults, utilising skills in aerodynamics and civil engineering. Other practical units work with technology such as robotics, GPS systems and micro controllers to understand what engineers do. We also continue to leverage the use of our wonderful grounds in which our children have enjoyed pond dipping, den building and learning about the different flora and fauna. Pupils of all ages get to experience the outdoor learning whereby more traditional learnt knowledge can be re-enforced using the natural world. Our dedicated "outdoor" classroom, Saplings, goes from strength to strength and allows our pre-school children to enjoy a mixed model where existing and new parents can select internal and external classroom time for our youngest pupils.

## **SOMERHILL CHARITABLE TRUST LIMITED** **(A company limited by guarantee)**

### **GOVERNORS' REPORT AND STRATEGIC REPORT (continued)** **For the year ended 31 August 2023**

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#### **Environmental Awareness**

Somerhill is very conscious of its responsibilities to the environment and reducing its carbon footprint. There are comprehensive plans under review to achieve a net carbon zero school and these plans will be progressed over the coming years.



#### **Music at Somerhill**

Learning about music and having the opportunity to play musical instruments and make music together is a vital part of a rich and rounded education. It has also been proven that music plays a key role in brain development. This is because it helps with the nurturing of language, motor skills, emotional intelligence and collaboration skills. At Somerhill, we consider music to be integral to our curriculum, with lessons being taught to all children from Reception through to Year Eight by two committed and highly experienced music teachers. In addition, a dynamic group of VMT (Visiting Music Teachers) deliver over 13,000 individual music lessons a year across all three sections of the school.

Beyond the classroom and individual lessons, the children have the opportunity to perform to an audience in a variety of ways. The Michaelmas term always concludes with Christmas performances by the children in the Pre-Prep and with Carol Services for the Prep school children at St Stephen's Church for the Juniors and at Tonbridge School for the Middles and Seniors. Instrumentalists and vocalists are able to perform in informal after-school soirees in the Michaelmas and Lent terms, as well as to their peers in lunchtime soirees in the Trinity term.

## **SOMERHILL CHARITABLE TRUST LIMITED** **(A company limited by guarantee)**

### **GOVERNORS' REPORT AND STRATEGIC REPORT (continued)** **For the year ended 31 August 2023**

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#### **Music at Somerhill (continued)**

More formally, the School holds a Spring Instrumental concert and Junior and Senior Choral and Instrumental concerts in the summer. In these concerts, our music teachers and VMTs are able to showcase their music groups to large audiences of family and friends. Current music groups include a 70-strong orchestra, brass groups, flute groups, strings groups, cello groups and guitar groups.

Somerhill continues to provide half of the tenor line for Tonbridge School, with up to 11 boys committed to three rehearsals a week and one or two performances on Sundays during term time. We remain one of the largest ABRSM (Associated Board of the Royal Schools of Music) centres in the country with pupils entering in a variety of instruments and voice exams up to Grade 6 standard.



#### **Sport at Somerhill**

Somerhill has always had a strong sporting tradition and the Governors are keen that this continues. The excellent and extensive facilities and the number of pupils at the School means that there are a large number of teams across many sporting disciplines, allowing all pupils to take part at a standard that is best suited to their abilities.

Pupils are introduced to a wide range of physical education skills through the Pre Prep curriculum and clubs. These skills are then developed in the Prep School in both team and individual disciplines.

In the winter, the main sports in the Prep School are football, rugby, hockey, netball, swimming and cross country. In the summer athletics, tennis and cricket. The School has an indoor 25m swimming pool with viewing gallery, four hardcourt tennis courts, an astro and extensive sports pitches on both our terraces and parkland. Somerhill also offers a wide range of other sports as well, such as equestrian, dance, golf, triathlon and judo through the extensive after school clubs' programme.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT AND STRATEGIC REPORT (continued)**  
**For the year ended 31 August 2023**

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**Sport at Somerhill (continued)**

Somerhill regularly competes in local, county and national tournaments and has an extensive fixture list with local Prep Schools. Somerhill is viewed as one of the strongest sporting schools in Kent across many disciplines.



**Recent projects and plans for future development**

The Governors continue to provide the necessary resources from unrestricted general funds to maintain the buildings and structures that the Trust owns, especially the Grade 1 listed Jacobean Mansion. To maintain the fabric of the buildings the Governors have approved the full redecoration of all school buildings and this process has been underway since Easter with many classrooms and public areas already having been completed. The Governors also approved the final stages of the whole school IT upgrade and this phase was rolled out over the summer holiday, ensuring that all hardware is of the latest specification.

## SOMERHILL CHARITABLE TRUST LIMITED

### (A company limited by guarantee)

#### GOVERNORS' REPORT AND STRATEGIC REPORT (continued)

##### For the year ended 31 August 2023

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#### Financial Review

The financial results of the School for the year ended 31 August 2023 are shown in the Statement of Financial Activities. The School has maintained a strong NOR (numbers on roll) ending the year with 620 pupils. Overall budget has been exceeded by £487k with a net surplus of £634k for the year. Operating surplus was £1.1m, which is a £513k (82%) improvement on budgeted operating surplus of £625k.

The School's subsidiary undertaking, Somerhill Enterprises Limited, was dormant throughout the year.

#### Reserves policy

The Governors' policy on reserves is to hold sufficient liquid assets to cover short term requirements which range between £1.5 million and £2 million. At 31 August 2023, the School had total reserves of £21,548,916 (2022: £20,914,726), made up of a general fund of £4,765,089 (2022: £9,047,699) and various designated funds, representing the net book value of the school mansion and grounds, of £11,743,827 (2022: £11,867,027) and the capital developments fund of £5,000,000 (2022: £nil). The school's net current assets were £631,011 at 31 August 2023 (2022: £5,124,510).

Given the uncertain and changing economic and regulatory environment the School will review and update its reserves and investment policy in the next academic year to ensure that it is robust enough to handle the potentially challenging times ahead.

#### Other Assets

In addition to the school mansion and grounds (circa 120 acres), the Trust owns five residential properties with an aggregate historic cost of £3.3m, a figure the Governors consider to be an approximate current value. These could be liquidated without affecting the ability of the School to operate and continue to provide the excellent facilities enjoyed at present.

The Governors intend to build financial reserves so that they can continue to upgrade the facilities of the School in support of the Site Master Plan, and to continue providing appropriate assisted places/financial assistance for the parents of children who could otherwise not afford independent education.

#### Somerhill Parents' Association

Somerhill Parents' Association (SPA) holds circa 5 events across the academic year; these are for existing parents and their families, and other supporters of the school. Some events are designed to raise funds for the School, whilst others are intended to cover expenses and are there to build community spirit. Specific projects may raise funds for external charities e.g., a charity auction at the Summer Ball. Funds raised for the School are assigned to projects in consultation with the parent body, the Headmaster, and the Senior Leadership Team.

#### Other fundraising

The School does not carry out any fundraising activity in order to raise funds from the general public. The School has not received any complaints in relation to fundraising in the year (2022: none).

#### Fee Remissions

The School provides financial assistance through various means tested schemes:

- **Bursaries** – bursary applications are assessed by a third party, Bursary Administration Ltd (BAL), who undertake an assessment and subsequently make a recommendation to the School. The Principal and Bursar then have the final say on the award of a bursary. The award is based on affordability and BAL use a means testing formula to inform their recommendation.
- **Employee Fee Concession** – as part of an emphasis on attracting and retaining high calibre staff, the School offers a discount scheme to staff members who choose to educate their children at Somerhill.
- **Family discounts** – to underline the value the Governors place on continuity for families, the School offers sibling discounts of 5% for the second child and 10% for any further siblings.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**GOVERNORS' REPORT AND STRATEGIC REPORT (continued)**  
**For the year ended 31 August 2023**

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**Professional advisers and senior leadership team**

<b>Headmaster of Somerhill</b>	Mr D B Sinclair
<b>Head of Somerhill Pre-Prep</b>	Mrs A L McKnight
<b>Bursar/Company Secretary</b>	Mr J M Hunt
<b>Address and registered office</b>	Somerhill Tonbridge Kent TN11 0NJ
<b>Solicitors</b>	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
<b>Auditors</b>	Azets Audit Services First Floor, River House 1 Maidstone Road Sidcup Kent DA14 5RH
<b>Insurance brokers</b>	Towergate Risk Solutions Towergate House Chaucer Business Park Thanet Way Whitstable Kent CT5 3FE  Marsh Education Practice (W.E.F. 01/01/2024) 4 Milton Road Haywards Heath West Sussex RH16 1AH
<b>Bankers</b>	Barclays Bank plc 105 High Street Tonbridge Kent TN9 1DJ  National Westminster Bank Plc 130 High Street Tonbridge Kent TN0 1

## **SOMERHILL CHARITABLE TRUST LIMITED** **(A company limited by guarantee)**

### **GOVERNORS' REPORT AND STRATEGIC REPORT (continued)** **For the year ended 31 August 2023**

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#### **Structure, governance and management**

##### **Governing documents**

The Company is governed by its Memorandum and Articles of Association of 29 December 1988. These were amended by special resolution passed on 14 February 1991 and incorporated on 25 February 1991.

##### **Recruitment and training of governors**

Governors are appointed in accordance with the Memorandum and Articles of Association filed at Companies House (and the Charity Commission) adopted in 1991. The composition of the Board of Governors is designed to offer a wide range of expertise to meet the needs of Somerhill. Possible candidates for election as new Governors are proposed by an existing Governor and recommended by him or her through the Chair to the Board of Governors. Financial provision is made for external training courses for Governors. An induction tour is given by the Chair of the Governors, or by a designated person, to new Governors. Regular visits and inspections take place by existing Governors applicable to the relevant skills and contributions of those appointed. Trustee indemnity insurance is in place for the benefit of the Governors.

##### **Scope of activities**

The Memorandum of Association of the company restricts the Trust to provision of education but permits the Governors powers to conduct a wide range of activities in support of its aims. Education is also about the personal development of the pupils as recognised by the Charity Commission in their definition of education.

##### **Organisation and administrative structure**

The Governors determine the general strategy of the School. The Board of Governors meets as and when necessary, but certainly not less than once a term, when it receives reports from the Education Committee, the HR Committee and the Finance and General Purposes Committee (F&GP), along with reports from the School's Senior Leadership Team. The day-to-day management of the School is delegated to the Headmaster and the Senior Leadership Team.

The Headmaster, in conjunction with the F&GP, the Education Committee and the Senior Leadership Team, prepares the School Development Plan (Achievements and Performance) which is considered and reviewed by the Board of Governors on an annual basis at their meeting in the Summer.

**Education Committee:** This is an advisory Committee designed to give guidance and assistance to the Headmaster, Head of Pre-Prep and Deputy Head Teachers. The Education Committee discusses matters specific to the education of children at Somerhill. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

## SOMERHILL CHARITABLE TRUST LIMITED (A company limited by guarantee)

### GOVERNORS' REPORT AND STRATEGIC REPORT (continued) For the year ended 31 August 2023

#### Organisation and administrative structure (continued)



**F&GP Committee:** This Committee is responsible for monitoring the management of the finances and administration of Somerhill and, where necessary, taking appropriate action. The Committee reports to the Board of Governors and, when necessary, obtains their approval for the recommendations being made to them. The Committee is responsible for the maintenance of the buildings, properties and estate owned by the School. Changes to the Charities Acts and Charity Commission procedures are monitored and, if appropriate, recommendations made to ensure that Somerhill Charitable Trust Limited complies with its legal responsibilities and follows best practice. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

**HR & Remuneration Committee:** The main responsibility of the Committee is to monitor and review all aspects of HR and set the remuneration of the Senior Leadership Team. This Committee also meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

#### **Charitable Activity**

Somerhill pupils take part in regular charitable fundraising activities. Pupils have previously raised money for a diverse set of charities addressing local and global issues. These include the Nourish Food Bank, Anti Bullying Alliance, Children in Need, Hospice in the Weald, Save the Children, Marie Curie, Battersea Dogs and Cats Home, RSCPA, RNLI, Restless Development and Sport in Mind. In addition, the School annually supports the Royal British Legion Poppy Appeal and Books for Africa, whereby books are sent to schools across Africa.

#### **Investment powers and investment policy**

The Memorandum of Association of the School empowers the Governors to invest the monies of the School not immediately required for its purposes in such investments, securities or property as may be thought fit and within the law. The Governors will take professional advice as required.

# **SOMERHILL CHARITABLE TRUST LIMITED** **(A company limited by guarantee)**

## **STATEMENT OF GOVERNORS' RESPONSIBILITIES** **For the year ended 31 August 2023**

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The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).



## **SOMERHILL CHARITABLE TRUST LIMITED**

### **(A company limited by guarantee)**

#### **STATEMENT OF GOVERNORS' RESPONSIBILITIES (continued)**

#### **For the year ended 31 August 2023**

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Company law requires the Governors to prepare a financial statement for each financial year which gives a true and fair view of the state of affairs of the charitable company, the incoming resources and application of resources, including the income and expenditure of the charitable company for the accounting period. In preparing this financial statement, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping proper accounting records that 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

#### **Statement as to disclosure of information to auditor**

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

The Governors' Report was approved by the board of Trustees and the Strategic Report (included therein) was approved by the board of Governors in their capacity as the directors of the company on 20 March 2024 and signed on its behalf by:

DocuSigned by:  
  
9E83BB2282F74B3...

**Mark A. Jiskoot**  
**Chair of the Board of Governors**

## **SOMERHILL CHARITABLE TRUST LIMITED**

### **(A company limited by guarantee)**

#### **INDEPENDENT AUDITOR'S REPORT**

#### **To the Governors of Somerhill Charitable Trust Limited**

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##### **Opinion**

We have audited the financial statements of Somerhill Charitable Trust Limited (the 'School') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 School's affairs as at 31 August 2023 and of its incoming resources and application of resources, 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 School in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 Governors' 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 School'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 Governors 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 Governors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **SOMERHILL CHARITABLE TRUST LIMITED**

### **(A company limited by guarantee)**

#### **INDEPENDENT AUDITOR'S REPORT**

#### **To the Governors of Somerhill Charitable Trust Limited (continued)**

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##### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Governors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Governors' report has 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 School and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Governors' report.

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 Governors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Governors' report and from the requirement to prepare a strategic report.

##### **Responsibilities of Governors**

As explained more fully in the statement of Governors' responsibilities, the Governors, who are also the directors of the School for the purpose 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 Governors 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 Governors are responsible for assessing the School'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 Governors either intend to liquidate the School or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

##### **Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

## **SOMERHILL CHARITABLE TRUST LIMITED** **(A company limited by guarantee)**

### **INDEPENDENT AUDITOR'S REPORT** **To the Governors of Somerhill Charitable Trust Limited (continued)**

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In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

#### **Use of our report**

This report is made solely to the School'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 School's members those matters we are required to state to them in an auditors' 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 School and the School's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Azets Audit Services Limited*

M Wilkes FCA  
**for and on behalf of Azets Audit Services**

Date: 23 May 2024

**Chartered Accountants**  
**Statutory Auditor**

First Floor, River House  
1 Maidstone Road  
Sidcup  
Kent  
DA14 5RH

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Including Income and Expenditure Account**  
**For the year ended 31 August 2023**

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies		390	40,000	40,390	5,010
Charitable activities:					
- School fees receivable	2	8,934,333	-	8,934,333	8,174,768
- Ancillary trading income	3	366,466	-	366,466	388,419
- Government grants	4	-	3,658	3,658	5,970
Other trading activities:					
- Lettings income		78,670	-	78,670	105,214
Investments		81,223	-	81,223	17,788
Other income	5	1,644	-	1,644	99,773
<b>Total income</b>		<b>9,462,726</b>	<b>43,658</b>	<b>9,506,384</b>	<b>8,796,942</b>
<b><u>Expenditure on:</u></b>					
Raising funds:					
- Financing costs		14,128	-	14,128	10,333
- Fundraising and development		8,112	-	8,112	14,794
Charitable activities:					
- Education		8,876,571	3,658	8,880,229	8,123,811
<b>Total expenditure</b>	6	<b>8,898,811</b>	<b>3,658</b>	<b>8,902,469</b>	<b>8,148,938</b>
<b>Net income before other gains and losses</b>		<b>563,915</b>	<b>40,000</b>	<b>603,915</b>	<b>648,004</b>
<b>Gains on fixed asset investments</b>	12	<b>30,275</b>	<b>-</b>	<b>30,275</b>	<b>-</b>
<b>Net income and net movement in funds</b>		<b>594,190</b>	<b>40,000</b>	<b>634,190</b>	<b>648,004</b>
Fund balances at 1 September 2022		20,914,726	-	20,914,726	20,266,722
<b>Fund balances at 31 August 2023</b>	19	<b>21,508,916</b>	<b>40,000</b>	<b>21,548,916</b>	<b>20,914,726</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Including Income and Expenditure Account (continued)**  
**For the year ended 31 August 2023**

**Year ended 31 August 2022 (comparative)**

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies		5,010	-	5,010	3,667
Charitable activities:					
- School fees receivable	2	8,174,768	-	8,174,768	7,190,992
- Ancillary trading income	3	388,419	-	388,419	315,128
- Government grants	4	-	5,970	5,970	46,656
Other trading activities:					
- Lettings income		105,214	-	105,214	70,959
Investments		17,788	-	17,788	2,236
Other income	5	99,773	-	99,773	-
<b>Total income</b>		<b>8,790,972</b>	<b>5,970</b>	<b>8,796,942</b>	<b>7,629,638</b>
<b><u>Expenditure on:</u></b>					
Raising funds:					
- Financing costs		10,333	-	10,333	13,580
- Fundraising and development		14,794	-	14,794	7,253
Charitable activities:					
- Education		8,117,841	5,970	8,123,811	7,582,284
<b>Total expenditure</b>	6	<b>8,142,968</b>	<b>5,970</b>	<b>8,148,938</b>	<b>7,603,117</b>
<b>Net income before other gains and losses</b>		<b>648,004</b>	<b>-</b>	<b>648,004</b>	<b>26,521</b>
<b>Gains/(losses) on fixed asset investments</b>	12	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income and net movement in funds</b>		<b>648,004</b>	<b>-</b>	<b>648,004</b>	<b>26,521</b>
Fund balances at 1 September 2021		20,266,722	-	20,266,722	20,240,201
<b>Fund balances at 31 August 2022</b>	19	<b>20,914,726</b>	<b>-</b>	<b>20,914,726</b>	<b>20,266,722</b>

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**BALANCE SHEET**  
**As at 31 August 2023**

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		16,038,210		15,902,416
Investments	12		5,031,293		100
			<u>21,069,503</u>		<u>15,902,516</u>
<b>Current assets</b>					
Debtors	13	2,613,229		2,676,186	
Investments	14	1,508,007		1,500,384	
Cash at bank and in hand		533,337		4,982,499	
		<u>4,654,573</u>		<u>9,159,069</u>	
<b>Creditors: amounts falling due within one year</b>	15	(4,023,562)		(4,034,559)	
Net current assets			631,011		5,124,510
Total assets less current liabilities			<u>21,700,514</u>		<u>21,027,26</u>
<b>Creditors: amounts falling due after more than one year</b>	16		(151,598)		(112,300)
<b>Net assets</b>			<u>21,548,916</u>		<u>20,914,726</u>
<b>Income funds</b>					
Restricted funds	17		40,000		-
Unrestricted funds	18				
- Designated funds		16,743,827		11,867,027	
- General funds		4,765,089		9,047,699	
		<u>21,508,916</u>		<u>20,914,726</u>	
			<u>21,548,916</u>		<u>20,914,726</u>

The financial statements were approved by the Board of Governors on 20 March 2024 and signed on behalf of the Board by

DocuSigned by:

*Julia Irvine*

Julia Irvine

**Chair of the Finance and General Purposes Committee**

**Company Registration No. 02331296**

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**CASH FLOW STATEMENT**  
**For the year ended 31 August 2023**

	Notes	2023		2022	
		£	£	£	£
<b>Cash flows from operating activities</b>					
<b>Net cash provided in operating activities</b>	<b>22</b>		1,069,756		1,249,354
<b>Investing activities</b>					
Purchase of tangible fixed assets		(651,535)		(219,522)	
Purchase of fixed asset investments		(7,590,495)		-	
Sale proceeds of fixed asset investments		2,649,513		-	
Investment income received		81,223		17,788	
<b>Net cash used in investing activities</b>			(5,511,294)		(201,734)
<b>Net cash inflow before financing</b>			(4,441,538)		1,047,620
<b>Financing activities</b>					
New fees in advance money		194,326		334,171	
Fees in advance amounts utilised		(326,108)		(256,940)	
<b>Net cash used in financing activities</b>			(131,782)		77,231
<b>Net (decrease)/increase in cash and cash equivalents</b>			(4,441,538)		1,124,851
Cash and cash equivalents at beginning of year			6,482,883		5,358,032
<b>Cash and cash equivalents at end of year</b>	<b>23</b>		2,041,345		6,482,883

# **SOMERHILL CHARITABLE TRUST LIMITED**

## **(A company limited by guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **For the year ended 31 August 2023**

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#### **1 Accounting policies**

The School is a registered Charitable Company limited by guarantee in the United Kingdom. The address of the registered office is given in the reference and administrative details, on page 12.

##### **1.1 Basis of preparation**

The financial statements of the School, which is a public benefit entity under FRS 102, 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 England and Wales and the Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in England and Wales and the Republic of Ireland' and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The financial statements are prepared in sterling which is the functional currency of the School.

##### **1.2 Going concern**

At the time of approving the financial statements, the Governors' have a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Consolidation**

The School is exempt from the requirement to produce group accounts as the subsidiary is dormant and considered immaterial.

Accordingly, the accounts present a view of the individual charitable company and not of the group of which it is the parent.

##### **1.4 Charitable funds**

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives.

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

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

## **SOMERHILL CHARITABLE TRUST LIMITED**

### **(A company limited by guarantee)**

#### **NOTES TO THE FINANCIAL STATEMENTS**

##### **For the year ended 31 August 2023**

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#### **1 Accounting policies (Continued)**

##### **1.5 Income**

Income is recognised when the School is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Fees and similar earned income are accounted for in the period in which the service is provided. Invoices are raised in advance of each school term; any invoices outstanding at the balance sheet date are shown as trade debtors. Any element of fees relating to future terms is treated as deferred income and included within current liabilities.

Bursaries are awarded based on financial circumstances.

Donations and other voluntary income are accounted for as and when entitlement arises, the amount can be reasonably quantified, and receipt is considered probable.

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

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

##### **1.6 Expenditure**

Expenditure is allocated to functional headings either on a direct cost basis or apportioned accordingly. The irrecoverable element of VAT is included with the item of expense to which it relates. Supplies of books, expenditure and sundry equipment are written off when the expenditure is incurred.

Support costs are those that assist the work of the School but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resource.

Governance costs include those incurred in the governance of the School and are primarily associated with constitutional and statutory requirements.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the School to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### For the year ended 31 August 2023

#### 1 Accounting policies (Continued)

##### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land	Not depreciated
Freehold buildings	Between 0 and 50 years
Equipment, fixtures and fittings	Between 3 and 10 years
Motor vehicles	5 years
Website	3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Assets below the value of £1,000 are not capitalised.

No depreciation has been charged in relation to the School mansion building and other residential properties on the estate and owned by the School on the basis of immateriality. The Governors consider that any change and accumulated depreciation would be immaterial to the financial statements, due to the assets having a very long useful economic life, in any instance considered to far exceed 50 years, given the age of the buildings to date. The current estimated residual value would exceed any depreciation charged. An impairment review is undertaken annually.

##### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.9 Impairment of fixed assets

At each reporting end date, the School reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities.

Deposit accounts with more than 90 day maturity are classified as current asset investments.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### For the year ended 31 August 2023

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#### 1 Accounting policies (Continued)

##### 1.11 Financial instruments

The School has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the School's balance sheet when the School becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the School is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.13 Pension schemes

A hybrid retirement benefits scheme is provided to the teaching employees of the School. They may choose to be included within the Teachers' Pension Scheme (TPS) or opt out into the group pension plan described below and shared with all other employees. The School's contribution towards teachers pension is limited for either scheme.

The TPS scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, where are in accordance with the recommendations of the Government actuary, are charged in the period in which the salaries to which they relate are payable.

The School also operates a group Personal Pension Plan (defined contribution). The assets of the plan are held separately from those of the School. For every 1% contribution by employees the School contributes 2% with the School's minimum contribution being 6% and a maximum of 10%. Employer's pension costs are charged in the period in which the salaries to which they relate are payable.

# SOMERHILL CHARITABLE TRUST LIMITED

## (A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### For the year ended 31 August 2023

#### 1 Accounting policies (Continued)

##### 1.14 Finance and operating leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

##### 1.15 Value Added Tax

The School is not registered for VAT. All amounts in the financial statements are shown inclusive of VAT where appropriate.

##### 1.16 Corporation Tax

Somerhill Charitable Trust Limited is a registered charity and as such its income and gains falling within Section 471 to 489 of the Corporation Tax Act 2010 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

##### 1.17 Judgements and uncertainty

Accounting 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. 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.

###### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed 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 11 for the carrying amount of the property, plant and equipment, and for the useful economic lives for each class of assets.

###### *Defined benefit pension scheme*

The present value of the defined benefit pension deficit contributions payable depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the future recovery plan contributions due include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation has been used by the actuary in valuing the pension liability. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

###### *Bad debt provision*

The value of trade debtors is sensitive to the recoverability in full of school fees. Once a debt becomes overdue, it is chased and periodically reviewed to ensure it is recoverable in full. An external debt collection agency is used. If a provision is deemed necessary, this is included on an annual basis.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

<b>2 School fees receivable</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>The school's fee income comprised:</b>		
Gross fees	9,550,980	8,734,905
Less: Assisted places and fee discounts	(616,647)	(560,137)
	<u>8,934,333</u>	<u>8,174,768</u>

The above awards were all made to individuals.

These include discretionary awards, assisted places, staff remission and sibling discounts made to 253 (2022: 243) individuals.

<b>3 Ancillary trading income</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Income from fundraising events	8,930	8,783
Other educational income:		
- Extras	340,786	353,542
- Entrance and registration fees	16,750	21,400
	<u>366,466</u>	<u>388,419</u>

<b>4 Income from government grants</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Coronavirus sick pay rebate scheme	-	2,312
Rural payments agency	3,658	3,658
	<u>3,658</u>	<u>5,970</u>

**5 Other income**

Other income in 2022 primarily relates to amount received from an insurance claim. There was no other income for the year ended 31 August 2023.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

6	Expenditure	Staff costs (note 10) £	Direct costs (note 9) £	Support costs (note 7) £	Total 2023 £	Total 2022 £
	<b>Raising funds</b>					
	Financing costs	-	-	14,127	14,128	10,333
	Fundraising events	-	-	8,112	8,112	14,794
		-	-	22,240	22,240	25,127
	<b>Charitable activities</b>					
	Education	3,967,077	2,238,621	2,674,531	8,880,229	8,123,811
		3,967,077	2,238,621	2,674,531	8,880,229	8,123,811
	Total expenditure	3,967,077	2,238,621	2,696,771	8,902,469	8,148,938
					£	£
	<b>Expenditure includes:</b>					
	Depreciation – owned assets				515,741	476,898
	Operating lease rentals – equipment				52,200	43,239
	Auditor's remuneration (excl VAT)					
	- Current year audit				14,750	13,750
	- Prior year audit				5,485	435
	- Other services				3,650	4,950
					£	£
					2023	2022
					£	£
	Staff costs				1,736,683	1,480,568
	Other expenses				155,934	117,113
	Depreciation				283,895	248,007
	Insurance				148,875	136,102
	IT costs				143,815	123,776
	Legal and professional fees				69,640	59,032
	Motor costs				64,818	47,637
	Advertising				53,948	52,960
	Movement in provision against debts				8,552	33,500
	Governance costs (note 8)				30,611	25,137
					2,696,771	2,112,464

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

<b>8 Governance costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Audit and statutory accounts fee	21,000	19,800
Audit and statutory accounts fee – prior year	6,582	522
Teachers' pension scheme audit fee	1,080	2,640
Governors' indemnity insurance	1,949	2,175
	<u>30,611</u>	<u>25,137</u>
<b>9 Direct costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Teaching costs	516,305	542,999
Welfare costs	740,197	694,669
Premises costs	982,119	817,410
	<u>2,238,621</u>	<u>2,055,077</u>
<b>10 Staff costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,323,534	3,924,336
Social security costs	415,399	374,293
Pension contributions	877,162	647,374
Other staff costs	87,665	28,137
	<u>5,703,760</u>	<u>4,946,003</u>
This is made up of:	<b>£</b>	<b>£</b>
Teaching salaries	3,967,077	3,493,572
Support salaries	1,736,683	1,480,568
	<u>5,703,760</u>	<u>4,974,140</u>
The average number of employees in the year was:	<b>Number</b>	<b>Number</b>
Teaching	111	104
Non-teaching	36	32
	<u>147</u>	<u>136</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

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**10 Staff costs (continued)**

The number of employees whose gross pay and benefits (including employer national insurance and excluding pension contributions) exceeded £60,000 in the year were:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
£60,00 - £70,000	3	1
£80,001 - £90,000	1	-
£130,001 - £140,000	1	1
	<u>1</u>	<u>1</u>

Total remuneration for key management personnel (including employer national insurance and pension contributions) during the year amounted to £543,589 (2022: £568,673).

There were £nil of termination payments in the year (2022: £19,000).

Governors were reimbursed £1,379 (2022: £nil), £558 for travel and £821 for other meeting related costs.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

11 Tangible fixed assets	School freehold land and buildings £	Other freehold land and buildings £	Equipment, fixtures and fittings £	Motor vehicles £	Website £	Total £
<b>Cost or valuation</b>						
At 1 September 2022	13,426,688	3,342,000	1,313,077	136,971	21,302	18,240,038
Additions	108,647	146,016	396,872	-	-	651,535
At 31 August 2023	13,535,335	3,488,016	1,709,949	136,971	21,302	18,891,573
<b>Depreciation and impairment</b>						
At 1 September 2022	1,559,662	43,780	629,966	95,692	8,521	2,337,621
Charge for the year	231,846	17,280	249,518	9,997	7,101	515,741
At 31 August 2023	1,791,508	61,060	879,485	105,689	15,622	2,853,363
<b>Net book values</b>						
At 31 August 2023	11,743,827	3,426,956	830,514	31,282	5,680	16,038,210
At 31 August 2022	11,867,026	3,298,219	683,111	41,279	12,781	15,902,416

## SOMERHILL CHARITABLE TRUST LIMITED

### (A company limited by guarantee)

#### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### For the year ended 31 August 2023

#### 11 Tangible fixed assets (continued)

All freehold land and buildings are valued, for insurance purposes and including contents, at £97 million (2022: £68 million). School freehold land and buildings comprises the school mansion and grounds of 150 acres and other buildings owned by the School that are used for educational purposes. Other freehold land and buildings comprises other residential properties owned by the School.

#### 12 Fixed asset investments

	2023 £	2022 £
Investment in managed funds	5,031,193	-
Investment in subsidiary	100	100
	<u>5,031,293</u>	<u>100</u>

Investments in managed funds are made up of an Insignis Cash Account with a market value of £2,000,917 (2022: £nil) and a portfolio with LGT Wealth Management with a market value of £3,030,276 (2022: £nil).

	£	£
Market value at 1 September 2022	-	-
Additions	7,590,495	-
Disposal	(2,589,577)	-
Gain in market value	30,275	-
	<u>5,031,193</u>	<u>-</u>
Market value at 31 August 2023	<u>5,031,193</u>	<u>-</u>
Cost at 31 August 2023	<u>5,036,513</u>	<u>-</u>

Included in the above are the following investments that make up more than 5% of the total portfolio value:

Insignis Cash Account	£2,000,917	40%
United Kingdom (Government of) 0.25% BDS 31.01.2025 GBP1000	£214,190	7%
Columbia Thead OPPY FDS (UK) ICVC CT UK Social Bond INSTL GBP Acc	£136,675	5%
Ishares VII PLC USD Treas BD 3-7yrs UCITS ETF GBP DIS HGD	£198,447	7%
Legal & General (Unit Trust MGRS) Ltd Legal & Gen GBL INF LKD BD IDX C ACC	£186,889	6%
Mirova Funds SICAV Mirova Euro SHT TRM SUST BOND H GBP ACC	£167,487	6%
Vontobel Fund TwentyFour SUST SHT TERM BD INC G GBP	£308,066	10%
10%	£233,030	5%
Trojan Investment Funds Trojan Ethical GBP X ACC	£233,030	
Institutional Cash Series PLC Blackrock ICS STG LQDTY PREM GBP DIS	£237,939	8%

The School has a wholly owned subsidiary, Somerhill Enterprises Limited, a company incorporated in England and Wales (company number 02580724). The company was dormant throughout the reporting period. The cost and net book value of the School's investment as at 31 August 2023 was £100 (2022: £100).

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

<b>13 Debtors</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,411,372	2,440,713
Other debtors	313	284
Prepayments and accrued income	201,543	235,189
	<u>2,613,229</u>	<u>2,676,186</u>
<b>14 Current asset investments</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash held in deposit accounts	<u>1,508,007</u>	<u>1,500,384</u>
<b>15 Creditors: amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	359,896	353,380
Other taxation and social security costs	177,163	94,055
Accruals	174,403	255,385
Deferred income	2,877,974	2,771,421
Advance fees	154,702	325,782
Other creditors	279,324	234,436
Amounts payable to subsidiary company	100	100
	<u>4,023,562</u>	<u>4,034,559</u>

Included within other creditors are amounts totalling £55,227 (2022: £44,435) in respect of outstanding pension contributions.

**Deferred income**

Included within creditors is an amount of £2,877,974 (2022: £2,771,421) in respect of fees invoiced prior to the year-end relating to future terms.

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Balance at 1 September 2022	2,771,421	2,641,823
Released to fee income in year	<u>(2,771,421)</u>	<u>(2,641,823)</u>
	-	-
New deferred income	<u>2,877,974</u>	<u>2,771,421</u>
Balance at 31 August 2023	<u>2,877,974</u>	<u>2,771,421</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

**15 Creditors: amounts falling due within one year (continued)**

**Advanced fees**

Included within creditors is an amount of £154,702 (2022: £325,782) in respect of fees received in advance, there is also a further amount of £151,598 (2022: £112,300) in respect of fees due after more than one year. Fees paid in advanced are analysed as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Balance at 1 September 2022	438,082	360,852
New amounts paid	194,326	334,171
	<u>632,408</u>	<u>695,023</u>
Amounts utilised in the payments of fees	(326,108)	(256,941)
Balance at 31 August 2023	<u><u>306,300</u></u>	<u><u>438,082</u></u>

**16 Creditors: amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fees in advance	<u>151,598</u>	<u>112,300</u>

**17 Restricted funds – current year**

	<b>Balance at 1</b>			<b>Balance at 31</b>
	<b>September 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>August 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Long Library fund	-	40,000	-	40,000
Government grants	-	3,658	(3,658)	-
	<u>-</u>	<u>43,658</u>	<u>(3,658)</u>	<u>40,000</u>

Restricted funds represent donations received for specific items or appeals.

The School received restricted government grant income of £3,658 in the year (2022: £5,970) – see note 4 for further details. All monies were fully spent during the year.

The School received a donation of £40,000 in the year (2022: £nil) specifically towards the Long Library refurbishment and all monies, including gift aid recoverable, were fully spent post year end on the works carried out. Further donations were received in the year 2023/24 to cover the final costs of the project.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

**17 Restricted funds (continued) – prior year**

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Restricted funds	-	5,970	(5,970)	-

**18 Designated funds – current year**

	Balance at 1 September 2022 £	New designations £	Designations released £	Balance at 31 August 2023 £
Designated property	11,867,027	-	(123,200)	11,743,827
Capital developments fund	-	5,000,000	-	5,000,000
	<u>11,867,027</u>	<u>5,000,000</u>	<u>(123,200)</u>	<u>16,743,827</u>

The designated property reserve fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of school freehold land and buildings.

The capital developments fund represents funds designated for future projects that support the strategic vision of the School.

**Prior year**

	Balance at 1 September 2021 £	New designations £	Designations released £	Balance at 31 August 2022 £
Designated property	<u>12,095,918</u>	<u>-</u>	<u>(228,891)</u>	<u>11,867,027</u>

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

**19 Analysis of net assets between funds – current year**

	Unrestricted funds £	Designated funds £	Restricted Funds £	Total £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	4,294,383	11,743,827	-	16,038,210
Investments	31,293	5,000,000	-	5,031,293
Current assets/(liabilities)	591,011	-	40,000	631,011
Non-current liabilities	(151,598)	-	-	(151,598)
	<u>4,765,089</u>	<u>16,743,827</u>	<u>40,000</u>	<u>21,548,916</u>

**Prior year**

	Unrestricted funds £	Designated funds £	Restricted Funds £	Total £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	4,035,389	11,867,027	-	15,902,416
Investments	100	-	-	100
Current assets/(liabilities)	5,124,510	-	-	5,124,510
Non-current liabilities	(112,300)	-	-	(112,300)
	<u>9,047,699</u>	<u>11,867,027</u>	<u>-</u>	<u>20,914,726</u>

**20 Related party transactions**

There were no related party transactions in the year (2022: none). No Governors' received remuneration, payments for services or reimbursed expenses during the year (2022: none).

**21 Operating lease commitments**

At 31 August 2023, the School was committed to make minimum lease payments in respect of non-cancellable operating leases as follows:

	2023 £	2022 £
Amounts payable:		
Within one year	43,737	61,482
Between two and five years	51,702	153,558
More than five years	-	695
	<u>95,439</u>	<u>215,735</u>

All leases relate to amounts payable in respect of equipment.

**SOMERHILL CHARITABLE TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For the year ended 31 August 2023**

<b>22</b>	<b>Cash generated from operations</b>	<b>2023</b>	<b>2022</b>	
		<b>£</b>	<b>£</b>	
	Surplus for the year	634,190	648,004	
	Adjustments for:			
	Depreciation charges	515,741	476,898	
	Interest receivable	(81,223)	(17,788)	
	Gain in market value of fixed asset investments	(30,275)	-	
	Movement in working capital:			
	Decrease/(increase)/in debtors	62,957	(247,479)	
	(Decrease)/increase in creditors	(31,634)	389,719	
	<b>Cash generated from operations</b>	<u>1,069,756</u>	<u>1,249,354</u>	
<b>23</b>	<b>Analysis of changes in net funds</b>	<b>At 1 September</b>	<b>Cash flows</b>	<b>At 31 August</b>
		<b>2022</b>	<b>2023</b>	<b>2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	Cash at bank and in hand	4,982,499	(4,449,161)	533,338
	Current asset investments	1,500,384	7,623	1,508,007
		<u>6,482,883</u>	<u>(4,441,538)</u>	<u>2,041,345</u>

## SOMERHILL CHARITABLE TRUST LIMITED

### (A company limited by guarantee)

#### NOTES TO THE FINANCIAL STATEMENTS (continued)

##### For the year ended 31 August 2023

#### 24 Pension and similar obligations

##### ***Defined contribution pension scheme***

The School makes contributions to one defined contribution scheme on behalf of its employees. The assets of the defined contribution scheme in which employees participate are held separately from those of the School in independently administered funds. The pension costs charge represents contributions payable by the School to the funds and amounted to £538,638 (2022: £528,841). At the year-end £54,681 (2022: £44,027) was accrued in respect of employer contributions to other pension schemes.

##### ***Teachers' Pension Scheme***

###### Introduction

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Teachers are now offered a hybrid scheme and they have a choice to remain in this scheme or to opt out of it completely.

The TPS is an unfunded scheme and members to which both the member and employer makes contributions, as a percentage of salary – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The pension charge for the period includes employer contributions payable to the TPS of £295,011 (2022: £303,922) and at the year-end £546 (2022: 508) was accrued in respect of employer contributions to this scheme.

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set from 1 September 2019 at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218.1 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196.1 billion giving a notional past service deficit of £22 billion
- The SCAPE rate, set by HMR, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

#### 25 Capital commitments

Capital commitments totalling £20,448 (2022: £nil) relate to the roofing works on 3 and 4 Bothy Cottages properties, which straddled the year-end.

**SOMERHILL CHARITABLE TRUST LIMITED**

England & Wales - Charity number 1002212

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# Accounts

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Registered Charity No. 1002212 (England and Wales)  
Company Registration No. 02331296



**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Report and financial statements**  
**For the year ended 31 August 2022**



**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

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### **Chair of Governors' Summary**

The position of Chair changed as of 1<sup>st</sup> September 2022 and I would like to offer our sincere thanks for her leadership to Diane Huntingford, especially through the unprecedented challenge of Covid. Diane will continue to serve as a Governor until 31 August 2023 to assist in continuity.

The year has been one of further transitions and hopefully a return to a more normal operating environment, a number of staff have moved on or retired and we have further restructured our senior leadership team, changing our Business Manager role back into a Bursar position, creating deputy heads positions for the two sections (Derwent Lodge and Yardley Court) and a co-curricular role for the school. We have implemented a number of new and updated policies, created a HR management position, completed transition to a hybrid pension scheme and worked to standardise many of our processes and benefits. We held a strategy meeting for our senior leadership and governing body to provide focus to the direction and resources need to deliver our objectives and this has resulted in our submission of a master building plan to our local council that should provide a suitable template to enhance our facilities to provide the best and most fulfilling education available in this area. We are blessed with over 120 acres of grounds and a most beautiful Grade I listed mansion, which in itself provides challenges in costs and upkeep. In the summer we built infrastructure and started a "dry run" of our new "Saplings" school which is modelled on the well-known "Forest School" concept. In addition to our strategy and master plan, we are focussed on optimisation of our environmental footprint and will invest to progress towards net zero over the coming decade. The school pupil headcount and finances remain strong although along with all independent schools we are wary of challenges that a downturn in the economy, changing tax regimes or a loss of charity status might inflict.

Mark A. Jiskoot

**Chair of the Board of Governors**

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Governors' Report and Strategic Report**  
**For the year ended 31 August 2022**

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The Directors of Somerhill Charitable Trust Limited (the "School", "Somerhill"), who are also the trustees of the charity and the governors of the School (and will be referred to throughout these financial statements as the "Governors"), present their annual report and the audited financial statements of the company for the year ended 31 August 2022 and confirm they comply with the requirements of the Charities Act 2011, the governing document, the Charities SORP (FRS 102) and the Companies Act 2006.

**Constitution**

The School is a charitable company incorporated under the Companies Act with company number 02331296 and charity number 1002212. The company is limited by guarantee and does not have a share capital. The liability of the members is limited to £1 each. The School's governing document is the Memorandum and Articles of Association of 29 December 1988 as amended by special resolution passed on 14 February 1991 and incorporated on 25 February 1991.

**Directors, Trustees and Governors**

The Board should have a minimum of three members, with no maximum unless determined at a General Meeting through an Ordinary Resolution. Each Governor has one vote.

The Directors from 1 September 2021 to the date of signing were:

P G Bromley (appointed 28 February 2023)  
P R Brooks + \*\*  
P M Goodyer +  
J C Hills \* (resigned 31 August 2022)  
E Henery (appointed 30 November 2022)  
C Holder (appointed 28 February 2023)  
D M Huntingford \* + \*\* (Chair of Governors until 1 September 2022)  
J V Irvine \* \*\*  
M A Jiskoot \* + \*\* ++ (Chair of Governors from 1 September 2022)  
M A Norrie \* (resigned 29 June 2022)  
P J North + (appointed 29 June 2022)  
H P Tebay + (resigned 23 March 2022)  
R E Verrell \*  
D R Walsh \*  
C J Warner + (resigned 29 June 2022)  
D A Wells \*

\* Members of the Finance and General Purposes Committee chaired by J V Irvine.

+ Members of the Education Committee chaired by P R Brooks.

\*\* Members of the HR Committee chaired by D M Huntingford.

++ Members of the Health & Safety Committee chaired by M A Jiskoot.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Governors' Report and Strategic Report (continued)**  
**For the year ended 31 August 2022**

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**Professional advisers and senior leadership team**

<b>Principal of Somerhill and Head of Yardley Court</b>	Mr D B Sinclair
<b>Head of Derwent Lodge</b>	Mrs H M Hoffmann (resigned 31 <sup>st</sup> August 2022)
<b>Head of Somerhill Pre-Prep</b>	Mrs A L McKnight (joined 1 <sup>st</sup> September 2021)
<b>Business Manager/Company Secretary</b>	Mrs C H Morey (resigned 28 <sup>th</sup> January 2022) Mr A M Miller - interim (joined 10 <sup>th</sup> January 2022; departed 13 <sup>th</sup> May 2022)
<b>Bursar/Company Secretary</b>	Mr J M Hunt (joined 3 <sup>rd</sup> May 2022)
<b>Address and registered office</b>	Somerhill Tonbridge Kent TN11 0NJ
<b>Solicitors</b>	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
<b>Auditors</b>	Saffery Champness 71 Queen Victoria Street London EC4V 4BE
<b>Insurance brokers</b>	Towergate Risk Solutions Towergate House Chaucer Business Park Thanet Way Whitstable Kent CT5 3FE
<b>Bankers</b>	Barclays Bank plc 105 High Street Tonbridge Kent TN9 1DJ  National Westminster Bank Plc 130 High Street Tonbridge Kent TN0 1DE

## **Structure, governance and management**

### **Governing documents**

The Company is governed by its Memorandum and Articles of Association of 29 December 1988. These were amended by special resolution passed on 14 February 1991 and incorporated on 25 February 1991.

### **Recruitment and training of governors**

Governors are appointed in accordance with the Memorandum and Articles of Association filed at Companies House (and the Charity Commission) adopted in 1991. The composition of the Board of Governors is designed to offer a wide range of expertise to meet the needs of Somerhill. Possible candidates for election as new Governors are proposed by an existing Governor and recommended by him or her through the Chair to the Board of Governors. Financial provision is made for external training courses for governors. An induction tour is given by the Chair of the Governors, or by a designated person, to new Governors. Regular visits and inspections take place by existing Governors applicable to the relevant skills and contributions of those appointed. Trustee indemnity insurance is in place for the benefit of the Governors.

### **Scope of activities**

The Memorandum of Association of the company restricts the trust to provision of education but permits the Governors powers to conduct a wide range of activities in support of its aims. Education is also about the personal development of the pupils as recognised by the Charity Commission in their definition of education.

### **Organisation and administrative structure**

The Governors determine the general strategy of the School. The Board of Governors meets as and when necessary, but certainly not less than once a term, when it receives reports from the Education Committee, the HR Committee and the Finance and General Purposes Committee (F&GP), along with reports from the School's Senior Leadership Team. The day-to-day management of the School is delegated to the Principal and the Senior Leadership Team.

The Principal, in conjunction with the F&GP, the Education Committee and the Senior Leadership Team, prepares the School Development Plan (Achievements and Performance) which is considered and reviewed by the Board of Governors on an annual basis at their meeting in the Summer.

**Education Committee:** This is an advisory Committee designed to give guidance and assistance to the Principal and Head Teachers / Deputy Head Teachers of the three sections of the School. The Education Committee discusses matters specific to the education of children at Somerhill. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.



**F&GP Committee:** This Committee is responsible for monitoring the management of the finances and administration of Somerhill and, where necessary, taking appropriate action. The Committee reports to the Board of Governors and, when necessary, obtains their approval for the recommendations being made to them. The Committee is responsible for the maintenance of the buildings, properties and estate owned by the company. Changes to the Charities Acts and Charity Commission procedures are monitored and, if appropriate, recommendations made to ensure that Somerhill Charitable Trust Limited complies with its legal responsibilities and follows best practice. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

**HR & Remuneration Committee:** The main responsibility of the Committee is to monitor and review all aspects of HR and set the remuneration of the Senior Leadership Team. This Committee also meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

### **Aims and Objectives**

The Governors' aim is to provide an all-round excellent education to boys and girls from ages 3 – 13. The company operates three sections at Somerhill, Tonbridge, Kent: Somerhill Pre-Preparatory School (co-educational 3 – 7), Derwent Lodge Preparatory School (girls 7 – 11) and Yardley Court Preparatory School (boys 7 – 13), known collectively as Somerhill, operating under one DfE (Department for Education) number. The objectives are set to reflect the educational aims and ethos of Somerhill. It is important that the Governors maintain and enhance the reputation of the different sections of the School through the continued success of their curricular and co-curricular programmes. In setting the objectives and planning the activities, the Governors have carefully considered the Charity Commission's general guidance on public benefit and in particular its supplementary public benefit guidance on advancing education including the provision of assisted places. Particular reference is given to a) promoting the spiritual, moral, cultural, mental and physical development of pupils and b) preparing pupils at the school for the opportunities, responsibilities and experiences of later life.

**Governors' Report and Strategic Report (continued)**  
**For the year ended 31 August 2022**

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The key objectives include:

- To continue to enhance the academic curriculum offered in the three sections and maintain the continuity between each section within the School
- To continue to monitor and enhance the co-curricular programmes in the three sections and to improve where the need is identified
- To continue to develop the first-class pastoral care the School provides for pupils
- To monitor and maintain pupil numbers in the School
- To provide continuing support to the pupils already in receipt of fee assistance
- To increase the access to the School from age 7 through means tested financial assistance
- To continue to monitor and review the key policies and procedures to ensure a safe environment for employees, pupils and visitors to the School
- To continue to develop the links with local state schools and to open the facilities to the local community

**Risk management**

The Governors consider that the principal risks and uncertainties facing the School are as follows:

- Child protection and safer recruitment
- Safeguarding and welfare of employees, pupils and visitors
- Maintenance of reputation
- Reduction in pupil numbers
- Retention of key personnel
- Imposition by Parliament of changes to charitable status and unknown consequent tax changes
- Security of school buildings
- Impact of a resurgent Covid pandemic or similar

The Governors formally review the major risks that the company faces each financial year when preparing the strategic development plan and budget. The company has developed systems and procedures to manage and monitor these risks. The key controls used by the Governors include:

- Budgeting and budget accountability
- Monitoring of pupil intake and retention
- Formal written policies including policies on the safeguarding of children and health & safety
- Authorisation procedures
- External audit of and internal identification of health & safety risks
- Appropriate training of governors, teaching and non-teaching staff
- Appropriate insurance to mitigate perceived risks

**Remuneration of key management personnel**

The day-to-day running of the School is delegated to the Principal of Somerhill. He is supported by other members of the School's Senior Leadership Team, as set out on page 3. The remuneration of key management personnel is agreed by the Board through the School's annual budget as recommended by the

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F&GP and HR Committees. It is the objective of the Board to ensure that key management personnel are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The appropriateness of the remuneration policy is reviewed annually with reference to published salary levels of other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

### **Strategic report**

**Overview:** Somerhill remains vibrant and has recovered from the Covid disruption very well. During the final term of the year ended 31 August 2022, Somerhill had 637 pupils, well ahead of anticipated numbers.

**Business review, achievements and performance:** The company is principally engaged in the owning and running of three sections of the School and is a registered charity. The operation of the School is the responsibility of the Governors, who are the directors of the company, none of whom receive any remuneration.

**Academic Achievement:** As mentioned in the most recent ISI report, the achievement and progress of pupils at Somerhill is excellent. Pupils move on successfully to secondary education in both the grammar and independent sectors, with an impressive number gaining scholarships. In the academic year under review, 33 pupils went to Grammar schools, 8 to High Schools and 48 to Public Schools, including 13 to Tonbridge School. This also included 15 scholarships.

**Pupil Experience:** Somerhill prides itself on providing a wide ranging and varied education. The School believes that enjoyment and inclusivity should go hand in hand with the setting of high standards and the pursuit of excellence. This year we have not only continued to celebrate our proud tradition of excellent academic results, but we have thoroughly enjoyed our sporting contests, been wonderfully entertained by top class musical and dramatic performances and seen our children thrive in a broad and exciting co-curricular programme which offers opportunity to all our young people – from beekeeping to Formula One model design and racing. As a unique school with a 'diamond model' for our boys and girls, we have enjoyed recognising where differences exist in their approaches to learning while promoting a unified and equal approach to their broader educational experience. The diamond model allows for a 'best of both worlds' approach – boys and girls are taught in the classroom together until Year 3; at this point classroom lessons become single sex although all other co-curricular and day-to-day activities take place in a co-educational environment. Pupils are then well prepared to go into a co-educational classroom setting at either secondary school or sixth form.

**Pre-Senior Bacculaureate:** The introduction of the Pre-Senior Bacculaureate (PSB) in the past few years has moved the curriculum to discovery-led, enquiry-based learning for our pupils, which sees the teacher as a facilitator to learning, not an oracle imparting academic knowledge. The skills extend more broadly into the establishment of skills for life. It is a programme of study that sits not only in the academic lessons of the school, but extends into the creative and performing arts, the practical elements of engineering and also onto the sports pitch and playground. The Pre-Senior Project Qualification (PSPQ) aims to develop pupils' independent learning and performance, inspiring them to consider new areas or methods of study and preparing them for their learning at senior schools and later at university and at work. It has been very well received by destination senior schools. The PSPQ is now an established feature of Year 8 with the PSB now

firmly established in both Year 8 and Year 7. PSB style project work has extended to art, engineering and drama as well as expanding into Year 6.

**Curriculum Enhancements:** Somerhill is only the second prep school in the UK to introduce Engineering as part of its curriculum. Pupils have used woodworking skills to make canvas frames and full-sized catapults, utilising skills in aerodynamics and civil engineering. Other practical units work with technology such as robotics, GPS systems and micro controllers to understand what engineers do.

We also continue to leverage the use of our wonderful grounds in which our children have enjoyed pond dipping, den building and learning about the different flora and fauna. Pupils of all ages get to experience the outdoor learning whereby more traditional learnt knowledge can be re-enforced using the natural world. This year saw the launch of our dedicated "outdoor" classroom, Saplings, for our pre-school children allowing a hybrid model for existing and new parents to select internal and external classroom time for our youngest pupils.

#### **Environmental Awareness**

We continue to work to become more environmentally conscious both as a School and as individuals and next year will see the School embark on plans towards Net Zero Carbon. The first part of this plan is to convert all the lighting to LED and to ensure we are recycling as much of our waste as possible.



### **Music at Somerhill**

Music improves academic skills, develops physical skills, boosts self-esteem, cultivates social skills and refines discipline and patience. This is why at Somerhill we consider it integral to our curriculum and have a committed staff team and a dynamic group of visiting peripatetic music teachers who usually deliver over 14,000 individual music lessons a year across all three sections of the school. With Covid now behind us we have been able to reintroduce a full programme of soirees and musical performances. The School continues to support a 60 plus strong school orchestra, senior and junior flute choirs, brass groups, string groups and a swing band. There is an orchestral percussion club, a clarinet and saxophone group, a guitar group, a cello group and a recorder club. Somerhill had strong success in ABRSM (Associated Board of the Royal Schools of Music) exams and Trinity College exams with pupils entering in a variety of instruments and voice up to Grade 6 standard.



### **Sport at Somerhill**

Somerhill has always had a strong sporting tradition and the Governors are keen that this continues. The excellent and extensive facilities and the number of pupils at the school means that there are a large number of teams across many sporting disciplines, allowing all pupils to take part at a standard that is best suited to their abilities.

Pupils are introduced to a wide range of physical education skills through the Pre-Prep and these skills are then developed in the Prep School in both team and individual disciplines.

In the winter the main sports in the Prep School are football, rugby and hockey and in the summer netball and cricket. The school also has an indoor 25m swimming pool with viewing gallery and four hardcourt

tennis courts. Somerhill also competes in a wide range of other sports as well, such as cross-country running, triathlon and judo and golf through the extensive after school clubs programme.

Somerhill regularly competes in local tournaments and has an extensive fixture list with all the local Prep Schools and is viewed as one of the strongest sporting schools in Kent.



### **Recent projects and plans for future development**

The Governors continue to provide the necessary resources from unrestricted general funds to maintain the buildings and structures that the Trust owns, especially the Grade 1 listed Jacobean Mansion. The School continued its long-term management plan to reinstate the historic Parkland as depicted in J M W Turner's painting of Somerhill of 1811. This project has now matured, and the grounds have been restored to their former glory as they would have been 200 years ago. A first draft of the Site Master Plan has been completed and is ready to be submitted as a pre-planning application. This will form the basis of a coordinated approach to development in the short to medium term.

### **Financial results**

The financial results of the School for the year ended 31 August 2022 are shown in the Statement of Financial Activities. The school has bounced back well from Covid and has maintained a strong NOR (numbers on roll) ending the year with over 630 pupils. Overall budget has been exceeded by £286k with a net surplus of £648k for the year. Operating surplus of £1.2m, which is £329k (40%) improvement on budgeted operating surplus of £830k.

The School's subsidiary undertaking, Somerhill Enterprises Limited, was dormant throughout the year.

### **Reserves policy**

The Governors' policy on reserves is to hold sufficient liquid assets to cover short term requirements which range between £1.5 million and £2 million. At 31 August 2022, the School had total reserves of £20,914,726 (2021: £20,266,772), made up of a general fund of £9,047,699 (2021: £8,170,804) and designated funds,

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**Governors' Report and Strategic Report (continued)**  
**For the year ended 31 August 2022**

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representing the net book value of the school mansion and grounds, of £11,867,027 (2021: £12,095,918). The school's net current assets were £5,124,510 at 31 August 2022 (2021: 4,271,097).

Given the uncertain and changing economic and regulatory environment the school will review and update its reserves and investment policy in the next academic year to ensure that it is robust enough to handle the potentially challenging times ahead.

**Other Assets**

In addition to the school mansion and grounds (circa 120 acres), the trust owns five residential properties with an aggregate historic cost of £3.3m, a figure the directors consider to be an approximate current value. These could be liquidated without affecting the ability of the School to operate and continue to provide the excellent facilities enjoyed at present.

The Governors intend to build financial reserves so that they can continue to upgrade the facilities of the School in support of the Site Master Plan, and to continue providing appropriate assisted places/financial assistance for the parents of children who could otherwise not afford independent education.

**Somerhill Parents' Association**

Somerhill Parents' Association (SPA) raises funds for the School, primarily from parents of pupils and other existing supporters of the School, to further enhance particular projects in consultation with the Principal and the Senior Leadership Team.

**Other fundraising**

The School does not carry out any fundraising activity in order to raise funds from the general public. The School has not received any complaints in relation to fundraising in the year (2021: none).

**Fee Remissions**

The School provides financial assistance through various means tested schemes:

- **Bursaries** – bursary applications are assessed by a third party, Bursary Administration Ltd (BAL), who undertake an assessment and subsequently make a recommendation to the school. The Principal and Bursar then have the final say on the award of a bursary. The award is based on affordability and BAL use a means testing formula to inform their recommendation.
- **Employee Fee Concession** – as part of an emphasis on attracting and retaining high calibre staff, the School offers a discount scheme to staff members who choose to educate their children at Somerhill.
- **Family discounts** – to underline the value the Governors place on continuity for families, the School offers sibling discounts of 5% for the second child and 10% for any further siblings.

The School provided financial assistance of £426,306 in 2021/22 (2020/21: £362,293).

**Public Benefit**

The Governors have given due regard to the Charity Commission's guidance on public benefit. As a Registered Charity, the Trustees (Governors) are mindful of the company's obligation to provide public benefit through means tested assisted places, by providing access to the School's facilities and links with local maintained schools which complement its objectives to provide for the advancement of education.

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**Governors' Report and Strategic Report (continued)**  
**For the year ended 31 August 2022**

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The School maintains a Public Benefit Register which is reviewed by the Governors each year. The School continues to support a range of local schools and organisations where it has been possible to do so within the constraints of Covid lockdown restrictions. This includes weekly swimming lessons with Somerhill swimming teachers, including transport for four local primary schools, all at no charge to the school. Monson Swimming Club also use the pool on a near daily basis, both to teach swimming and for coaching competitive swimming for children in the local community.

The sports hall and playing fields are used by local sporting clubs, both for children and adult use, and our parkland is regularly used for cross-country events, football tournaments and mountain biking.



**Charitable Activity**

Somerhill pupils take part in regular charitable fundraising activities. Pupils from the preparatory school have previously raised money for a diverse set of charities addressing local and global issues. These have ranged from Comic Relief and Save the Children to the Anti-bullying Alliance and Hospice in the Weald. In addition, the school annually supports the Royal British Legion Poppy Appeal and Books for Africa, whereby books are sent to schools across Africa. We are also delighted to have worked with an Africa-based charity to reuse surplus classroom furniture in Gambia.

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**Governors' Report and Strategic Report (continued)**  
**For the year ended 31 August 2022**

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**Investment powers and investment policy**

The Memorandum of Association of the School empowers the Governors to invest the monies of the School not immediately required for its purposes in such investments, securities or property as may be thought fit and within the law. The Governors will take professional advice as required.

**Governors' responsibilities**

The Governors are responsible for preparing the Governors' 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 prepare a financial statement for each financial year which gives a true and fair view of the state of affairs of the charitable company, the incoming resources and application of resources, including the income and expenditure of the charitable company for the accounting period. In preparing this financial statement, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping proper accounting records that 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

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**Governors' Report and Strategic Report (continued)**  
**For the year ended 31 August 2022**

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assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**Statement as to disclosure of information to auditor**

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

The Governors' Report was approved by the board of Trustees and the Strategic Report (included therein) was approved by the board of Governors in their capacity as the directors of the company on 29 August 2023 and signed on its behalf by:



Mark A. Jiskoot  
**Chair of the Board of Governors**

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**Independent auditors' report to the members**  
**For the year ended 31 August 2022**

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**Opinion**

We have audited the financial statements of Somerhill Charitable Trust Limited 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 Financial Reporting Standard 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 charitable company's state of 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 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 Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

**Other information**

The Governors 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.

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**Independent auditors' report to the members**  
**For the year ended 31 August 2022**

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

We have nothing to report in this regard.

**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 Governors' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Annual Report which includes the Directors' Report and the Strategic Report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Governors**

As explained more fully in the Governors' Responsibilities Statement set out on pages 13 - 14, the Governors (who are also 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 Governors 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Governors and informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with Governors and informed management and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales. Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of

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**Independent auditors' report to the members**  
**For the year ended 31 August 2022**

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controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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.

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

**Use of our report**

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



Cara Turtington (Senior Statutory Auditor)  
for and on behalf of Saffery Champness

Chartered Accountants  
Statutory Auditors  
71 Queen Victoria Street  
London  
EC4V 4BE

29 August 2023

Saffery Champness is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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**Statement of financial activities (incorporating an income and expenditure account)**  
**For the year ended 31 August 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Income and endowments from:</b>					
<b>Charitable activities</b>					
School fees receivable	1	8,174,768	-	8,174,768	7,190,992
Ancillary trading income	2	388,419	-	388,419	315,128
Government grants	3	-	5,970	5,970	46,656
<b>Other trading activities</b>					
Lettings income		105,214	-	105,214	70,959
<b>Investments</b>					
		17,788	-	17,788	2,236
<b>Donations</b>		5,010	-	5,010	3,667
<b>Other income</b>	4	99,773	-	99,773	-
<b>Total income</b>		8,790,972	5,970	8,796,942	7,629,638
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Financing costs		10,333	-	10,333	13,580
Fundraising and development		14,794	-	14,794	7,253
<b>Total deductible costs</b>		25,127	-	25,127	20,833
<b>Charitable activities</b>					
Education		8,117,841	5,970	8,123,811	7,582,284
<b>Total expenditure</b>	7	8,142,968	5,970	8,148,938	7,603,117
<b>Net income and net movement in funds</b>		648,004	-	648,004	26,521
Fund balances brought forward at 1 September 2021		20,266,722	-	20,266,722	20,240,201
<b>Fund balances carried forward at 31 August 2022</b>	16	20,914,726	-	20,914,726	20,266,722

All activities are classed as continuing. The company had no recognised gains or losses other than the surplus for this and last year.

The notes on pages 22 to 34 form part of these financial statements.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Balance sheet**  
**As at 31 August 2022**

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	10		15,902,416		16,159,791
Investments	11		100		100
			<u>15,902,516</u>		<u>16,159,891</u>
<b>Current assets</b>					
Debtors	12	2,676,186		2,428,707	
Cash and bank and in hand		6,482,883		5,358,032	
			<u>9,159,069</u>	<u>7,786,739</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(4,034,559)</u>		<u>(3,515,642)</u>	
<b>Net current assets</b>			<u>5,124,510</u>		<u>4,271,097</u>
<b>Total assets less current liabilities</b>			<u>21,027,026</u>		<u>20,430,988</u>
<b>Creditors: amounts falling due after more than one year</b>	14		<u>(112,300)</u>		<u>(164,266)</u>
<b>Net assets</b>			<u>20,914,726</u>		<u>20,266,722</u>
<b>Reserves</b>					
Unrestricted funds	16		<u>20,914,726</u>		<u>20,266,722</u>
<b>Total funds</b>			<u>20,914,726</u>		<u>20,266,722</u>

The financial statements on pages 19 to 34 were considered, approved and authorised for issue by the Board of Governors on 29 August 2023.

The notes on pages 22 to 34 form part of these financial statements.

Signed on behalf of the Board



Mark A. Jiskoot  
**Governor**

**Company Registration No. 02331296**

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Cash flow statement**  
**For the year ended 31 August 2022**

	Note	2022		2021	
		£	£	£	£
<b>Cash flows from operating activities</b>					
<b>Net cash provided by operating activities</b>	<b>A</b>		1,249,354		446,553
<b>Cash flows from investing activities</b>					
Payments for tangible fixed assets		(219,522)		(292,290)	
Interest received		17,788		2,236	
<b>Net cash used in investing activities</b>			(201,734)		(290,054)
<b>Net cash inflow before financing</b>			1,047,620		156,498
<b>Cash flows from financing activities:</b>					
<b>Fees in advance scheme</b>					
New fees in advance money		334,171		398,480	
Amounts utilised		(256,940)		(301,026)	
<b>Net cash provided by financing activities</b>			77,231		97,454
<b>Change in cash and cash equivalents in the reporting period</b>					
			1,124,851		253,952
Cash and cash equivalents at the beginning of the reporting period			5,358,032		5,104,080
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>17</b>		6,482,883		5,358,032

**Note A – Reconciliation of net income to net cash provided by operating activities**

	2022	2021
	£	£
<b>Net income for the reporting period</b>	648,004	26,521
<b>Adjustments for:</b>		
Depreciation charges	476,898	466,967
Interest receivable	(17,788)	(2,236)
Increase in debtors	(247,479)	(132,140)
Increase in creditors	389,719	87,441
<b>Net cash provided by operating activities</b>	1,249,354	446,553

**Accounting policies**

**Year ended 31 August 2022**

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**Basis of accounting**

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

The company meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in sterling which is the functional currency of the School.

Having reviewed the funding facilities available to the School together with expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**Fees and similar earned income**

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Invoices are raised in advance of each school term; any invoices outstanding at the balance sheet date are shown as trade debtors. Any element of fees relating to future terms is treated as deferred income and included within current liabilities.

**Donations, legacies, grants and other voluntary income**

Donations and other voluntary income are accounted for as and when entitlement arises, the amount can be reasonably quantified, and receipt is considered probable.

**Scholarships and bursaries**

Scholarships are awarded on the basis of the performance of individual pupils. Bursaries are awarded based on financial circumstances.

**Expenditure**

Expenditure is recognised as soon as there is a legal or constructive obligation committing the School to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are those costs associated with generating income from all sources other than from charitable activities.

The School undertakes the running of the school and as such education, premises and the majority of administrative expenses are treated as direct charitable expenditure. Other indirect expenditure has been classified separately.

Somerhill as a Grade 1 listed building, by virtue of the fact that it is occupied by the School, is preserved by the Charitable Trust in consultation with the local authority and Historic England.

**Accounting policies (continued)**

**Year ended 31 August 2022**

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**Expenditure (continued)**

Governance costs include those incurred in the governance of the School and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

**Tangible fixed assets**

Tangible fixed assets are included at cost and are stated net of depreciation and any provision for impairment.

Assets below the value of £1,000 are not capitalised.

Depreciation is provided to write off the cost of tangible fixed assets over their useful economic lives on a straight-line basis as follows:

Land	Not depreciated
Freehold buildings	Between 0 and 50 years
Equipment, fixtures and fittings	Between 3 and 10 years
Motor vehicles	5 years
Website	3 years

No depreciation has been charged in relation to the School mansion and other residential buildings owned by the School as it would be immaterial due to the length of the expected useful life of the mansion and the high residual values of the residential buildings.

**Financial instruments**

The School only has financial assets and liabilities of a kind that qualify as basic financial instruments (i.e. debtors and creditors).

**Assets and liabilities**

Current assets are recognised at the lower of cost and net realisable value. Liabilities are recognised at their settlement value.

**Pension schemes**

A hybrid retirement benefits scheme is provided to the teaching employees of the school. They may choose to be included within the Teachers' Pension Scheme (TPS) or opt out into the group pension plan described below and shared with all other employees. The Schools contribution towards teachers pension is limited for either scheme. The TPS scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government actuary, are charged in the period in which the salaries to which they relate are payable.

The School also operates a group Personal Pension Plan (defined contribution).. The assets of the plan are held separately from those of the School. For every 1% contribution by employees the School contributes 2% with the School's minimum contribution being 6% and a maximum of 10%. Employer's pension costs are charged in the period in which the salaries to which they relate are payable.

**Accounting policies (continued)**

**Year ended 31 August 2022**

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**Operating leases**

Rentals paid under operating leases are charged against income as incurred.

**Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**Value Added Tax**

The school is not registered for VAT. All amounts in the financial statements are shown inclusive of VAT where appropriate.

**Consolidation**

The School is exempt from the requirement to produce group accounts as the subsidiary is considered immaterial.

Accordingly, the accounts present a view of the individual charitable company and not of the group of which it is the parent.

**Reserves**

Unrestricted funds are all incoming resources for the objects of the School without further specified purpose and are available as general funds.

A Property designated fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of essential school freehold land and buildings less associated bank debt.

Restricted funds are used for specific purposes determined at the time of the appeal/donation.

**Corporation tax**

Somerhill Charitable Trust Limited is a registered charity and as such its income and gains falling within Section 471 to 489 of the Corporation Tax Act 2010 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

**Critical estimates and judgements**

Judgements and estimates 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. In making these estimates the School makes assumptions concerning the future. The Governors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2022

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1. School fees receivable

	2022	2021
	£	£
Fees	8,734,905	7,761,042
Less:		
Scholarships, assisted places and fee discounts	<u>(560,137)</u>	<u>(570,050)</u>
	<u>8,174,768</u>	<u>7,190,992</u>

The above awards were all made to individuals. These include tuition scholarships, discretionary awards, assisted places and sibling discounts made to 243 (2021: 227) individuals.

2. Ancillary trading income

	2022	2021
	£	£
Income from fundraising events	13,477	5,037
Other educational income		
Extras	353,542	288,808
Entrance and registration fees	<u>21,400</u>	<u>21,283</u>
	<u>388,419</u>	<u>315,128</u>

3. Income from government grants

	2022	2021
	£	£
Coronavirus job retention scheme	-	46,656
Coronavirus statutory sick pay rebate scheme	2,312	-
Rural payments agency	<u>3,658</u>	<u>-</u>
	<u>5,970</u>	<u>46,656</u>

4. Other income

Other income primarily relates to amounts received from an insurance claim. There was no other income for the year ended 31 August 2021.

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2022

5. Expenditure

	2022	2021
	£	£
Expenditure includes:		
Depreciation – owned assets	476,898	466,967
Operating lease rentals – equipment	43,239	72,345
Auditor’s remuneration (excl VAT)		
- for audit (current year)	13,750	11,500
- for audit (prior year)	435	2,000
- other services	4,950	4,725
	<u>476,898</u>	<u>466,967</u>

6. Staff costs

	2022	2021
	£	£
Wages and salaries	3,924,336	3,838,226
Social security costs	374,293	380,653
Pension contributions	647,374	683,941
	<u>4,946,003</u>	<u>4,902,820</u>

	2022	2021
	Number	Number
The average number of employees in the year was:		
Teaching	104	92
Non-teaching	32	36
	<u>136</u>	<u>128</u>

The number of employees whose gross pay and benefits (excluding pension contributions) exceeded £60,000 in the year were:

£60,000 - £70,000	1	-
£70,001 - £80,000	-	3
£80,001 - £90,000	-	1
£130,001 - £140,000	1	1
	<u>1</u>	<u>1</u>

Total remuneration for key management personnel (including pension contributions) during the year amounted to £568,673 (2021: £545,200).

There were £19,000 of termination payments in the year (2021: £45,032).

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2022

7. Analysis of expenditure

7.1 Current year analysis

	Staff costs	Other	Depreciation	2022 Total	2021 Total
	£	£	£	£	£
<b>Raising funds</b>					
Financing costs	-	10,333	-	10,333	13,580
Fundraising events	-	14,794	-	14,794	7,253
	-	25,127	-	25,127	20,833
<b>Charitable activities</b>					
Teaching costs	4,114,073	548,315	248,007	4,910,395	4,493,228
Welfare costs	-	486,866	-	486,866	357,349
Premises costs	-	1,033,833	228,891	1,262,724	1,562,736
Support costs (Note 7)	831,930	595,330	-	1,427,260	1,144,448
Governance costs (Note 8)	-	36,566	-	36,566	24,523
	4,946,003	2,700,910	476,898	8,123,811	7,582,284
<b>Total expenditure</b>	<b>4,946,003</b>	<b>2,726,037</b>	<b>476,898</b>	<b>8,148,938</b>	<b>7,603,117</b>

7.2 Prior year analysis

	Staff costs	Other	Depreciation	2021 Total
	£	£	£	£
<b>Raising funds</b>				
Financing costs	-	13,580	-	13,580
Fundraising events	-	7,253	-	7,253
		20,833		20,833
<b>Charitable activities</b>				
Teaching costs	3,896,209	367,700	229,319	4,493,228
Welfare costs	-	357,349	-	357,349
Premises costs	353,928	971,160	237,648	1,562,736
Support costs (Note 7)	652,683	491,765	-	1,144,448
Governance costs (Note 8)	-	24,523	-	24,523
	4,902,820	2,212,497	466,967	7,582,284
<b>Total expenditure</b>	<b>4,902,820</b>	<b>2,233,330</b>	<b>466,967</b>	<b>7,603,117</b>

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)

Year ended 31 August 2022

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8. Support costs

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Staff costs	831,930	652,683
Other expenses	499,643	426,437
Travel expenses	3,155	64
Legal and professional fees	59,032	54,974
Movement in provision against debts	33,500	10,290
	<u>1,427,260</u>	<u>1,144,448</u>

9. Governance costs

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Audit and statutory accounts fee	19,800	16,950
Audit and statutory accounts fee – prior year	522	4,250
Teachers' pension scheme audit fee	2,640	2,100
Governors' indemnity insurance	2,175	1,223
Other professional services	11,429	-
	<u>36,566</u>	<u>24,523</u>

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2022

10. Tangible fixed assets

	School freehold land and buildings £	Other freehold land and buildings £	Equipment fixtures and fittings £	Motor vehicles £	Website £	Total £
<b>Cost or valuation</b>						
1 September 2021	13,426,688	3,342,000	1,215,277	148,375	21,302.20	18,153,642
Additions	-	-	219,522	-	-	219,522
Disposals	-	-	(121,723)	(11,405)	-	(133,128)
31 August 2022	13,426,688	3,342,000	1,313,077	136,971	21,302	18,240,038
<b>Depreciation</b>						
1 September 2021	1,330,770	35,024	529,537	97,100	1,420	1,993,851
Charge for the year	228,892	8,756	222,152	9,997	7,101	476,898
Disposals	-	-	(121,723)	(11,405)	-	(133,128)
31 August 2022	1,559,662	43,780	629,966	95,692	8,521	2,337,621
<b>Net book values</b>						
31 August 2022	11,867,026	3,298,219	683,111	41,279	12,781	15,902,416
31 August 2021	12,095,918	3,306,976	685,740	51,275	19,882	16,159,791

All freehold land and buildings are valued, for insurance purposes and including contents, at £68 million (2021: £58 million). School freehold land and buildings comprises the school mansion and grounds of 150 acres and other buildings owned by the School that are used for educational purposes. Other freehold land and buildings comprises other residential properties owned by the School.

11. Fixed asset investments

The School has a wholly owned subsidiary, Somerhill Enterprises Limited, a company incorporated in England and Wales (company number 02580724). The company was dormant throughout the reporting period. The cost and net book value of the School's investment as at 31 August 2022 was £100 (2021: £100).

12. Debtors

	2022 £	2021 £
Trade debtors	2,440,713	2,102,667
Other debtors	284	70,137
Prepayments and accrued income	235,189	255,903
	<u>2,676,186</u>	<u>2,428,707</u>

Notes to the financial statements (continued)  
Year ended 31 August 2022

13. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	353,380	223,604
Other taxation and social security costs	94,055	166
Accruals	255,385	209,187
Deferred income	2,771,421	2,641,823
Advance fees	325,782	196,586
Other creditors	234,436	244,176
Amounts payable to subsidiary company	100	100
	<u>4,034,559</u>	<u>3,515,642</u>

Included within other creditors are amounts totalling £44,535 (2021: £13,426) in respect of outstanding pension contributions.

Deferred income relates to fees invoiced prior to year-end relating to future terms. Income deferred at 31 August 2021 was released in the year.

**Advance fees**

Included within creditors is an amount of £325,782 (2021: £195,586) in respect of fees received in advance, there is also a further amount of £112,300 (2021: £164,266) in respect of fees due after more than one year.

Fees paid in advance are analysed as follows:

	2022	2021
	£	£
Balance at 1 September 2021	360,852	263,398
New amounts paid	334,171	398,480
	<u>695,023</u>	<u>661,878</u>
Amounts utilised in the payments of fees	<u>(256,941)</u>	<u>(301,026)</u>
Balance at 31 August 2022	<u>438,082</u>	<u>360,852</u>

14. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Fees in advance	<u>112,300</u>	<u>164,266</u>

Notes to the financial statements (continued)  
Year ended 31 August 2022

15. Other financial commitments

At 31 August 2022, the School was committed to make minimum lease payments in respect of non-cancellable operating leases as follows.

	2022 £	2021 £
Amounts payable:		
Within one year	61,482	64,275
In two to five years	153,558	70,839
Over five years	695	-
Total commitment	<u>215,735</u>	<u>135,114</u>

All leases relate to amounts payable in respect of equipment.

16. Statement of funds

16.1 Current year

	Restricted £	Designated property £	Unrestricted general £	Total £
At 1 September 2021	-	12,095,918	8,170,804	20,266,722
Surplus/(deficit) for year	-	(228,891)	876,895	648,004
At 31 August 2022	-	11,867,027	9,047,699	20,914,726

16.2 Prior year

	Restricted £	Designated property £	Unrestricted general £	Total £
At 1 September 2021	-	12,324,809	7,915,392	20,240,201
Surplus/(deficit) for year	-	(228,891)	255,412	26,521
At 31 August 2022	-	12,095,918	8,170,804	20,266,722

The unrestricted general reserve represents the free funds of the School which are not designated for particular purposes.

The designated property reserve fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of school freehold land and buildings.

Restricted funds represent donations received for specific items or appeals. The Schools received restricted government grant income of £5,970 in the year (2021: £46,656) - see note 3 for further details.

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2022

17. Analysis of assets between funds

17.1 Current year

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Non-current liabilities £	Total £
<b>Unrestricted funds</b>					
General	4,035,389	100	5,124,510	(112,300)	9,047,699
Designated fund - property	<u>11,867,027</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,867,027</u>
	<u>15,902,416</u>	<u>100</u>	<u>5,124,510</u>	<u>(112,300)</u>	<u>20,914,726</u>

17.2 Prior year

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Non-current liabilities £	Total £
<b>Unrestricted funds</b>					
General	4,063,873	100	4,271,097	(164,266)	8,170,804
Designated fund - property	<u>12,095,918</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,095,918</u>
	<u>16,159,791</u>	<u>100</u>	<u>4,271,097</u>	<u>(164,266)</u>	<u>20,266,722</u>

18. Net funds

18.1 Current year

	At start of year £	Cash – flows £	At end of year £
Cash	<u>5,358,032</u>	<u>1,124,851</u>	<u>6,482,883</u>

18.2 Prior year

	At start of year £	Cash – flows £	At end of year £
Cash	<u>5,104,080</u>	<u>253,952</u>	<u>5,358,032</u>

All cash balances for the current and prior year relate to cash in hand.

**19. Pension and similar obligations**

**Defined contribution pension schemes**

The School makes contributions to various defined contribution schemes on behalf of its employees. The assets of the defined contribution schemes in which employees participate are held separately from those of the School in independently administered funds. The pension costs charge represents contributions payable by the School to the funds and amounted to £528,841 (2021: £102,956). At the year-end £44,027 (2021: 8,974) was accrued in respect of employer contributions to other pension schemes.

**Teachers' Pension Scheme**

*Introduction*

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Teachers are now offered a hybrid scheme and they have a choice to remain in this scheme or to opt out of it completely.

The TPS is an unfunded scheme and members to which both the member and employer makes contributions, as a percentage of salary - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The pension charge for the period includes employer contributions payable to the TPS of £303,922 (2021: £580,728) and at the year-end £508 (2021: £330) was accrued in respect of employer contributions to this scheme.

*Valuation of the Teachers' Pension Scheme*

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set from 1 September 2019 at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218.1 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196.1 billion giving a notional past service deficit of £22 billion

Notes to the financial statements (continued)  
Year ended 31 August 2022

- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

**20. Related party transactions**

There were no related party transactions in the year (2021: none). No Governors received remuneration, payments for services or reimbursed expenses during the year (2021: none).

**21. Prior year Statement of Financial Activities**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
<b>Income and endowments from:</b>			
<b>Charitable activities</b>			
School fees receivable	7,190,992	-	7,190,992
Ancillary trading income	315,128	-	315,128
Government grants	-	46,656	46,656
<b>Other trading activities</b>			
Lettings income	70,959	-	70,959
<b>Investments</b>	2,236	-	2,236
<b>Donations</b>	3,667	-	3,667
<b>Total income</b>	<u>7,582,982</u>	<u>46,656</u>	<u>7,629,638</u>
<b>Expenditure on:</b>			
<b>Raising funds</b>			
Financing costs	13,580	-	13,580
Fundraising and development	7,253	-	7,253
<b>Total deductible costs</b>	<u>20,833</u>	<u>-</u>	<u>20,833</u>
<b>Charitable activities</b>			
Education	7,535,628	46,656	7,582,284
<b>Total expenditure</b>	<u>7,556,461</u>	<u>46,656</u>	<u>7,603,117</u>
<b>Net income and net movement in funds</b>			
Fund balances brought forward at 1 September 2020	<u>20,240,201</u>	<u>-</u>	<u>20,240,201</u>
<b>Fund balances carried forward at 31 August 2021</b>	<u>20,266,722</u>	<u>-</u>	<u>20,266,722</u>

**SOMERHILL CHARITABLE TRUST LIMITED**

England & Wales - Charity number 1002212

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# Accounts

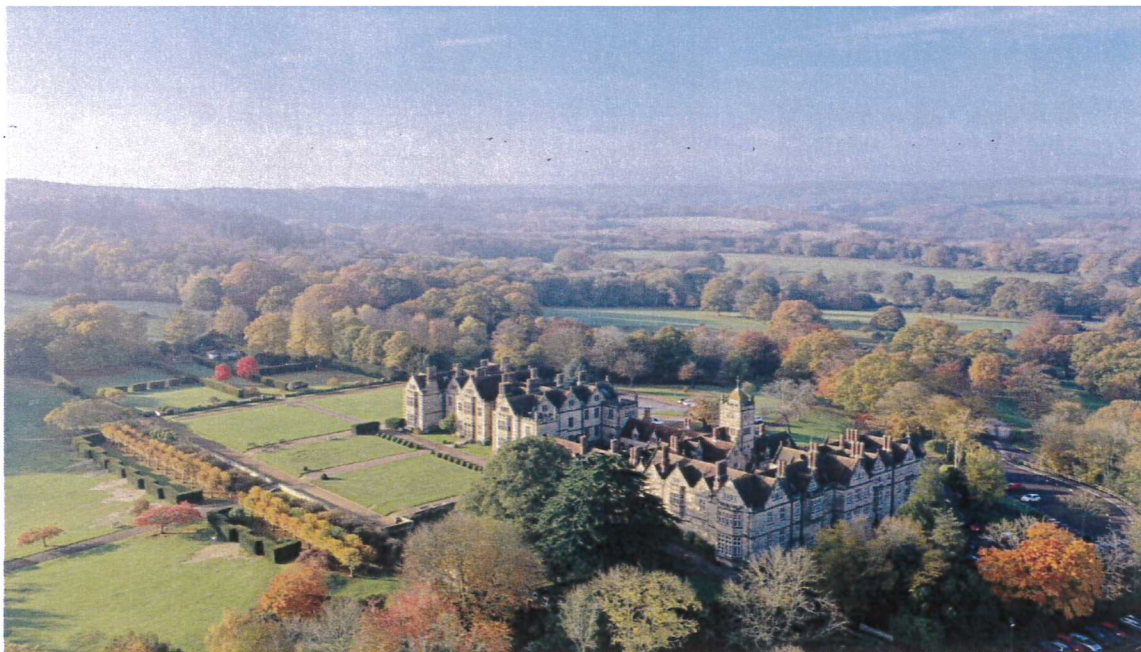
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Registered Charity No. 1002212 (England and Wales)  
Company Registration No. 02331296



**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Report and financial statements**  
**For the year ended 31 August 2021**



**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

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**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Governors' Report and Strategic Report**  
**For the year ended 31 August 2021**

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The Directors of Somerhill Charitable Trust Limited (the "School", "Somerhill"), who are also the trustees of the charity and the governors of the School (and will be referred to throughout these financial statements as the "Governors"), present their annual report and the audited financial statements of the company for the year ended 31 August 2021 and confirm they comply with the requirements of the Charities Act 2011, the governing document, the Charities SORP (FRS 102) and the Companies Act 2006.

**Constitution**

The School is a charitable company incorporated under the Companies Act with company number 02331296 and charity number 1002212. The company is limited by guarantee and does not have a share capital. The liability of the members is limited to £1 each. The School's governing document is the Memorandum and Articles of Association of 29 December 1988 as amended by special resolution passed on 14 February 1991 and incorporated on 25 February 1991.

**Directors, Trustees and Governors**

The Board should have a minimum of three members, with no maximum unless determined at a General Meeting through an Ordinary Resolution. Each Governor has one vote.

The Directors from 1 September 2020 to the date of signing were:

P R Brooks+ \*\*  
P M Goodyer+  
J C Hills\*  
D M Huntingford\*+ \*\* ++ (Chair of Governors)  
J V Irvine\* \*\*  
M A Jiskoot\*+ \*\* ++  
M A Norrie\*  
H P Tebay+  
R E Verrell\* ++  
D R Walsh  
C J Warner+  
D A Wells\*

\* Members of the Finance and General Purposes Committee chaired by J V Irvine.

+ Members of the Education Committee chaired by P R Brooks.

\*\* Members of the HR Committee chaired by D M Huntingford.

++ Members of the Health & Safety Committee chaired by M A Jiskoot.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Governors' Report and Strategic Report (continued)**  
**For the year ended 31 August 2021**

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**Professional advisers and senior leadership team**

<b>Principal of Somerhill and Head of Yardley Court</b>	Mr D B Sinclair
<b>Head of Derwent Lodge</b>	Mrs H M Hoffmann
<b>Head of Somerhill Pre-Prep</b>	Mrs K McLauchlan (left 31 <sup>st</sup> August 2021) Mrs A L McKnight (joined 1 <sup>st</sup> September 2021)
<b>Vice Principal</b>	Mr R M Raistrick (left 31 <sup>st</sup> August 2021)
<b>Business Manager/Company Secretary</b>	Mrs C H Morey (left 28 <sup>th</sup> January 2022) Mr A M Miller (joined 10 <sup>th</sup> January 2022)
<b>Address and registered office</b>	Somerhill Tonbridge Kent TN11 0NJ
<b>Solicitors</b>	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
<b>Auditors</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
<b>Insurance brokers</b>	Towergate Risk Solutions Towergate House Chaucer Business Park Thanet Way Whitstable Kent CT5 3FE
<b>Bankers</b>	Barclays Bank plc 105 High Street Tonbridge Kent TN9 1DJ  National Westminster Bank Plc 130 High Street Tonbridge Kent TN0 1DE

## Structure, governance and management

### Governing documents

The Company is governed by its Memorandum and Articles of Association of 29 December 1988. These were amended by special resolution passed on 14 February 1991 and incorporated on 25 February 1991.

### Recruitment and training of governors

Governors are appointed in accordance with the Memorandum and Articles of Association filed at Companies House (and the Charity Commission) adopted in 1991. The composition of the Board of Governors is designed to offer a wide range of expertise to meet the needs of Somerhill. Possible candidates for election as new Governors are proposed by an existing Governor and recommended by him or her through the Chair to the Board of Governors. Financial provision is made for external training courses for governors. An induction tour is given by the Chair of the Governors, or a person designated by her, to new Governors. Regular visits and inspections take place by existing Governors applicable to the relevant skills and contributions of those appointed. Trustee indemnity insurance is in place for the benefit of the Governors.

### Scope of activities

The Memorandum of Association of the company restricts the trust to provision of education but permits the Governors powers to conduct a wide range of activities in support of its aims. Education is also about the personal development of the pupils as recognised by the Charity Commission in their definition of education.

### Organisation and administrative structure

The Governors determine the general strategy of the School. The Board of Governors meets as and when necessary, but certainly not less than once a term, when it receives reports from both the Finance and General Purposes Committee (F&GP) and Education Committees along with reports from the School's Senior Leadership Team. The day-to-day management of the School is delegated to the Principal and the Senior Leadership Team. On 10 March 2021 the Governors approved the formation of HR Committee which first convened during the Trinity Term 2021.

The Principal, in conjunction with the F&GP, the Education Committee and the Senior Leadership Team, prepares the School Development Plan (Achievements and Performance) which is considered and reviewed by the Board of Governors on an annual basis at their meeting in the Summer.

**Education Committee:** This is an advisory Committee designed to give guidance and assistance to the Principal and Head Teachers of the three sections. The Education Committee discusses matters specific to the education of children at Somerhill. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.



**F&GP Committee:** This Committee is responsible for monitoring the management of the finances and administration of Somerhill and, where necessary, taking appropriate action. The Committee reports to the Board of Governors and, when necessary, obtains their approval for the recommendations being made to them by this Committee. The Committee is responsible for the maintenance of the buildings, properties and estate owned by the company. Changes to the Charities Acts and Charity Commission procedures are monitored and, if appropriate, recommendations made to ensure that Somerhill Charitable Trust Limited complies with its legal responsibilities and follows best practice. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

**HR & Remuneration Committee:** On the 10<sup>th</sup> March 2021 governors approved the new HR & Remuneration Committee consisting of members of the Governing Body, the Principal, the HR Manager and the Business Manager. The main responsibility of the Committee is to monitor and review all aspects of HR and set the remuneration of the Senior Leadership Team.

### **Aims and Objectives**

The Governors' aim is to provide an all-round excellent education to boys and girls from ages 3 – 13. The company operates three sections at Somerhill, Tonbridge, Kent: Somerhill Pre-Preparatory School (co-educational 3 – 7), Derwent Lodge Preparatory School (girls 7 – 11) and Yardley Court Preparatory School (boys 7 – 13), known collectively as Somerhill, operating under one DfE (Department for Education) number. The objectives are set to reflect the educational aims and ethos of Somerhill. It is important that the Governors maintain and enhance the reputation of the different sections of the School through the continued success of their curricular and co-curricular programmes. In setting the objectives and planning the activities, the Governors have carefully considered the Charity Commission's general guidance on public benefit and in particular its supplementary public benefit guidance on advancing education including the provision of assisted places. Particular reference is given to a) promoting the spiritual, moral, cultural, mental and physical development of pupils and b) preparing pupils at the school for the opportunities, responsibilities and experiences of later life.

The key objectives include:

- To continue to enhance the academic curriculum offered in the three sections and maintain the continuity between each section within the School.
- To continue to monitor and enhance the co-curricular programmes in the three sections and to improve where the need is identified.
- To continue to develop the first-class pastoral care the School provides for pupils.
- To monitor and maintain pupil numbers in the School.
- To provide continuing support to the pupils already in receipt of fee assistance through means tested financial assistance.
- To increase the access to the School from age 7 through means tested financial assistance.
- To continue to monitor and review the key policies and procedures to ensure a safe environment for employees, pupils and visitors to the Schools.
- To continue to develop the links with local state schools and to open the facilities to the local community.

#### **Risk management**

The Governors consider that the principal risks and uncertainties facing the School are as follows:

- Child protection and safer recruitment
- Safeguarding and welfare of employees, pupils and visitors
- Maintenance of reputation
- Reduction in pupil numbers
- Retention of key personnel
- Imposition by Parliament of changes to charitable status and unknown consequent tax changes together with the announced increase in Teachers Pension Scheme contributions.
- Security of school buildings
- Impact of the Covid pandemic

The Governors formally review the major risks that the company faces each financial year when preparing the strategic development plan and budget. The company has developed systems and procedures to manage and monitor these risks. The key controls used by the Governors include:

- Budgeting and budget accountability
- Monitoring of pupil intake and retention
- Formal written policies including policies on the safeguarding of children and health & safety
- Authorisation procedures
- External audit of and internal identification of health & safety risks
- Appropriate training of governors, teaching and non-teaching staff
- Appropriate insurance to mitigate perceived risks

Governors' visiting days were limited in 2020/21 due to the Covid pandemic. Once government guidance allows, such visits will start again as a priority.

### Remuneration of key management personnel

The day-to-day running of the School is delegated to the Principal of Somerhill. He is supported by other members of the School's Senior Leadership Team, as set out on page 2, and by the Senior Management Team. The remuneration of key management personnel is agreed by the Board through the School's annual budget as recommended by the F&GP and HR Committees. It is the objective of the Board to ensure that key management personnel are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The appropriateness of the remuneration policy is reviewed annually with reference to published salary levels of other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

### Strategic report

**Overview:** Somerhill remains vibrant. During the final term of the year ended 31 August 2021, Somerhill had 602 pupils.

**Business review, achievements and performance:** The company is principally engaged in the owning and running of three sections of the School and is a registered charity. The operation of the School is the responsibility of the Governors, who are the directors of the company, none of whom receive any remuneration.

**Academic Achievement:** As mentioned in the most recent ISI report, the achievement and progress of pupils at Somerhill is Excellent. Pupils move on successfully to secondary education in both the grammar and independent sectors, with an impressive number gaining scholarships. In the academic year under review, five Academic Scholarships, four Sport Scholarships, four Drama Scholarships, three Music Scholarship, one of each for Art and Dance were won by Somerhill pupils. These awards show the variety of the educational achievements attained by pupils across all sections of the School.

**Pupil Experience:** Somerhill prides itself on providing a wide ranging and varied education. The School believes that enjoyment and inclusivity should go hand in hand with the setting of high standards and the pursuit of excellence. This year we have not only continued to celebrate our proud tradition of excellent academic results, but we have thoroughly enjoyed, albeit limited by the impact of Covid, our sporting contests, been wonderfully entertained by top class musical and dramatic performances and seen our children thrive in a broad and exciting co-curricular programme which offers opportunity to all our young people. This year, due to the pandemic, we have had to be creative in our online offering including internal school sporting competitions, and superb videos of our pupils' productions, including our nativities, enabling our parents to see their children in action even though they were sadly not allowed on site to view for themselves. As a unique school with a 'diamond model' for our boys and girls, we have enjoyed recognising where differences exist in their approaches to learning while promoting a unified and equal approach to their broader educational experience.

**Pre-Senior Baccalaureate:** The introduction of the Pre-Senior Baccalaureate (PSB) in the past few years has moved the curriculum to discovery-led, enquiry-based learning for our pupils, which sees the teacher as a facilitator to learning, not an oracle imparting academic knowledge. The skills extend more broadly into the establishment of skills for life. It is a programme of study that sits not only in the academic lessons of the school, but extends into the creative and performing arts, the practical elements of engineering and also

onto the sports pitch and playground. After just one year the Somerhill PSPQ (Pre-Senior Project Qualification) has been completed by all last year's Year 8 boys and has proved to be an outstanding success. The PSPQ aims to develop pupils' independent learning and performance, inspiring them to consider new areas or methods of study and preparing them for their learning at senior schools and later at university and at work. It has been very well received by destination senior schools. The PSPQ is now an established feature of Year 8 with the PSB now firmly established in both Year 8 and Year 7. PSB style project work has extended to art, engineering and drama as well as expanding into Year 6.

**Curriculum Enhancements:** The School has continued to develop its Engineering Department for the academic year 2020-2021 which also supports the PSB initiative. Somerhill is only the second prep school in the UK to introduce Engineering as part of its curriculum. Pupils have used woodworking skills to make canvas frames and full-sized catapults, utilising skills in aerodynamics and civil engineering. Other practical units work with technology such as robotics, GPS systems and micro controllers to understand what engineers do. Our pupils competed in the first Lego-robotics league presenting topical ideas about a modular care home to help ease the pressure on the NHS; little did they know how topical it would be. The team's robotics were crowned overall winners.



We continue to leverage the use of our wonderful grounds in which our children have enjoyed pond dipping, den building and learning about the different flora and fauna. Our continued emphasis on outdoor learning saw the implementation of a fully functioning outdoor learning space with composting toilets and storage facilities. Pupils of all ages get to experience the outdoor learning and our plans to further embed this into the prep school curriculum are progressing, whereby more traditional learnt knowledge can be re-enforced using the natural world. Imminent future plans involve introduction of a dedicated "outdoor" classroom, to

be called Saplings, for our pre-school children allowing a hybrid model for existing and new parents to select internal and external classroom time for our youngest pupils.

#### **Impact of Covid on School operations**

Following the impact of Covid in 2019-20 with the first lockdown, Somerhill has had further impacts from the effect of the Covid pandemic. Not only did we have Tier 3 lockdown followed by a further lockdown into the new 2021 calendar year, but we have also managed more key worker care, absence of both pupils and staff from Covid cases and introduced an online teaching resource enabling absent pupils to "beam" into the classroom when well enough. The School continued to take advantage of the Coronavirus Job Retention Scheme (CJRS) albeit to a lesser extent during the previous lockdown periods. A fuller Home Learning Programme was offered and used by most of our pupils during the lockdown periods. We were proud to support our critical worker parents by offering care for them during the lockdowns, for example over 60 pupils currently benefit from this support: over 10% of our pupil numbers. We have an extensive and refined Home Learning Programme which offers a mix of online lessons and offline work for the children and parents to access. Its success has been driven by our talented teaching staff and well supported by our hardworking parents. Our strategy to expand the IT curriculum has been essential to empowering both pupils and staff to make this move to online teaching as smooth as possible.

#### **Environmental Awareness**

We continue to work to become more environmentally conscious both as a School and as individuals. Both the School Council members and the Green Team extracurricular clubs are working towards reducing the use of plastic and wrapping, recycling of plastics and identifying opportunities for us to improve. Sadly, the pandemic has meant much of our plans have had to be placed on hold.

#### **Music at Somerhill**

Music improves academic skills, develops physical skills, boosts self-esteem, cultivates social skills and refines discipline and patience. This is why at Somerhill we consider it integral to our curriculum and have a committed staff team and a dynamic group of visiting peripatetic music teachers who usually deliver over 14,000 individual music lessons across all three sections of the school. Even during the pandemic, we worked hard to get as many peripatetic teachers as possible into school, teaching safely and, where this was not possible, our lovely team of teachers offered online lessons to those who wanted them. Use of marquees has enabled us to keep music on the curriculum albeit within government guidance and lots of warm layers. Until lockdown occurred, we were able to offer 10 soirees including over 200 musical performances played live in front of a willing and supportive audience.

The School continues to support a 60 plus strong school orchestra, senior and junior flute choirs, brass groups, string groups and a swing band. There is an orchestral percussion club, a clarinet and saxophone group, a guitar group, a cello group and a recorder club. Somerhill had strong success in ABRSM exams and Trinity College exams with pupils entering in a variety of instruments and voice up to Grade 6 standard. Whilst Covid has curtailed much of the music and drama offer we have been able to offer scholarship support to our more able pupils and have run the ABRSM exams in a Covid friendly environment for the exclusive use of our pupils.



### **Sport at Somerhill**

In between and following the Covid lockdowns we were able to enjoy some much-needed sporting competition. Back in September 2020, we returned to school still under lockdown restrictions. These restrictions prevented us from having any fixtures with other schools, which meant we had to take a different approach to our games afternoons. We came up with an ‘options’ programme that allowed the children to choose which activity they would undertake for the term. Activities on offer included, amongst others, swimming, dance, badminton, fitness, multi-games, golf, cross country, tennis and netball. This programme was very well received by the children as they had, for the first time in our games curriculum, the chance to try new activities together with their peers from both Prep schools. The Year Seven and Year Eight boys followed a programme of Sport and Exercise Science which gave them an opportunity to analyse performance and understand how the body responds to exercise.

The boys in the Yardley Court section enjoyed a successful cricket season winning or drawing 75 % of their matches with every boy playing at least 5 matches. What the boys missed in a pandemic year in terms of improving their skill set, they made up for in enthusiasm and enjoyment of being back playing on a cricket square or learning for the first time the skills of cricket. The girls in the Derwent Lodge also enjoyed a season of cricket with each team playing approximately 7 matches across the term.



The pandemic wiped out much of the Winter sports programme however we did get to take part in some cross-country events and held a wonderful set of Sports Day events across all year groups and within Covid guidelines. Congratulations to our Victrix or Victor Ludorum winners.



### Recent projects and plans for future development

The Governors continue to provide the necessary resources from unrestricted general funds to maintain the buildings and structures that the Trust owns, especially the Grade 1 listed Jacobean Mansion. The School continued its long-term management plan to reinstate the historic Parkland as depicted in J M W Turner's painting of Somerhill of 1811. This project has now matured, and the grounds have now been restored to their former glory as they would have been 200 years ago. The School was very proud to have emerged from the second lockdown by launching the Somerhill Vision 2030. As an exciting programme of investment and further development, this vision proves that Somerhill has not only survived the pandemic but is set to thrive in the aftermath. Further strategic developments now include the commissioning of Tim Ronalds Architects to formulate a Site Master Plan which will form the basis of a coordinated approach to development in the coming 10 years.

### Financial results

The financial results of the School for the year ended 31 August 2021 are shown in the Statement of Financial Activities. The impact of the lockdown has resulted in a small surplus for the year. This is explained further below. Results for the year include a reduction in fee income of £404,233, this reflects the effect of the 15% fee reduction, which the School gave for the Home Learning period of the Lent term. The School also incurred additional Covid related costs of £76,000. This was offset by £46,656 of grant income from the Coronavirus Job Retention Scheme for the period of closure. Overall, the impact of the lockdown on the 2020/21 accounts was a loss of approximately £286,000.

The School's subsidiary undertaking, Somerhill Enterprises Limited, was dormant throughout the year.

### Reserves policy

The Governors' policy on reserves is to hold sufficient liquid assets to cover short term requirements which range between £1.5 million and £2 million. At 31 August 2021, the School had total reserves of £20,266,772 (2020: £20,240,201), made up of a general fund of £8,170,804 (2020: £7,915,392) and designated funds, representing the net book value of the school mansion and grounds, of £12,095,918 (2020: £12,324,809). The school's net current assets were £4,271,097 at 31 August 2021 (2020: £3,982,442), a sum that is in excess of the target range of liquid assets but allows for some provision for any unknown further future impact of the pandemic and a cushion against any unknown Parliamentary changes in the School's tax status.

In addition to the school mansion and grounds (circa 160 acres), the trust owns five residential properties with an aggregate historic cost of £3.342m, a figure the directors consider to be an approximate current value. These could be liquidated without affecting the ability of the School to operate and continue to provide the excellent facilities enjoyed at present.

The Governors intend to build financial reserves so that they can continue to upgrade the facilities of the School in support of the Somerhill 2030 Vision and Development Plan, and to continue providing appropriate assisted places/financial assistance for the parents of children who could otherwise not afford independent education.

### Fundraising

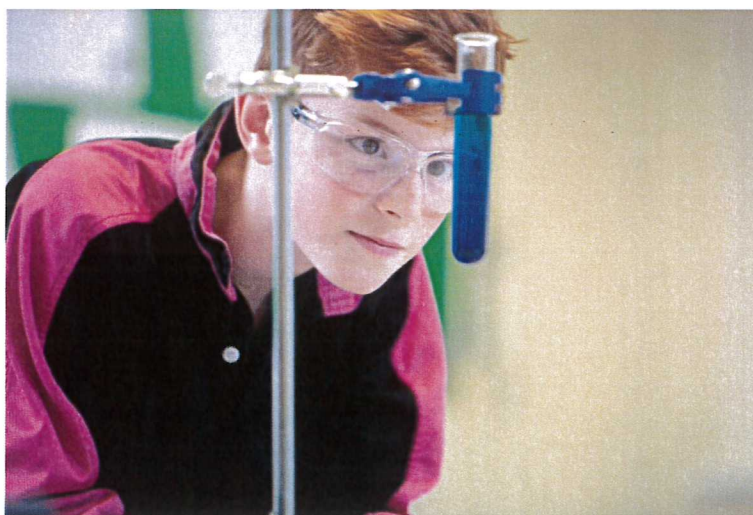
Somerhill Parents' Association (SPA) raises funds for the School, primarily from parents of pupils and other existing supporters of the School, to further enhance particular projects in consultation with the Principal and SLT. In 2020/21 the SPA were unable to raise any funds for the school as a result of Covid lockdowns and restrictions (2019/20: £5,789 net). The Governors and School are extremely grateful for the efforts of the SPA in raising funds and hope 2021/22 will be a better year for our lovely parental team.

### Grants

The School provides financial assistance through various non-means tested schemes:

- **Scholarships** - the maximum award is normally 25% of fees. The award is based on a pupil's ability.
- **Employee Fee Concession** – as part of an emphasis on attracting and retaining high calibre staff, the School offered a discount scheme to staff members who choose to educate their children at Somerhill.
- **Family discounts** – to underline the value the Governors place on continuity for families, the School offered sibling discounts for the year of 5% for the second child and 10% for any further siblings.

The School provided non-means tested financial assistance of £362,293 in 2020/21 (2019/20: £333,632).



### Public Benefit

As a Registered Charity, the Trustees (Governors) are mindful of the company's obligation to provide public benefit through means tested assisted places, by providing access to the School's facilities and links with local maintained schools which complement its objectives to provide for the advancement of education. The School maintains a Public Benefit Register which is reviewed by the Governors each year. The School continues to support a range of local schools and organisations where it has been possible to do so within the constraints of Covid lockdown restrictions.

**Assisted Places:** It is important to the Governors that access to the education we offer is not restricted only to those who can afford our fees. An Assisted Places policy has been adopted by the Governors to widen access and provide means tested financial assistance through the following schemes:

- **Admission Support** – the Governors' scheme provides admission bursaries to allow for the education of boys and girls from the age of seven. The aim of these means tested assisted places is to provide access to children from families who would otherwise not be able to afford an independent school education.
- **Hardship Support** – the Governors' scheme helps those families who find themselves in altered financial circumstances. These bursaries are normally awarded for a maximum of one year and are reviewed on an annual basis.
- **Tonbridge Scholars** - Somerhill maintains a historic link with Tonbridge School to provide up to 100% bursaries for pupils identified by Tonbridge as 'Junior Foundation Scholars' so that they may attend Years 7 and 8 at Yardley Court.

The School provided financial assistance of £202,498 in means tested assisted places in 2020/21 (2019/20: £224,753). As a result of the pandemic, this figure included £30,777 of assisted places support throughout the whole school (Reception to Year 8) and as a direct result of short-term financial hardship. Overall, over 4% of gross fees represent Assisted Places and 4% of pupils have been helped.



### **Charitable Activity**

Somerhill pupils raised £9,097 for charities during the year. Pupils from the preparatory school organise fund raising on a weekly basis. They decide, after research, which charities they wish to donate to thereby raising their awareness of both local and global issues. Charities donated to in 2020/21 varied from Comic Relief to Save the Children, Anti-bullying Alliance and Hospice in the Weald to name a few. In addition, the school supports the Royal British Legion Poppy Appeal and Books for Africa, whereby books are sent to schools across Africa. We are also delighted to have worked with an Africa-based charity to reuse surplus classroom furniture in Gambia.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Governors' Report and Strategic Report (continued)**  
**For the year ended 31 August 2021**

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Somerhill provided free access to its facilities and support to various local organisations, and example being Kent Fire and Rescue Service's use of the lake facility for a resilience exercise using emergency fire suppressant material at the School.

We sponsor various sporting clubs in Sevenoaks and Tonbridge including the provision of our parkland and pitches when poor weather means local club facilities are inaccessible due to flooding.

**Investment powers and investment policy**

The Memorandum of Association of the School empowers the Governors to invest the monies of the School not immediately required for its purposes in such investments, securities or property as may be thought fit and within the law. The Governors will take professional advice as required.

**Governors' responsibilities**

The Governors are responsible for preparing the Governors' 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 prepare a financial statement for each financial year which gives a true and fair view of the state of affairs of the charitable company, the incoming resources and application of resources, including the income and expenditure of the charitable company for the accounting period. In preparing this financial statement, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping proper accounting records that 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

**Statement as to disclosure of information to auditor**

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Governors' Report and Strategic Report (continued)**  
**For the year ended 31 August 2021**

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The Governors' Report was approved by the board of Trustees and the Strategic Report (included therein) was approved by the board of Governors in their capacity as the directors of the company at a meeting on 23 March 2022 and signed on its behalf by:

  
D M Huntingford  
**Chair of the Board of Governors**

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Independent auditors' report to the members**  
**For the year ended 31 August 2021**

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**Opinion**

We have audited the financial statements of Somerhill Charitable Trust Limited for the year ended 31 August 2021 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 Financial Reporting Standard 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 charitable company's state of affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

**Other information**

The Governors 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.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Independent auditors' report to the members**  
**For the year ended 31 August 2021**

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

We have nothing to report in this regard.

**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 Governors' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Annual Report which includes the Directors' Report and the Strategic Report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Governors**

As explained more fully in the Governors' Responsibilities Statement set out on page 14, the Governors (who are also 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 Governors 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

**Somerhill Charitable Trust Limited**  
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**Independent auditors' report to the members**  
**For the year ended 31 August 2021**

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

**Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the Governors and informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with Governors and informed management and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales. Further the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

**Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of

**Somerhill Charitable Trust Limited**  
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**For the year ended 31 August 2021**

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controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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.

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

**Use of our report**

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



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Cara Turtington (Senior Statutory Auditor)  
for and on behalf of Saffery Champness LLP

Chartered Accountants  
Statutory Auditors  
71 Queen Victoria Street  
London  
EC4V 4BE

Date: 28 March 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**Somerhill Charitable Trust Limited**  
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**Statement of financial activities (incorporating an income and expenditure account)**  
**For the year ended 31 August 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>Income and endowments from:</b>					
<b>Charitable activities</b>					
School fees receivable	1	7,190,992	-	7,190,992	6,786,759
Ancillary trading income	2	315,128	-	315,128	251,995
Government grants – coronavirus job retention scheme		-	46,656	46,656	283,836
<b>Other trading activities</b>					
Lettings income		70,959	-	70,959	59,611
<b>Investments</b>		2,236	-	2,236	15,033
<b>Donations</b>		3,667	-	3,667	3,928
<b>Total income</b>		<u>7,582,982</u>	<u>46,656</u>	<u>7,629,638</u>	<u>7,401,162</u>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Financing costs		13,580	-	13,580	14,075
Fundraising and development		7,253	-	7,253	34,368
<b>Total deductible costs</b>		<u>20,833</u>	<u>-</u>	<u>20,833</u>	<u>48,443</u>
<b>Charitable activities</b>					
Education		7,535,628	46,656	7,582,284	7,364,412
<b>Total expenditure</b>	5	<u>7,556,461</u>	<u>46,656</u>	<u>7,603,117</u>	<u>7,412,855</u>
<b>Net income and net movement in funds</b>		26,521	-	26,521	(11,693)
Fund balances brought forward at 1 September 2020		20,240,201	-	20,240,201	20,251,894
<b>Fund balances carried forward at 31 August 2021</b>	14	<u>20,266,722</u>	<u>-</u>	<u>20,266,722</u>	<u>20,240,201</u>

All activities are classed as continuing. The company had no recognised gains or losses other than the surplus for this and last year.

The notes on pages 23 to 35 form part of these financial statements.

**Somerhill Charitable Trust Limited**  
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**Balance sheet**  
**As at 31 August 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	8				
Freehold land and building			15,402,894		15,640,541
Fixtures, fittings and equipment			685,740		632,655
Motor vehicles			51,275		61,272
Website			19,882		-
			<u>16,159,791</u>		<u>16,334,468</u>
Investments	9		100		100
			<u>16,159,891</u>		<u>16,334,568</u>
<b>Current assets</b>					
Debtors	10	2,428,707		2,296,565	
Cash and bank and in hand		5,358,032		5,104,080	
		<u>7,786,739</u>		<u>7,400,645</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(3,515,642)</u>		<u>(3,418,203)</u>	
<b>Net current assets</b>			<u>4,271,097</u>		<u>3,982,442</u>
<b>Total assets less current liabilities</b>			<u>20,430,988</u>		<u>20,317,010</u>
<b>Creditors: amounts falling due after more than one year</b>	12		<u>(164,266)</u>		<u>(76,809)</u>
<b>Net assets</b>			<u>20,266,722</u>		<u>20,240,201</u>
<b>Reserves</b>					
Unrestricted funds	14		<u>20,266,722</u>		<u>20,240,201</u>
<b>Total funds</b>			<u>20,266,722</u>		<u>20,240,201</u>

The financial statements on pages 20 to 35 were considered, approved and authorised for issue by the Board of Governors at its meeting on 23 March 2022.

The notes on pages 23 to 35 form part of these financial statements.

Signed on behalf of the Board

D M Huntingford  
Governor



J V Irvine  
Governor



Company Registration No. 02331296

Somerhill Charitable Trust Limited  
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Cash flow statement  
For the year ended 31 August 2021

	Note	2021		2020	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	A		446,553		167,990
<b>Cash flows from investing activities</b>					
Payments for tangible fixed assets		(292,290)		(203,673)	
Interest received		2,236		15,033	
<b>Net cash used in investing activities</b>			<b>(290,054)</b>		<b>(188,640)</b>
<b>Net cash inflow before financing</b>			<b>156,498</b>		<b>(20,650)</b>
<b>Cash flows from financing activities:</b>					
<b>Fees in advance scheme</b>					
New fees in advance money		398,480		50,088	
Amounts utilised		(301,026)		(313,085)	
<b>Net cash provided by / (used in) financing activities</b>			<b>97,454</b>		<b>(262,997)</b>
<b>Change in cash and cash equivalents in the reporting period</b>			<b>253,952</b>		<b>(283,647)</b>
Cash and cash equivalents at the beginning of the reporting period			5,104,080		5,387,727
<b>Cash and cash equivalents at the end of the reporting period</b>	16		<b>5,358,032</b>		<b>5,104,080</b>

**Note A – Reconciliation of net income to net cash provided by operating activities**

	2021	2020
	£	£
<b>Net income for the reporting period</b>	26,521	(11,693)
<b>Adjustments for:</b>		
Depreciation charges	466,967	467,473
Interest receivable	(2,236)	(15,033)
Increase in debtors	(132,140)	(122,031)
Increase / (decrease) in creditors	87,441	(150,726)
<b>Net cash provided by operating activities</b>	<b>446,553</b>	<b>167,990</b>

**Basis of accounting**

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

The company meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in sterling which is the functional currency of the School.

Having reviewed the funding facilities available to the School together with expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**Fees and similar earned income**

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Invoices are raised in advance of each school term; any invoices outstanding at the balance sheet date are shown as trade debtors. Any element of fees relating to future terms is treated as deferred income and included within current liabilities.

**Donations, legacies, grants and other voluntary income**

Donations and other voluntary income are accounted for as and when entitlement arises, the amount can be reasonably quantified, and receipt is considered probable.

**Scholarships and bursaries**

Scholarships are awarded on the basis of the performance of individual pupils. Bursaries are awarded based on financial circumstances.

**Expenditure**

Expenditure is recognised as soon as there is a legal or constructive obligation committing the School to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are those costs associated with generating income from all sources other than from charitable activities.

The School undertakes the running of the school and as such education, premises and the majority of administrative expenses are treated as direct charitable expenditure. Other indirect expenditure has been classified separately.

Somerhill as a Grade 1 listed building, by virtue of the fact that it is occupied by the School, is preserved by the Charitable Trust in consultation with the local authority and Historic England.

**Expenditure**

(continued)

Governance costs include those incurred in the governance of the School and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

**Tangible fixed assets**

Tangible fixed assets are included at cost and are stated net of depreciation and any provision for impairment.

Assets below the value of £1,000 are not capitalised.

Depreciation is provided to write off the cost of tangible fixed assets over their useful economic lives on a straight-line basis as follows:

Land	Not depreciated
Freehold buildings	Between 0 and 50 years
Equipment, fixtures and fittings	Between 3 and 10 years
Motor vehicles	5 years
Website	3 years

No depreciation has been charged in relation to the School mansion and other residential buildings owned by the School as it would be immaterial due to the length of the expected useful life of the mansion and the high residual values of the residential buildings.

**Financial instruments**

The School only has financial assets and liabilities of a kind that qualify as basic financial instruments (i.e. debtors and creditors).

**Assets and liabilities**

Current assets are recognised at the lower of cost and net realisable value. Liabilities are recognised at their settlement value.

**Pension schemes**

Retirement benefits to the teaching employees of the school are provided by the Teachers' Pension Scheme (TPS). This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government actuary, are charged in the period in which the salaries to which they relate are payable.

The School operates a group Personal Pension Plan (defined contribution) for all other employees. The assets of the plan are held separately from those of the School. For every 1% contribution by employees the School contributes 2% with the School's minimum contribution being 6% and a maximum of 10%. Employer's pension costs are charged in the period in which the salaries to which they relate are payable.

## Somerhill Charitable Trust Limited

### Accounting policies (continued) Year ended 31 August 2021

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#### **Operating leases**

Rentals paid under operating leases are charged against income as incurred.

#### **Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

#### **Value Added Tax**

The school is not registered for VAT. All amounts in the financial statements are shown inclusive of VAT where appropriate.

#### **Consolidation**

The School is exempt from the requirement to produce group accounts as the subsidiary is considered immaterial.

Accordingly, the accounts present a view of the individual charitable company and not of the group of which it is the parent.

#### **Reserves**

Unrestricted funds are all incoming resources for the objects of the School without further specified purpose and are available as general funds.

A Property designated fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of essential school freehold land and buildings less associated bank debt.

Restricted funds are used for specific purposes determined at the time of the appeal/donation.

#### **Corporation tax**

Somerhill Charitable Trust Limited is a registered charity and as such its income and gains falling within Section 471 to 489 of the Corporation Tax Act 2010 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

#### **Critical estimates and judgements**

Judgements and estimates 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. In making these estimates the School makes assumptions concerning the future. The Governors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

Somerhill Charitable Trust Limited

Notes to the financial statements  
Year ended 31 August 2021

1. School fees receivable	2021 £	2020 £
Fees	7,761,042	7,345,143
Less:		
Scholarships, assisted places and fee discounts	<u>(570,050)</u>	<u>(558,384)</u>
	<u>7,190,992</u>	<u>6,786,759</u>
<p>The above awards were all made to individuals. These include tuition scholarships, discretionary awards, assisted places and sibling discounts made to 230 (2020: 227) individuals.</p>		
2. Ancillary trading income	2021 £	2020 £
Income from fundraising events	5,037	40,120
Other educational income		
Extras	288,808	201,125
Entrance and registration fees	<u>21,283</u>	<u>10,750</u>
	<u>315,128</u>	<u>251,995</u>
3. Expenditure	2021 £	2020 £
Expenditure includes:		
Depreciation – owned assets	466,967	467,473
Operating lease rentals – equipment	72,345	71,788
Auditor’s remuneration (excl VAT)		
- for audit (current year)	11,500	11,100
- for audit (prior year)	2,000	-
- other services	<u>4,725</u>	<u>2,525</u>
4. Staff costs	2021 £	2020 £
Wages and salaries	3,838,226	3,902,745
Social security costs	380,653	373,051
Pension contributions	<u>683,941</u>	<u>674,572</u>
	<u>4,902,820</u>	<u>4,950,368</u>

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2021

4. Staff costs (continued)

	2021 Number	2020 Number
The average number of employees in the year was:		
Teaching	92	94
Establishment staff	16	14
Administration	20	21
	128	129

The number of employees whose gross pay and benefits (excluding pension contributions) exceeded £60,000 in the year were:

£60,000 - £70,000	-	3
£70,001 - £80,000	3	
£80,001 - £90,000	1	2
£130,001 - £140,000	1	1

Total remuneration for key management personnel (including pension contributions) during the year amounted to £545,200 (2020: £519,379).

There were £45,032 termination payments in the year (2020: nil).

5. Analysis of expenditure

5.1 Current year analysis

	Staff costs	Other	Depreciation	2021 Total	2020 Total
	£	£	£	£	£
<b>Raising funds</b>					
Financing costs	-	13,580	-	13,580	14,075
Fundraising events	-	7,253	-	7,253	34,368
	-	20,833	-	20,833	48,443
<b>Charitable activities</b>					
Teaching costs	3,896,209	367,700	229,319	4,493,228	4,410,524
Welfare costs	-	357,349	-	357,349	328,156
Premises costs	353,928	971,160	237,648	1,562,736	1,536,247
Support costs (Note 6)	652,683	491,765	-	1,144,448	1,072,662
Governance costs (Note 7)	-	24,523	-	24,523	16,823
	4,902,820	2,212,497	466,967	7,582,284	7,364,412
<b>Total expenditure</b>	4,902,820	2,233,330	466,967	7,603,117	7,412,855

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2021

5.2 Prior year analysis

	Staff costs	Other	Depreciation	2020 Total
	£	£	£	£
<b>Raising funds</b>				
Financing costs	-	14,075	-	14,075
Fundraising events	-	34,368	-	34,368
	-	48,443	-	48,443
<b>Charitable activities</b>				
Teaching costs	3,895,863	284,836	229,825	4,410,524
Welfare costs	-	328,156	-	328,156
Premises costs	333,375	965,224	237,648	1,536,247
Support costs (Note 6)	721,130	351,532	-	1,072,662
Governance costs (Note 7)	-	16,823	-	16,823
	4,950,368	1,946,571	467,473	7,364,412
<b>Total expenditure</b>	4,950,368	1,995,014	467,473	7,412,855

6. Support costs

	2021 £	2020 £
Staff costs	652,683	721,130
Other expenses	426,437	339,529
Travel expenses	64	1,286
Legal and professional fees	54,974	44,788
Movement in provision against debts	10,290	(34,071)
	1,144,448	1,072,662

7. Governance costs

	2021 £	2020 £
Audit and statutory accounts fee	16,950	13,625
Audit and statutory accounts fee – prior year	4,250	-
Teachers' pension scheme audit fee	2,100	2,100
Governors' indemnity insurance	1,223	1,098
	24,523	16,823

Notes to the financial statements (continued)  
Year ended 31 August 2021

8. Tangible fixed assets

	School freehold land and buildings £	Other freehold land and buildings £	Equipment fixtures and fittings £	Motor vehicles £	Website £	Total £
<b>Cost or valuation</b>						
1 September 2020	13,426,688	3,342,000	1,276,543	148,375	-	18,193,606
Additions	-	-	270,988	-	21,302	292,290
Disposals	-	-	(332,254)	-	-	(332,254)
31 August 2021	13,426,688	3,342,000	1,215,277	148,375	21,302	18,153,642
<b>Depreciation</b>						
1 September 2020	1,101,879	26,268	643,888	87,103	-	1,859,138
Charge for the year	228,891	8,756	217,903	9,997	1,420	466,967
Disposals	-	-	(332,254)	-	-	(332,254)
31 August 2021	1,330,770	35,024	529,537	97,100	1,420	1,993,851
<b>Net book values</b>						
31 August 2021	12,095,918	3,306,976	685,740	51,275	19,882	16,159,791
31 August 2020	12,324,809	3,315,732	632,655	61,272	-	16,334,468

All freehold land and buildings are valued, for insurance purposes and including contents, at £58 million (2020: £58 million). School freehold land and buildings comprises the school mansion and grounds of 160 acres and other buildings owned by the School that are used for educational purposes. Other freehold land and buildings comprises other residential properties owned by the School.

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2021

9. Fixed asset investments

	Shares £
Investment in subsidiary company	100
<b>Cost and net book value</b>	
At 1 September 2020 and 31 August 2021	100

In the opinion of the Governors the aggregate value of the School's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

The School holds more than 10% of the share capital of the following company:

Subsidiary undertaking	Country of registration or incorporation	Class	Shares held %
Somerhill Enterprises Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the result of this undertaking for the year ended 31 August 2021 was as follows:

		Capital and reserves £	Result for the year £
Somerhill Enterprises Limited	Dormant	100	-

10. Debtors

	2021 £	2020 £
Trade debtors	2,102,667	2,028,754
Other debtors	70,137	67,881
Prepayments and accrued income	255,903	199,930
	<u>2,428,707</u>	<u>2,296,565</u>

Notes to the financial statements (continued)  
Year ended 31 August 2021

11. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	223,604	335,806
Other taxation and social security costs	166	120,674
Accruals	209,187	92,643
Deferred income	2,641,823	2,404,958
Advance fees	196,586	186,589
Other creditors	244,176	277,433
Amounts payable to subsidiary company	100	100
	<u>3,515,642</u>	<u>3,418,203</u>

Included within other creditors are amounts totalling £13,426 (2020: £80,682) in respect of outstanding pension contributions.

Deferred income relates to fees invoiced prior to year-end relating to future terms. Income deferred at 31 August 2020 was released in the year.

**Advance fees**

Included within creditors is an amount of £195,586 (2020: £186,589) in respect of fees received in advance, there is also a further amount of £164,266 (2020: £76,809) in respect of fees due after more than one year.

Fees paid in advance are analysed as follows:

	2021 £	2020 £
Balance at 1 September 2020	263,398	526,394
New amounts paid	398,480	50,088
	661,878	576,482
Amounts utilised in the payments of fees	(301,026)	(313,084)
Balance at 31 August 2021	<u>360,852</u>	<u>263,398</u>

12. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Fees in advance	<u>164,266</u>	<u>76,809</u>

Notes to the financial statements (continued)  
Year ended 31 August 2021

**13. Other financial commitments**

At 31 August 2021 the School was committed to make minimum lease payments in respect of non-cancellable operating leases as follows.

	2021 £	2020 £
Amounts payable:		
Within one year	64,275	40,541
In two to five years	70,839	84,571
Total commitment	<u>135,114</u>	<u>125,112</u>

All leases relate to amounts payable in respect of equipment.

**14. Statement of funds**

14.1 Current year

	Restricted £	Designated property £	Unrestricted general £	Total £
At 1 September 2020	-	12,324,809	7,915,392	20,240,201
Surplus/(deficit) for year	-	(228,891)	255,412	26,521
At 31 August 2021	-	12,095,918	8,170,804	20,266,722

14.2 Prior year

	Restricted £	Designated property £	Unrestricted general £	Total £
At 1 September 2019	-	12,545,655	7,706,239	20,251,894
Surplus/(deficit) for year	-	(220,846)	209,153	(11,693)
At 31 August 2020	-	12,324,809	7,915,392	20,240,201

The unrestricted general reserve represents the free funds of the School which are not designated for particular purposes.

The designated property reserve fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of school freehold land and buildings.

Restricted funds represent donations received for specific items or appeals. During the year the School received restricted funding of £46,656 (2020: £283,836). This reflects grant income received from the government as part of the Coronavirus Job Retention Scheme. This was used to fund relevant salary costs in the year.

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2021

15. Analysis of assets between funds

15.1 Current year

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Non-current liabilities £	Total £
<b>Unrestricted funds</b>					
General	4,063,873	100	4,271,097	(164,266)	8,170,804
Designated fund - property	<u>12,095,918</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,095,918</u>
	<u>16,159,791</u>	<u>100</u>	<u>4,271,097</u>	<u>(164,266)</u>	<u>20,266,722</u>

15.2 Prior year

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Non-current liabilities £	Total £
<b>Unrestricted funds</b>					
General	4,009,659	100	3,982,442	(76,809)	7,915,392
Designated fund - property	<u>12,324,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,324,809</u>
	<u>16,334,468</u>	<u>100</u>	<u>3,982,442</u>	<u>(76,809)</u>	<u>20,240,201</u>

16. Net funds

16.1 Current year

	At start of year £	Cash – flows £	At end of year £
Cash	<u>5,104,080</u>	<u>253,952</u>	<u>5,358,032</u>

16.2 Prior year

	At start of year £	Cash – flows £	At end of year £
Cash	<u>5,387,727</u>	<u>(283,647)</u>	<u>5,104,080</u>

All cash balances for the current and prior year relate to cash in hand.

**17. Pension and similar obligations**

**Teachers' Pension Scheme**

*Introduction*

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in schools. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The pension charge for the period includes employer contributions payable to the TPS of £580,728 (2020: £586,385) and at the year-end £330 (2020: £48,553) was accrued in respect of employer contributions to this scheme.

*Valuation of the Teachers' Pension Scheme*

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set from 1 September 2019 at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218.1 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196.1 billion giving a notional past service deficit of £22 billion
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

With effect from September 2021 the school has moved to the Hybrid Model following a full consultation with affected staff. Eligible staff will be able to select either remaining in the TPS or moving to a new defined contribution scheme.

**Other pension schemes**

The School also makes contributions to its employees' various pension schemes. The assets of the schemes are held separately from those of the School in independently administered funds. The pension costs charge represents contributions payable by the School to the funds and amounted to £102,956 (2020: £88,186). At the year-end £8,974 (2020: £8,468) was accrued in respect of employer contributions to other pension schemes.

**18. Related party transactions**

There were no related party transactions in the year (2020: none). No Governors received remuneration, payments for services or reimbursed expenses during the year (2020: none).

**19. Prior year Statement of Financial Activities**

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
<b>Income and endowments from:</b>			
<b>Charitable activities</b>			
School fees receivable	6,786,759	-	6,786,759
Ancillary trading income	251,995	-	251,995
Government grants – coronavirus job retention scheme	-	283,836	283,836
<b>Other trading activities</b>			
Lettings income	59,611	-	59,611
<b>Investments</b>	15,033	-	15,033
<b>Donations</b>	3,928	-	3,928
<b>Total income</b>	<u>7,117,326</u>	<u>283,836</u>	<u>7,401,162</u>
<b>Expenditure on:</b>			
<b>Raising funds</b>			
Financing costs	14,075	-	14,075
Fundraising and development	34,368	-	34,368
<b>Total deductible costs</b>	48,443	-	48,443
<b>Charitable activities</b>			
Education	7,080,576	283,836	7,364,412
<b>Total expenditure</b>	<u>7,129,019</u>	<u>283,836</u>	<u>7,412,855</u>
<b>Net income and net movement in funds</b>	(11,693)	-	(11,693)
Fund balances brought forward at 1 September 2020	20,251,894	-	20,251,894
<b>Fund balances carried forward at 31 August 2021</b>	<u>20,240,201</u>	<u>-</u>	<u>20,240,201</u>

**SOMERHILL CHARITABLE TRUST LIMITED**

England & Wales - Charity number 1002212

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# Accounts

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**Registered Charity No. 1002212 (England and Wales)**  
**Company Registration No. 02331296**

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Report and financial statements**  
**For the year ended 31 August 2020**

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

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**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Governors' report and strategic report**  
**For the year ended 31 August 2020**

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The Directors of Somerhill Charitable Trust Limited (the "School", "Somerhill", "The Schools at Somerhill"), who are also the trustees of the charity and the governors of the School (and will be referred to throughout these financial statements as the "Governors"), present their annual report and the audited financial statements of the company for the year ended 31 August 2020 and confirm they comply with the requirements of the Charities Act 2011, the governing document, the Charities SORP (FRS 102) and the Companies Act 2006.

**Constitution**

The School is a charitable company incorporated under the Companies Act with company number 02331296 and charity number 1002212. The company is limited by guarantee and does not have a share capital. The liability of the members is limited to £1 each. The School's governing document is the Memorandum and Articles of Association of 29 December 1988 as amended by special resolution passed on 14 February 1991 and incorporated on 25 February 1991.

**Directors, Trustees and Governors**

The Board should have a minimum of three members, with no maximum unless determined at a General Meeting through an Ordinary Resolution. Each Governor has one vote.

P R Brooks+  
P Goodyer+  
J C Hills\*  
D M Huntingford\*+ (Chair of Governors)  
J V Irvine\*  
M A Jiskoot\*+  
M A Norrie\*  
H P Tebay+  
R E Verrell\*  
D R Walsh  
C J Warner+  
D Wells\*

\* Members of the Finance and General Purposes Committee chaired by M A Norrie, until 31 August 2020. J Irvine replaces M A Norrie with effect from 1 September 2020.

+ Members of the Education Committee chaired by P R Brooks.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Governors' report and strategic report (continued)**  
**For the year ended 31 August 2020**

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**Professional advisers and senior leadership team**

<b>Principal of the Schools at Somerhill and Head of Yardley Court</b>	Mr D B Sinclair
<b>Head of Derwent Lodge</b>	Mrs H M Hoffmann
<b>Head of Somerhill Pre-Prep</b>	Mrs K McLauchlan
<b>Vice Principal</b>	Mr R M Raistrick
<b>Business Manager</b>	Mrs C Morey (appointed 7 October 2019)
<b>Address and registered office</b>	Somerhill Tonbridge Kent TN11 0NJ
<b>Solicitors</b>	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
<b>Auditors</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
<b>Insurance brokers</b>	Towergate Risk Solutions Towergate House Chaucer Business Park Thanet Way Whitstable Kent CT5 3FE
<b>Bankers</b>	Barclays Bank plc 105 High Street Tonbridge Kent TN9 1DJ  National Westminster Bank Plc 130 High Street Tonbridge Kent TN0 1DE

## **Structure, governance and management**

### **Governing documents**

The Company is governed by its Memorandum and Articles of Association of 29 December 1988. These were amended by special resolution passed on 14 February 1991 and incorporated on 25 February 1991.

### **Recruitment and training of governors**

Governors are appointed in accordance with the Memorandum and Articles of Association filed at Companies House (and the Charity Commission) adopted in 1991. The composition of the Board of Governors is designed to offer a wide range of expertise to meet the needs of The Schools at Somerhill. Possible candidates for election as new Governors are proposed by an existing Governor and recommended by him or her through the Chair to the Board of Governors. Financial provision is made for external training courses for governors. An induction tour is given by the Chair of the Governors, or a person designated by her, to new Governors. Regular visits and inspections take place by existing Governors applicable to the relevant skills and contributions of those appointed. Trustee indemnity insurance is in place for the benefit of the Governors.

### **Scope of activities**

The Memorandum of Association of the company restricts the trust to provision of education but permits the Governors powers to conduct a wide range of activities in support of its aims. Education is also about the personal development of the pupils as recognised by the Charity Commission in their definition of education.

### **Organisation and administrative structure**

The Governors determine the general strategy of the schools. The Board of Governors meets as and when necessary, but certainly not less than once a term, when it receives reports from both the Finance and General Purposes Committee (F&GP) and Education Committees along with reports from the school's Senior Leadership Team. The day-to-day management of the schools is delegated to the Principal and the Senior Leadership Team of The Schools at Somerhill.

The Principal, in conjunction with the F&GP, the Education Committee and the Senior Leadership Team, prepares the Development Plan (Achievements and Performance) which is considered and reviewed by the Board of Governors on an annual basis at their meeting in the Summer.

**Education Committee:** This is an advisory committee designed to give guidance and assistance to the Principal and Head Teachers of the three sections. The Education Committee discusses matters specific to the education of children at The Schools at Somerhill. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

**F&GP:** This committee is responsible for monitoring the management of the finances and administration of The Schools at Somerhill and, where necessary, taking appropriate action. The Committee reports to the Board of Governors and, when necessary, obtains their approval for the recommendations being made to them by this Committee. The Committee is responsible for the maintenance of the buildings, properties and estate owned by the company. Changes to the Charities Acts and Charity Commission procedures are monitored and, if appropriate, recommendations made to ensure that Somerhill Charitable Trust Limited complies with its legal responsibilities and follows best practice. The Committee meets as and when necessary, but certainly not less than once a term, and reports to the Main Board.

On the 10<sup>th</sup> March 2021 governors approved the new HR & Remuneration Committee consisting of members of the Governing Body, the Principal and the Business Manager. The main responsibility of the committee is to monitor and review all aspects of HR and sets the remuneration for the senior leadership.

### **Aims and objectives**

The Governors' aim, through The Schools at Somerhill, is to provide an all-round excellent education to boys and girls from ages 3 – 13. The company operates three sections at Tonbridge, Kent: Somerhill Pre-Preparatory School (co-educational 3 – 7), Derwent Lodge Preparatory School (girls 7 – 11) and Yardley Court Preparatory School (boys 7 – 13), known collectively as The Schools at Somerhill, operating under one DfE (Department for Education) number.

The objectives are set to reflect the educational aims and ethos of The Schools at Somerhill. It is important that the Governors maintain and enhance the reputation of the schools through the continued success of their curricular and co-curricular programmes. In setting the objectives and planning the activities, the Governors have carefully considered the Charity Commission's general guidance on public benefit and particularly to its supplementary public benefit guidance on advancing education. Particular reference is given to a) promoting the spiritual, moral, cultural, mental and physical development of pupils and b) preparing pupils at the school for the opportunities, responsibilities and experiences of later life.

The key objectives include:

- To continue to enhance the academic curriculum offered in the three sections and maintain the continuity between each school.
- To continue to monitor and enhance the co-curricular programmes in the three sections and to improve where the need is identified.
- To continue to develop the first-class pastoral care the school provides for pupils.
- To monitor and maintain pupil numbers in the school.
- To provide continuing support to the pupils already in receipt of fee assistance through means tested financial assistance.
- To increase the access to the school from age 7 through means tested financial assistance.
- To continue to monitor and review the key policies and procedures to ensure a safe environment for employees, pupils and visitors to the schools.
- To continue to develop the links with local state schools and to open the facilities to the local community.

### **Risk management**

The Governors consider that the principal risks and uncertainties facing the school are as follows:

- Child protection and safer recruitment
  - Safeguarding and welfare of employees, pupils and visitors
  - Maintenance of reputation
  - Reduction in pupil numbers
  - Retention of key personnel
-

**Governors' report and strategic report (continued)**  
**For the year ended 31 August 2020**

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- Imposition by Parliament of changes to charitable status and unknown consequent tax changes together with the announced increase in Teachers Pension Scheme contributions.
- Security of school buildings
- Impact of the COVID19 pandemic

The Governors formally review the major risks that the company faces each financial year when preparing the strategic development plan and budget. The company has developed systems and procedures to manage and monitor these risks. The key controls used by the Governors include:

- Budgeting and budget accountability
- Monitoring of pupil intake and retention
- Formal written policies including policies on the safeguarding of children and health & safety
- Authorisation procedures
- External audit of and internal identification of health & safety risks
- Appropriate training of governors, teaching and non-teaching staff
- Appropriate insurance to mitigate perceived risks

Governors' visiting days were limited in 2019/20 due to the COVID pandemic. Once government guidance allows, such visits will be prioritised.

#### **Remuneration of key management personnel**

The day-to-day running of the School is delegated to the Principal of The Schools at Somerhill. He is supported by other members of the School's Senior Leadership Team, as set out on page 2, and by the Senior Management Team. The remuneration of key management personnel is agreed by the Board through the School's annual budget as recommended by the F&GP Committee. It is the objective of the Board to ensure that key management personnel are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the School's success. The appropriateness of the remuneration policy is reviewed annually with reference to published salary levels of other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

#### **Strategic report**

##### **Business review, achievements and performance**

The company is principally engaged in the owning and running of three sections of the school and is a registered charity. The operation of the school is the responsibility of the Governors, who are the directors of the company, none of whom receives any remuneration.

The Schools at Somerhill remain vibrant. During the final term of the year ended 31 August 2020, Somerhill had 582 pupils. Somerhill expects this to rise to 599 pupils by the end of the current academic year. Pupils move on successfully to secondary education with a good number gaining scholarships. In the academic year under review, six Academic Scholarships, eleven Sport Scholarships, two Drama Scholarships and one Music Scholarship were won by Somerhill pupils. These awards show the variety of the educational achievements attained by pupils across all sections of the school

Somerhill prides itself on providing a wide ranging and varied education. The school believes that enjoyment and inclusivity should go hand in hand with the setting of high standards and the pursuit of excellence. This year we have not only continued to celebrate our proud tradition of excellent academic results, but we have thoroughly enjoyed, albeit limited by the impact of COVID, our sporting contests, been wonderfully entertained by top class musical and dramatic performances and seen our children thrive in a broad and exciting co-curricular programme which offers opportunity to all our young people. This year, due to the pandemic, we have had to be creative in our offering including internal school sporting competitions, and superb videos of our pupils' productions including our nativities enabling our parents to see their children in action even though they were sadly not allowed on site to view for themselves. As a unique school with a 'diamond model' for our boys and girls, we have enjoyed recognising where differences exist in their approaches to learning while promoting a unified and equal approach to their broader educational experience.

The introduction of the Prep School Baccalaureate (PSB) last year has moved the curriculum to discovery-led, enquiry-based learning for our pupils, which sees the teacher as a facilitator to learning, not an oracle imparting academic knowledge. The skills extend more broadly into the establishment of skills for life. It is a programme of study that sits not only in the academic lessons of the school, but extends into the creative and performing arts, the practical elements of engineering and also onto the sports pitch and playground. After just one year the Somerhill PSPQ (Pre-Senior Project Qualification) has been completed by all last year's Year 8 boys and has proved to be an outstanding success. The PSPQ aims to develop pupils' independent learning and performance, inspiring them to consider new areas or methods of study and preparing them for their learning at senior schools and later at university and at work. It has been very well received by destination senior schools. The PSPQ is now an established feature of Year 8 with the PSB now firmly established in both Year 8 and Year 7. PSB style project work is becoming more of a feature within Year 6 and below in science, PRE (philosophy, religion and ethics), history and geography.

The school has continued to develop its Engineering Department for the academic year 2019-2020 which also supports the PSB initiative. Somerhill is only the second prep school in the UK to introduce Engineering as part of its curriculum. Pupils have used woodworking skills to make canvas frames and full sized catapults, utilising skills in aerodynamics and civil engineering. Other practical units work with technology such as robotics, GPS systems and micro controllers to understand what engineers do. Our pupils competed in the first Lego-robotics league presenting topical ideas about a modular care home to help ease the pressure on the NHS; little did they know how topical it would be. The team's robotics were crowned overall winners. We continue to leverage the use of our wonderful grounds in which our children have enjoyed pond dipping, den building and learning about the different flora and fauna. Our continued emphasis on outdoor learning saw the implementation of a fully functioning outdoor learning space with composting toilets and storage facilities. Pupils of all ages get to experience the outdoor learning and our plans to further embed this into the prep school curriculum are progressing, whereby more traditional learnt knowledge can be re-enforced using the natural world.

#### **Impact of COVID19 on school operations**

In March 2020 the World Health Organisation declared the outbreak of Coronavirus as a global pandemic and subsequently the UK government closed all schools with effect from 23<sup>rd</sup> March 2020. Somerhill, in line with government guidance, continued to offer on-site education to the children of key workers. All other pupils being taught remotely using the school's Home Learning Programme (HLP). The HLP was devised to be a flexible remote offering which enabled parents, many of whom were required to work from home, to access the remote learning to suit their needs and access to IT. The HLP applied to pupils from Reception to

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Year 8 with pre-school children unable to access due to their age and ability to engage in any online offering. At all times all pupils had access to an education from Somerhill.

We were grateful to be able to return after the first lockdown to as much of a "normal" school as we could although added measures were in place to ensure our hygiene standards remained high and contact between year groups "bubbles" was limited. Our pupils enjoyed "slow school" whereby all year groups returned for the last 3 weeks of the Trinity term and enjoyed a rich timetable of lessons focussing on external pursuits and creative challenge alongside the normal academic curriculum. So many of the aspects of Somerhill's offer have been restricted with little or no sporting competitions, music soirees, ensemble groups, community activities etc. Although unavoidable and in line with government guidance we have been proud to offer our pupils an expanded outdoor learning with access to marquees, our expansive woodland and parkland, and access to our externally ventilated swimming pool. The wellbeing of our pupils and staff during this time has been paramount and we have done all we can to keep things looking and feeling as normal as possible. Sadly, parental access to site has not been possible, yet our wonderfully adaptable families have navigated and supported our extensive drop off and pick up solutions in our car park to safely deliver their children into our care. We have been able to offer after school care whilst maintaining "social distancing" for the pupils and staff. Much of what follows summarises what we have been able to do under extensive "lockdowns" and whilst always following and interpreting the latest government guidance.

We have been proud to support our critical worker parents by offering care for them during the lockdowns, for example over 60 pupils currently benefit from this support: over 10% of our pupil numbers. We have an extensive and refined Home Learning Programme which offers a mix of online lessons and offline work for the children and parents to access. Its success has been driven by our talented teaching staff and well supported by our hardworking parents. Our strategy to expand the IT curriculum has been essential to empowering both pupils and staff to make this move to online teaching as smooth as possible.

### **Community links**

This year our Years 3 and 4s have been able to visit Barnes Lodge Residential Home before lockdown. The school has also facilitated the provision of much needed PPE for a local doctor's surgery and continued support of our various charities. We sponsor various sporting clubs in Sevenoaks and Tonbridge including the provision of our parkland/pitches when poor weather saw many areas flooded for weeks. Within our school community we hosted author visits, Stone Age experts and "Silly Science" workshops to name but a few.

### **Environmental Awareness**

We continue to work to become more environmentally conscious both as a school and as individuals. Both the School Council members and the Green Team extracurricular clubs are working towards reducing the use of plastic and wrapping, recycling of plastics and identifying opportunities for us to improve. Sadly, the pandemic has meant much of our plans have had to be placed on hold.

### **Music at Somerhill**

Music improves academic skills, develops physical skills, boosts self-esteem, cultivates social skills and refines discipline and patience. This is why at Somerhill we consider it integral to our curriculum and have a committed staff team and a dynamic group of visiting peripatetic music teachers who usually deliver over 14,000 individual music lessons across all three sections of the school. Even during the pandemic, we worked hard to get as many peripatetic teachers as possible into school, teaching safely and, where this was not possible, our lovely team of teachers offered online lessons to those who wanted them. Use of marquees has enabled us to keep music on the curriculum albeit within government guidance and lots of

warm layers. Until lockdown occurred, we were able to offer 10 soirees including over 200 musical performances played live in front of a willing and supportive audience.

The school continues to support a 60 plus strong school orchestra, senior and junior flute choirs, brass groups, string groups and a swing band. There is an orchestral percussion club, a clarinet and saxophone group, a guitar group, a cello group and a recorder club. The schools had strong success in ABRSM exams and Trinity College exams with pupils entering in a variety of instruments and voice up to Grade 6 standard. Whilst COVID has curtailed much of the music and drama offer we have been able to offer scholarship support to our more able pupils and have run the ABRSM exams in a COVID friendly environment for the exclusive use of our pupils.

### **Sport at Somerhill**

The boys in the Yardley Court section enjoyed a successful football season winning or drawing 70 % of their matches with every boy playing at least 5 matches. We enjoyed success at tournaments with the U11A Team winning the St Michael's 5 a-side tournament for the 4<sup>th</sup> year in a row and the 1<sup>st</sup> XI winning the John Norman Cup at New Beacon. Our U10A and U11B teams were runners up in the St Michael's tournaments. There was further success in the rugby season despite the weather, and before the onset of the pandemic. The 1<sup>st</sup> XV won both the Tonbridge School Rugby Festival and the Windlesham 7s tournament.

The girls in the Derwent Lodge section followed a very good hockey season before Christmas with a Netball season which produced some excellent results. The U11B team won the St Michaels tournament and the U9C team won the Granville tournament. The U11A Team put in some great performances in the St Michaels tournament (3<sup>rd</sup>) and offered a very strong showing in both the IAPS and Sisters in Netball competitions.

As boys and girls unite to compete as Somerhill in many sports, we continued to dominate the cross-country circuit winning the majority of the local and regional events including the Regional event held at Somerhill. The swimmers performed well in 10 galas with a number of children winning at the regional qualifier to qualify for the cancelled National finals. 13 boys and 5 girls attended Sports Scholarships with 11 receiving awards.

The pandemic wiped out the summer sports programme entirely. The children did manage to play some sport in their pods when they returned at the end of June. The sports department were able to plan effectively for an excellent COVID programme of sport to follow in Michaelmas 2020.

### **Recent projects and plans for future development**

The Governors continue to provide the necessary resources from unrestricted general funds to maintain the buildings and structures that the Trust owns, especially the Grade 1 listed Jacobean Mansion. The school continues its long-term management plan to reinstate the historic Parkland as depicted in J M W Turner's painting of Somerhill of 1811. This project is now in its seventh year of the ten-year agreement with Natural England. Further strategic developments are being considered starting with implementation of a full Site Master Plan. The school are adapting once again to life in lockdown and are offering a full suite of both online and offline lessons. Pastoral support for all our pupils, with our PAWS program (Pastoral & Wellbeing Support) has been vital to monitor the mental health of our pupils and to improve their wellbeing. We look forward to when we can return to school post lockdown and are preparing to ramp up our lateral flow tests to include all staff and pupils of secondary school age.

### **Financial results**

The financial results of the School for the year ended 31 August 2020 are shown in the Statement of Financial Activities. The impact of the lockdown has resulted in a small loss for the year. This is explained further below. Results for the year show a reduction in fee income of £687,466. This primarily reflects the effect of the 20% fee reduction, which the School gave for the Trinity term, as well as an increase in the funding provided by the Schools for assisted places. The School also incurred additional COVID related costs incurred of £113,615. This was offset by £283,836 of grant income from the Coronavirus Job Retention Scheme for the period of closure. Overall, the impact of the first lockdown on the 2019/20 accounts was a loss of approximately £400,000.

The School's subsidiary undertaking, Somerhill Enterprises Limited, was dormant throughout the year.

### **Impact of COVID19 on the School's financial position**

Following the closure of the school as a result of the Coronavirus pandemic a revised budget to the end of the academic year was prepared, based on the information known at the time including assumptions about the longevity of the lockdown, and the impact on our cost base of such a closure. The school took advantage of the Coronavirus Job Retention Scheme (CJRS) and reduced the fee charged to parents in part to represent any variable costs which were no longer chargeable and therefore unspent over the period of lockdown. The impact of the lockdown including the 20% reduction in fees for the Trinity term 2020 has resulted in a small loss for the year.

We estimate that the cost of lockdown to the school was a net £400k in the period to 31 August 2020. The cost of the lockdown included the fee reduction as well as additional cost of cleaning, extra equipment including hire of marquees, cost of PPE, staff cover costs all offset by the grants received from the Coronavirus Job Retention Scheme and savings given by our larger suppliers such as catering and cleaning.

The school was able to re-open to limited year groups from 1 June 2020, including key worker children and subsequently re-opened to all year groups from 22 June 2020. Our ability to re-open fully was made possible by the extensive site from which the school benefits and operated in line with all relevant government guidance at the time.

In addition, the budget for 2020-21 has been amended to represent the impact of COVID19 on the business and to recognise the effect it has had on future fee income for the year, based on no fee increase and the consequential impact on staff costs moving forwards.

Further lockdowns in 2020-21 continue to challenge the school both financially and operationally. The Governors and the Senior leaders have ensured the school is up to date with the current guidance and protecting the safety of all who use our site. We recognise the economic and practical challenges home learning has on our parents and our pupils. The school continues to take advantage of the extended CJRS and expect an adverse impact on fees. The governors have reviewed all financial and operational aspects of the COVID19 pandemic on the school and approved the necessary risk assessments. This situation continues to be proactively managed and reviewed by the governor committees. Although we anticipate another tough year, financially, as a direct result of the COVID lockdowns, we are looking ahead positively with an increased pupil head count and savings from a full review of costs incurred in the school, including savings from the result of the consultation on the Teachers' Pension Scheme, whereby the school have agreed to offer the hybrid model with effect from September 2021.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Governors' report and strategic report (continued)**  
**For the year ended 31 August 2020**

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Governors are satisfied the school continues to be a going concern and any negative impact of COVID 19 on the school's finances is compensated by the Trust's strong balance sheet. The reserves policy remains unchanged.

**Reserves policy**

The Governors' policy on reserves is to hold sufficient liquid assets to cover short term requirements which range between £1.5 million and £2 million. At 31 August 2020, the school had total reserves of £20,240,201 (2019: £20,251,894), made up of a general fund of £7,915,392 (2019: £7,706,239) and designated funds, representing the net book value of the school mansion and grounds, of £12,234,809 (2019: £12,545,655). The school's net current assets were £3,982,442 at 31 August 2020 (2019: £4,008,129), a sum that is in excess of the target range of liquid assets but allows for some provision for any unknown further future impact of the pandemic and a cushion against any unknown Parliamentary changes in the company's tax status.

In addition to the school mansion and grounds (circa 160 acres), the trust owns five residential properties with an aggregate historic cost of £3.342m, a figure the directors consider to be an approximate current value. These could be liquidated without affecting the ability of the school to operate and continue to provide the excellent facilities enjoyed at present.

The Governors intend to build financial reserves so that they can continue to upgrade the facilities of the schools as necessary and to establish appropriate assisted places/financial assistance for the parents of children who could otherwise not afford independent education.

**Fundraising**

The School does not currently carry out any fundraising activity in order to raise funds from the general public. The School did not receive any complaints in the year in relation to its fundraising activities (2018/19: none). The Schools at Somerhill Parents' Association (SSPA) raises funds for the school, primarily from parents of pupils and other existing supporters of the Schools, to further enhance particular projects in consultation with the Principal and Heads. In 2019/20 the SSPA raised £5,789 net of relevant expenses (2018/19: £5,701 net). The Governors and school are extremely grateful for the efforts of the SSPA in raising funds.

**Grants**

The company provides financial assistance through various non-means tested schemes:

- Scholarships - the maximum award is normally 25% of fees. The award is based on a pupil's ability.
- Teacher assistance – as part of an emphasis on attracting and retaining high calibre staff, the schools offer a discount scheme to staff members who choose to educate their children at our schools.
- Family discounts – to underline the value the Governors place on continuity for families, the schools offer sibling discounts of up to 10%.

The school provided non-means tested financial assistance of £333,632 in 2019/20 (2018/19: £344,347).

**Public benefit**

As a Registered Charity, the Trustees (Governors) are mindful of the company's obligation to provide public benefit through means tested assisted places, by providing access to the school's facilities and links with

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**Governors' report and strategic report (continued)**  
**For the year ended 31 August 2020**

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local maintained schools which complement its objectives to provide for the advancement of education. The school maintains a Public Benefit Register which is reviewed by the Governors each year. Subject to the impact that COVID has had on these operations we continued to support the links below when we were able to.

It is important to the Governors that access to the education we offer is not restricted only to those who can afford our fees. An Assisted Places policy has been adopted by the Governors to widen access and provide means tested financial assistance through the following schemes:

- Admission Support – the Governors' scheme provides admission bursaries to allow for the education of boys and girls from the age of seven. The aim of these means tested assisted places is to provide access to children from families who would otherwise not be able to afford an independent school education.
- Hardship Support – the Governors' scheme helps those families who find themselves in altered financial circumstances. These bursaries are normally awarded for a maximum of one year and are reviewed on a termly basis.
- Tonbridge Scholars - Yardley Court Preparatory School maintains a historic link with Tonbridge School to provide up to 100% bursaries for pupils identified by Tonbridge as 'Junior Foundation Scholars' so that they may attend Years 7 and 8.

The school provided financial assistance of £224,753 in means tested assisted places in 2019/20 (2018/19: £128,892). As a result of the pandemic this figure included £58,957 of Assisted places support throughout the whole school (reception to Year 8) and as a direct result of short-term financial hardship. Overall, over 3% of gross fees represent Assisted Places and 3% of pupils have been helped.

The school through its links with local maintained schools provided the following support:

- i. Tonbridge Grammar School – use of 10 acres of land for sports pitches, the tenth year of such support;
  - ii. Tonbridge Grammar School - occasional use of swimming pool by TGS pupils as part of their GCSE practical exam;
  - iii. Brenchley & Matfield Primary School – weekly use of swimming pool. This link is in its eleventh year and includes transportation and instruction;
  - iv. Cross Country Primary Schools' event – for the participation of local primary schools. There are races for U9 and U11 boys and girls which have been hosted by The Schools at Somerhill for the past seven years;
  - v. Capel Primary School – weekly use of swimming pool including transportation. Attended Somerhill "Book Day" including transportation. Use of transport plus drivers to drop off at Paddock Wood Station for visit to London. Donation of books;
  - vi. Hadlow Primary School – Book donations;
  - vii. Use of the Parkland by Kent Primary Schools' Cross Country League to hold a Primary Schools' cross country league match.
  - viii. Chiddingstone Primary School – use of pool for a gala
  - ix. Hayesbrook School – use of sports facilities
- The pupils at the school raised £3,786 for charities during the year. Pupils from the preparatory school organise fund raising on a weekly basis. They decide, after research, which charities they wish to donate to therefore raising their awareness of both local and global issues. Charities

donated to in 2019/20 varied from Sports Relief to the RSPCA, Save the Children and Hospice in the Weald to name a few. In addition, the school supports the Royal British Legion Poppy Appeal.

- The Schools at Somerhill provided free access (unless otherwise stated) to its facilities and support as follows to the local community:
  - Work experience for pupils from local maintained schools;
  - West Kent Cross Country League, Kent Cross Country League, and Tonbridge Athletics Club - use of cross country course;
  - Pembury Athletic (Youth) Football Club mini football tournament – use of parkland pitches;
  - Hospice in the Weald – Christmas “Ho Ho Ho Run” and writing for patients’ project;
  - St Stephens Church, Tonbridge – use of grounds and buildings for church retreat;
  - St Peters Church, Tonbridge - use of grounds and buildings for church retreat;
  - Monson Swimming Club – use of swimming pool 6 days per week covering costs only;
  - Tonbridge Archery Club – use of facilities twice a week covering costs only;
  - Southborough Wheelers – cyclo-cross training in Parkland;
  - Just Dance Ballet School – use of facilities for examinations;
  - Tonbridge Juddians Junior Rugby club – provision of pitches when theirs were water logged;
  - Waterfield House Surgery – provision of safety goggles and sanitizer;
  - Kent Downs - provision of a member of staff as a trustee.

#### **Investment powers and investment policy**

The Memorandum of Association of the School empowers the Governors to invest the monies of the School not immediately required for its purposes in such investments, securities or property as may be thought fit and within the law. The Governors will take professional advice as required.

#### **Governors' responsibilities**

The Governors are responsible for preparing the Governors' 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 prepare a financial statement for each financial year which gives a true and fair view of the state of affairs of the charitable company, the incoming resources and application of resources, including the income and expenditure of the charitable company for the accounting period. In preparing this financial statement, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
  - observe the methods and principles in the Charities SORP (FRS 102);
  - make judgments 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;
-

**Somerhill Charitable Trust Limited**  
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**Governors' report and strategic report (continued)**  
**For the year ended 31 August 2020**

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- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

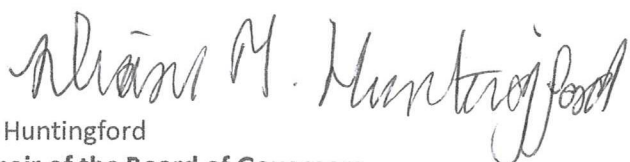
The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

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

**Statement as to disclosure of information to auditor**

The Governors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Governors has confirmed that they have taken all the steps that they ought to have taken as Governors to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

The Governors' Report was approved by the board of Trustees and the Strategic Report (included therein) was approved by the board of Governors in their capacity as the directors of the company at a meeting on 10 March 2021 and signed on its behalf by:



D Huntingford  
**Chair of the Board of Governors**

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Independent auditors' report to the governors and members**  
**For the year ended 31 August 2020**

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**Opinion**

We have audited the financial statements of Somerhill Charitable Trust Limited for the year ended 31 August 2020 which comprise the statement of financial activities, balance sheet, cash flow statement 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's state of affairs as at 31 August 2020 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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The Governors 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

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**Independent auditors' report to the governors and members (continued)**  
**For the year ended 31 August 2020**

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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.

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

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

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

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

- adequate accounting records have not been kept, 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 Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Governors**

As explained more fully in the Governors' Responsibilities Statement set out on pages 12 and 13, the Governors (who are also 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 Governors 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 Governors 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 Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Independent auditors' report to the governors and members (continued)**  
**For the year ended 31 August 2020**

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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.

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

**Use of our report**

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

**Cara Turtington (Senior Statutory Auditor)**  
**For and on behalf of**

**Saffery Champness LLP**  
**Chartered Accountants**  
Statutory auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Somerhill Charitable Trust Limited  
(A company limited by guarantee)

Statement of financial activities (incorporating an income and expenditure account)  
For the year ended 31 August 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<b>Income and endowments from:</b>					
<b>Charitable activities</b>					
School fees receivable	1	6,786,759	-	6,786,759	7,474,225
Ancillary trading income	2	251,995	-	251,995	499,016
Government grants – coronavirus job retention scheme		-	283,836	283,836	-
<b>Other trading activities</b>					
Lettings income		59,611	-	59,611	68,874
<b>Investments</b>		15,033	-	15,033	22,289
<b>Donations</b>		3,928	-	3,928	19,815
<b>Other income</b>		-	-	-	3,500
<b>Total income</b>		<u>7,117,326</u>	<u>283,836</u>	<u>7,401,162</u>	<u>8,087,719</u>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Financing costs		14,075	-	14,075	12,660
Fundraising and development		34,368	-	34,368	78,031
<b>Total deductible costs</b>		<u>48,443</u>	<u>-</u>	<u>48,443</u>	<u>90,691</u>
<b>Charitable activities</b>					
Education		7,080,576	283,836	7,364,412	7,699,006
<b>Total expenditure</b>	5	<u>7,129,019</u>	<u>283,836</u>	<u>7,412,855</u>	<u>7,789,697</u>
<b>Net income and net movement in funds</b>		(11,693)	-	(11,693)	298,022
Fund balances brought forward at 1 September 2019		20,251,894	-	20,251,894	19,953,872
<b>Fund balances carried forward at 31 August 2020</b>	14	<u>20,240,201</u>	<u>-</u>	<u>20,240,201</u>	<u>20,251,894</u>

All activities are classed as continuing. The company had no recognised gains or losses other than the surplus for this and last year.

The notes on pages 20 to 32 form part of these financial statements.

**Somerhill Charitable Trust Limited**  
**(A company limited by guarantee)**

**Balance sheet**  
**At 31 August 2020**


	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	8				
Freehold land and building			15,640,541		15,870,143
Fixtures, fittings and equipment			632,655		605,191
Motor vehicles			61,272		38,080
			<u>16,334,468</u>		<u>16,513,414</u>
Investments	9		100		100
			<u>16,334,568</u>		<u>16,513,514</u>
<b>Current assets</b>					
Debtors	10	2,296,565		2,174,534	
Cash and bank and in hand		5,104,080		5,387,727	
		<u>7,400,645</u>		<u>7,562,261</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(3,418,203)</u>		<u>(3,554,132)</u>	
<b>Net current assets</b>			<u>3,982,442</u>		<u>4,008,129</u>
<b>Total assets less current liabilities</b>			<u>20,317,010</u>		<u>20,521,643</u>
<b>Creditors: amounts falling due after more than one year</b>	12		<u>(76,809)</u>		<u>(269,749)</u>
<b>Net assets</b>			<u>20,240,201</u>		<u>20,251,894</u>
<b>Reserves</b>					
Unrestricted funds	14		<u>20,240,201</u>		<u>20,251,894</u>
<b>Total funds</b>			<u>20,240,201</u>		<u>20,251,894</u>

The financial statements on pages 17 to 32 were considered, approved and authorised for issue by the Board of Governors at its meeting on 10 March 2021.

The notes on pages 20 to 32 form part of these financial statements.

Signed on behalf of the Board

  
D Huntingford  
Governor

  
J Irvine  
Governor

**Company Registration No. 02331296**

Somerhill Charitable Trust Limited  
(A company limited by guarantee)

Cash flow statement  
For the year ended 31 August 2020

	Note	2020		2019	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	A	167,990		1,107,454	
<b>Cash flows from investing activities</b>					
Payments for tangible fixed assets	(203,673)		(473,468)		
Proceeds on sale of tangible fixed assets	-		3,500		
Interest received	15,033		22,289		
<b>Net cash used in investing activities</b>		<b>(188,640)</b>		<b>(447,679)</b>	
<b>Net cash inflow before financing</b>		<b>(20,650)</b>		<b>659,775</b>	
<b>Cash flows from financing activities:</b>					
<b>Fees in advance scheme</b>					
New fees in advance money	50,088		578,654		
Amounts utilised	(313,085)		(336,629)		
<b>Net cash (used in)/ provided by financing activities</b>		<b>(262,997)</b>		<b>242,025</b>	
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(283,647)</b>		<b>901,800</b>	
Cash and cash equivalents at the beginning of the reporting period		5,387,727		4,485,927	
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>16</b>	<b>5,104,080</b>		<b>5,387,727</b>	

**Note A – Reconciliation of net income to net cash provided by operating activities**

	2020	2019
	£	£
<b>Net income for the reporting period</b>	<b>(11,693)</b>	<b>298,022</b>
<b>Adjustments for:</b>		
Depreciation charges	467,473	424,015
Profit on sale of fixed assets	-	(3,500)
Interest receivable	(15,033)	(22,289)
(Increase)/ decrease in debtors	(122,031)	195,503
(Decrease) / increase in creditors	(150,726)	215,703
<b>Net cash provided by operating activities</b>	<b>167,990</b>	<b>1,107,454</b>

**Accounting policies**

**Year ended 31 August 2020**

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**Basis of accounting**

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

The company meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in sterling which is the functional currency of the School.

Having reviewed the funding facilities available to the School together with expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**Fees and similar earned income**

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Invoices are raised in advance of each school term; any invoices outstanding at the balance sheet date are shown as trade debtors. Any element of fees relating to future terms is treated as deferred income and included within current liabilities.

**Donations, legacies, grants and other voluntary income**

Donations and other voluntary income are accounted for as and when entitlement arises, the amount can be reasonably quantified, and receipt is considered probable.

**Scholarships and bursaries**

Scholarships are awarded on the basis of the performance of individual pupils. Bursaries are awarded based on financial circumstances.

**Expenditure**

Expenditure is recognised as soon as there is a legal or constructive obligation committing the School to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are those costs associated with generating income from all sources other than from charitable activities.

The School undertakes the running of the school and as such education, premises and the majority of administrative expenses are treated as direct charitable expenditure. Other indirect expenditure has been classified separately.

Somerhill as a Grade 1 listed building, by virtue of the fact that it is occupied by the School, is preserved by the Charitable Trust in consultation with the local authority and Historic England.

**Accounting policies (continued)**  
**Year ended 31 August 2020**

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**Expenditure**

**(continued)**

Governance costs include those incurred in the governance of the School and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

**Tangible fixed assets**

Tangible fixed assets are included at cost and are stated net of depreciation and any provision for impairment.

Assets below the value of £1,000 are not capitalised.

Depreciation is provided to write off the cost of tangible fixed assets over their useful economic lives on a straight-line basis as follows:

Land	Not depreciated
Freehold buildings	Between 0 and 50 Years
Equipment, fixtures and fittings	Between 3 and 10 years
Motor vehicles	5 years

No depreciation has been charged in relation to the School mansion and other residential buildings owned by the School as it would be immaterial due to the length of the expected useful life of the mansion and the high residual values of the residential buildings.

**Financial instruments**

The School only has financial assets and liabilities of a kind that qualify as basic financial instruments (i.e. debtors and creditors).

**Assets and liabilities**

Current assets are recognised at the lower of cost and net realisable value. Liabilities are recognised at their settlement value.

**Pension schemes**

Retirement benefits to the teaching employees of the school are provided by the Teachers' Pension Scheme (TPS). This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government actuary, are charged in the period in which the salaries to which they relate are payable.

The School operates a group Personal Pension Plan (defined contribution) for all other employees. The assets of the plan are held separately from those of the School. For every 1% contribution by employees the School contributes 2% with the School's minimum contribution being 6% and a maximum of 10%. Employer's pension costs are charged in the period in which the salaries to which they relate are payable.

**Accounting policies (continued)**  
**Year ended 31 August 2020**

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**Operating leases**

Rentals paid under operating leases are charged against income as incurred.

**Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**Value Added Tax**

The school is not registered for VAT. All amounts in the financial statements are shown inclusive of VAT where appropriate.

**Consolidation**

The School is exempt from the requirement to produce group accounts as the subsidiary is considered immaterial.

Accordingly, the accounts present a view of the individual charitable company and not of the group of which it is the parent.

**Reserves**

Unrestricted funds are all incoming resources for the objects of the School without further specified purpose and are available as general funds.

A Property designated fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of essential school freehold land and buildings less associated bank debt.

Restricted funds are used for specific purposes determined at the time of the appeal/donation.

**Corporation tax**

Somerhill Charitable Trust Limited is a registered charity and as such its income and gains falling within Section 471 to 489 of the Corporation Tax Act 2010 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

**Critical estimates and judgements**

Judgements and estimates 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. In making these estimates the School makes assumptions concerning the future. The Governors do not believe that there is a significant risk of a material adjustment being made to the carrying amounts of assets and liabilities included in these financial statements within the next financial year.

Notes to the financial statements (continued)  
Year ended 31 August 2020

**1. School fees receivable**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees	7,345,143	7,947,464
Less:		
Scholarships, assisted places and fee discounts	<u>(558,384)</u>	<u>(473,239)</u>
	<u>6,786,759</u>	<u>7,474,225</u>

The above awards were all made to individuals. These include tuition scholarships, discretionary awards, assisted places and sibling discounts made to 227 (2019: 232) individuals.

**2. Ancillary trading income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Income from fundraising events	40,120	83,681
Other educational income		
Extras	201,125	404,135
Entrance and registration fees	<u>10,750</u>	<u>11,200</u>
	<u>251,995</u>	<u>499,016</u>

**3. Expenditure**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Expenditure includes:		
Depreciation – owned assets	467,473	424,015
Operating lease rentals – equipment	71,788	104,682
Auditor’s remuneration (excl VAT) - for audit	11,100	10,950
- other services	2,525	3,383
	<u>552,886</u>	<u>543,030</u>

**4. Staff costs**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,902,745	3,973,498
Social security costs	373,051	381,842
Pension contributions	<u>674,572</u>	<u>482,633</u>
	<u>4,950,368</u>	<u>4,837,973</u>

Notes to the financial statements (continued)  
Year ended 31 August 2020

4. Staff costs

(continued)

	2020 Number	2019 Number
The average number of employees in the year was:		
Teaching	94	93
Establishment staff	14	14
Administration	21	21
	129	128

The number of employees whose gross pay and benefits (excluding pension contributions) exceeded £60,000 in the year were:

£60,000 - £70,000	3	1
£80,001 - £90,000	2	3
£90,000 - £100,000	-	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	1	-

Total remuneration for key management personnel (including pension contributions) during the year amounted to £519,379 (2019: £563,270).

There were no termination payments in the year (2019: £99,973).

5. Analysis of expenditure

5.1 Current year analysis

	Staff costs	Other	Depreciation	2020 Total	2019 Total
	£	£	£	£	£
<b>Raising funds</b>					
Financing costs	-	14,075	-	14,075	12,660
Fundraising events	-	34,368	-	34,368	78,031
	-	48,443	-	48,443	90,691
<b>Charitable activities</b>					
Teaching costs	3,895,863	284,836	229,825	4,410,524	4,549,367
Welfare costs	-	328,156	-	328,156	443,334
Premises costs	333,375	965,224	237,648	1,536,247	339,047
Support costs (Note 6)	721,130	351,532	-	1,072,662	1,071,712
Governance costs (Note 7)	-	16,823	-	16,823	16,258
	4,950,368	1,946,571	467,473	7,364,412	7,699,006
<b>Total expenditure</b>	4,950,368	1,995,014	467,473	7,412,855	7,789,697

Somerhill Charitable Trust Limited

Notes to the financial statements (continued)  
Year ended 31 August 2020

5.2 Prior year analysis

	Staff costs	Other	Depreciation	2019 Total
	£	£	£	£
<b>Raising funds</b>				
Financing costs	-	12,660	-	12,660
Fundraising events	-	78,031	-	78,031
	-	90,691	-	90,691
<b>Charitable activities</b>				
Teaching costs	3,811,034	551,965	186,368	4,549,367
Welfare costs	-	443,334	-	443,334
Premises costs	330,693	1,049,995	237,647	1,618,355
Support costs (Note 6)	696,246	375,466	-	1,071,712
Governance costs (Note 7)	-	16,258	-	16,258
	4,837,973	2,437,018	424,015	7,699,006
<b>Total expenditure</b>	<b>4,837,973</b>	<b>2,527,709</b>	<b>424,015</b>	<b>7,789,697</b>

6. Support costs

	2020 £	2019 £
Staff costs	721,130	696,246
Other expenses	339,529	241,924
Travel expenses	1,286	55,734
Legal and professional fees	44,788	41,515
Movement in provision against debts	(34,071)	36,293
	1,072,662	1,071,712

7. Governance costs

	2020 £	2019 £
Audit and statutory accounts fee	13,625	13,230
Teachers' pension scheme audit fee	2,100	1,135
Governors' indemnity insurance	1,098	1,893
	16,823	16,258

Notes to the financial statements (continued)  
Year ended 31 August 2020

## 8. Tangible fixed assets

	School freehold land and buildings	Other freehold land and buildings	Equipment fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
1 September 2019	13,418,642	3,342,000	1,073,419	118,441	17,952,502
Additions	8,046	-	250,547	29,934	288,527
Disposals	-	-	(47,423)	-	(47,423)
31 August 2020	13,426,688	3,342,000	1,276,543	148,375	18,193,606
<b>Depreciation</b>					
1 September 2019	872,987	17,512	468,228	80,361	1,439,088
Charge for the year	228,892	8,756	223,083	6,742	467,473
Disposals	-	-	(47,423)	-	(47,423)
31 August 2020	1,101,879	26,268	643,888	87,103	1,859,138
<b>Net book values</b>					
31 August 2020	12,324,809	3,315,732	632,655	61,272	16,334,468
31 August 2019	12,545,655	3,324,488	605,191	38,080	16,513,414

All freehold land and buildings are valued, for insurance purposes and including contents, at £58 million (2019: £58 million). School freehold land and buildings comprises the school mansion and grounds of 150 acres and other buildings owned by the School that are used for educational purposes. Other freehold land and buildings comprises other residential properties owned by the School.

Notes to the financial statements (continued)  
Year ended 31 August 2020

9. Fixed asset investments

	Shares £
Investment in subsidiary company	100
<b>Cost and net book value</b>	
At 1 September 2019 and 31 August 2020	<u>100</u>

In the opinion of the Governors the aggregate value of the School's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

The School holds more than 10% of the share capital of the following company:

Subsidiary undertaking	Country of registration or incorporation	Class	Shares held %
Somerhill Enterprises Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the result of this undertaking for the year ended 31 August 2020 was as follows:

		Capital and reserves £	Result for the year £
Somerhill Enterprises Limited	Dormant	<u>100</u>	<u>-</u>

10. Debtors

	2020 £	2019 £
Trade debtors	2,028,754	1,994,628
Other debtors	67,881	4,177
Prepayments and accrued income	199,930	175,729
	<u>2,296,565</u>	<u>2,174,534</u>

Notes to the financial statements (continued)  
Year ended 31 August 2020

11. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	335,806	291,438
Other taxation and social security costs	120,674	94,094
Accruals	92,643	227,629
Deferred income	2,404,958	2,448,628
Advance fees	186,589	256,646
Other creditors	277,433	235,596
Amounts payable to subsidiary company	100	100
	<u>3,418,203</u>	<u>3,554,132</u>

Included within other creditors are amounts totalling £80,682 (2019: £68,846) in respect of outstanding pension contributions.

Deferred income relates to fees invoiced prior to year-end relating to future terms. Income deferred at 31 August 2019 was released in the year.

**Advance fees**

Included within creditors is an amount of £186,589 (2019: £256,646) in respect of fees received in advance, there is also a further amount of £76,809 (2019: £269,749) in respect of fees due after more than one year.

Fees paid in advance are analysed as follows:

	2020	2019
	£	£
Balance at 1 September 2019	526,394	284,369
New amounts paid	<u>50,088</u>	<u>578,654</u>
	576,482	863,023
Amounts utilised in the payments of fees	<u>(313,084)</u>	<u>(336,629)</u>
Balance at 31 August 2020	<u>263,398</u>	<u>526,394</u>

12. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Fees in advance	<u>76,809</u>	<u>269,749</u>

Notes to the financial statements (continued)  
Year ended 31 August 2020

**13. Other financial commitments**

At 31 August 2020 the School was committed to make minimum lease payments in respect of non-cancellable operating leases as follows.

	2020 £	2019 £
Amounts payable:		
Within one year	40,541	45,627
In two to five years	<u>84,571</u>	<u>68,325</u>
Total commitment	<u>125,112</u>	<u>113,952</u>

All leases relate to amounts payable in respect of equipment.

**14. Statement of funds**

14.1 Current year

	Restricted £	Designated property £	Unrestricted general £	Total £
At 1 September 2019	-	12,545,655	7,706,239	20,251,894
Surplus/(deficit) for year	<u>-</u>	<u>(220,846)</u>	<u>209,153</u>	<u>(11,693)</u>
At 31 August 2020	<u>-</u>	<u>12,324,809</u>	<u>7,915,392</u>	<u>20,240,201</u>

14.2 Prior year

	Restricted £	Designated property £	Unrestricted general £	Total £
At 1 September 2018	-	12,701,239	7,252,633	19,953,872
Surplus/(deficit) for year	<u>-</u>	<u>(155,584)</u>	<u>453,606</u>	<u>298,022</u>
At 31 August 2019	<u>-</u>	<u>12,545,655</u>	<u>7,706,239</u>	<u>20,251,894</u>

The unrestricted general reserve represents the free funds of the School which are not designated for particular purposes.

The designated property reserve fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of school freehold land and buildings.

Restricted funds represent donations received for specific items or appeals. During the year the School received restricted funding of £283,836. This reflects grant income received from the government as part of the Coronavirus Job Retention Scheme. This was used to fund relevant salary costs in the year.

Notes to the financial statements (continued)  
Year ended 31 August 2020

15. Analysis of assets between funds

15.1 Current year

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Non-current liabilities £	Total £
<b>Unrestricted funds</b>					
General	4,009,659	100	3,982,442	(76,809)	7,915,392
Designated fund - property	12,324,809	-	-	-	12,324,809
	<u>16,334,468</u>	<u>100</u>	<u>3,982,442</u>	<u>(76,809)</u>	<u>20,240,201</u>

15.2 Prior year

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Non-current liabilities £	Total £
<b>Unrestricted funds</b>					
General	3,967,759	100	4,008,129	(269,749)	7,706,239
Designated fund - property	12,545,655	-	-	-	12,545,655
	<u>16,513,414</u>	<u>100</u>	<u>4,008,129</u>	<u>(269,749)</u>	<u>20,251,894</u>

16. Net funds

16.1 Current year

	At start of year £	Cash – flows £	At end of year £
Cash	5,387,727	(283,647)	5,104,080
	<u>5,387,727</u>	<u>(283,647)</u>	<u>5,104,080</u>

16.2 Prior year

	At start of year £	Cash – flows £	At end of year £
Cash	4,485,927	901,800	5,387,727
	<u>4,485,927</u>	<u>901,800</u>	<u>5,387,727</u>

All cash balances for the current and prior year relate to cash in hand.

## 17. Pension and similar obligations

### Teachers' Pension Scheme

#### *Introduction*

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in schools. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The pension charge for the period includes employer contributions payable to the TPS of £586,385 (2019: £409,960) and at the year-end £48,553 (2019: £32,796) was accrued in respect of employer contributions to this scheme.

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set from 1 September 2019 at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218.1 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196.1 billion giving a notional past service deficit of £22 billion
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

With effect from September 2021 the school has agreed to move to the Hybrid Model following a full consultation with affected staff. Eligible staff will be able to select either remaining in the TPS or moving to a new defined contribution scheme.

Notes to the financial statements (continued)  
Year ended 31 August 2020

### Other pension schemes

The School also makes contributions to its employees' various pension schemes. The assets of the schemes are held separately from those of the School in independently administered funds. The pension costs charge represents contributions payable by the School to the funds and amounted to £88,186 (2019: £77,003). At the year-end £8,468 (2019: £6,507) was accrued in respect of employer contributions to other pension schemes.

### 18. Related party transactions

There were no related party transactions in the year (2019: none). No Governors received remuneration, payments for services or reimbursed expenses during the year (2019: none).

### 19. Prior year Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
<b>Income and endowments from:</b>			
<b>Charitable activities</b>			
School fees receivable	7,474,225	-	7,474,225
Ancillary trading income	499,016	-	499,016
<b>Other trading activities</b>			
Non-ancillary trading income	68,874	-	68,874
<b>Investments</b>	22,289	-	22,289
<b>Donations</b>	7,584	12,231	19,815
<b>Other income</b>	3,500	-	3,500
<b>Total income</b>	<u>8,075,488</u>	<u>12,231</u>	<u>8,087,719</u>
<b>Expenditure on:</b>			
<b>Raising funds</b>			
Financing costs	12,660	-	12,660
Fundraising and development	78,031	-	78,031
<b>Total deductible costs</b>	90,691	-	90,691
<b>Charitable activities</b>			
Education	7,686,775	12,231	7,699,006
<b>Total expenditure</b>	<u>7,777,466</u>	<u>12,231</u>	<u>7,789,697</u>
<b>Net income and net movement in funds</b>	298,022	-	298,022
Fund balances brought forward at 1 September 2018	19,953,872	-	19,953,872
<b>Fund balances carried forward at 31 August 2019</b>	<u>20,251,894</u>	<u>-</u>	<u>20,251,894</u>



# THE SCHOOLS AT SOMERHILL

SOMERHILL, TONBRIDGE, KENT TN11 0NJ

T: 01732 352124 - F: 01732 363381 – E: office@somerhill.org – W: www.somerhill.org

Somerhill Charitable Trust Limited  
Tonbridge  
Kent  
TN11 0NJ

10 March 2021

Saffery Champness LLP  
71 Queen Victoria Street  
London  
EC4V 4BE

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of Somerhill Charitable Trust Limited ('the School') for the year ended 31 August 2020 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the results and financial position of the School in accordance with The Companies Act 2006, the Charities Act 2011 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

## Financial statements

1. We have as Governors fulfilled our responsibility, as set out in the terms of your engagement dated 28 March 2017, for preparing financial statements in accordance with The Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) which give a true and fair view of the financial position of the charitable company as of 31 August 2020 and of the results of its operations and its cash flows for the year then ended and for making accurate representations to you.
2. Significant assumptions used by us in making accounting estimates are reasonable.
3. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
4. We have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and these have been disclosed in accordance with the requirements of accounting standards.
5. Related party relationships and transactions have been appropriately accounted for and disclosed and we are not aware of further related party matters that require disclosure.
6. All events subsequent to the date of the financial statements and which require disclosure or which would materially affect the amounts in the financial statements have been adjusted or included in the financial statements.



The Schools at Somerhill are under the care and control of Somerhill Charitable Trust Limited  
Registered in England No. 2331296 – Registered Office as above – Registered Charity No. 1002212

7. The financial statements are free of material misstatements, including omissions.

#### Information provided

8. All accounting records and relevant information have been made available to you for the purpose of your audit of the financial statements. We have provided to you all other information requested and given unrestricted access to persons within the entity from whom you have determined it necessary to obtain audit evidence. All other records and related information including minutes of all management and Governors meetings have been made available to you.

9. All transactions undertaken by the School have been recorded in the accounting records and are reflected in the financial statements.

10. We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

11. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves management, employees who have a significant role in internal control, or others, where fraud could have a material effect on the financial statements.

12. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

13. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

14. We confirm that we have disclosed to you the identity of the entity's related parties and all related party relationships and transactions relevant to the School that we are aware of.

15. The School has satisfactory title to all assets, and there are no liens or encumbrances on the assets except for those disclosed in the financial statements.

16. The School has at no time during the year entered into any arrangement, transaction or agreement to provide credit facilities (including loans, quasi loans or credit transactions) for Governors, nor to guarantee or provide security for such matters, except as disclosed in the financial statements.

17. There are no liabilities, contingent liabilities or guarantees to third parties other than those disclosed in the financial statements.

18. Grants and donations

All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions during the period in the application of such income.

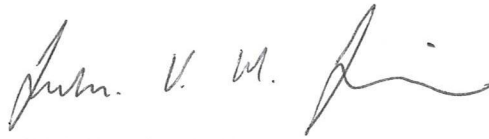
19. Legacies and similar sources of assets

Notifications of legacies and similar sources of assets have been monitored, and all such assets have been recognised in accordance with the recommendations of the SORP on charity reporting.

We confirm to the best of our knowledge and belief that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each Governor has taken all the steps that he /she ought to have taken as a director in order to make himself/ herself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

A handwritten signature in black ink, appearing to read 'J Irvine', written in a cursive style.

.....  
J Irvine – Chair of Finance & General Purpose Committee  
Signed on behalf of the Board of Governors

