

SUSSEX HOUSE SCHOOL

England & Wales · Charity number 1035806

Details

Status Registered

Legal form Charitable company

Company number [02884794](#)

Registered 1994-03-29

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

Contact

Address Sussex House School
68 Cadogan Square
London
SW1X 0EA

Phone 02075841741

Email bursar@sussexhouseschool.co.uk

Website www.sussexhouseschool.co.uk

Activities

Objects: TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION OF CHILDREN AND ADULTS BY THE PROVISION OF SCHOOLS AND TUTORIAL AND OTHER ESTABLISHMENTS

Activities: Promoting and providing for the advancement of education of children and adults by the provision of one or more schools, tutorial colleges and other establishments. To date these aims have been pursued through the operation of Sussex House School, a preparatory school which aims to develop each pupil to their full potential, enabling them to make the fullest contribution to the wider community.

Classification

- **How:** Provides Human Resources
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** NOT DEFINED - IN PRACTICE,CENTRAL LONDON
- Kensington And Chelsea

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£5,711,959	£5,299,131	£3,912,841	43
2024-08-31	£5,293,562	£4,825,003	£3,500,013	42
2023-08-31	£5,058,356	£4,587,202	£3,031,454	42
2022-08-31	£4,797,374	£4,362,111	£2,565,330	42
2021-08-31	£4,370,258	£3,923,731	£2,135,097	41
2020-08-31	£4,144,638	£3,757,141	£1,693,600	42

Trustees

Name	Role	Appointed
Amanda Jane Petitgas		2026-05-19
JENNIFER MARIE ELIAS		2019-03-20
Julian Gallant		2023-06-06
Katie Brewer		2025-11-11
NICHOLAS PAUL KAYE		
Oliver Peter Schneider-Sikorsky		2026-05-19
Richard Thomas George WINTER		2021-05-22
XAVIER MAYER		2025-11-11

SUSSEX HOUSE SCHOOL

England & Wales - Charity number 1035806

Accounts

Sussex House School

(A company limited by guarantee and not having share capital)

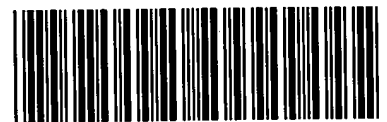
Report and financial statements

For the year ended 31 August 2025

Company registration number: 02884794 (England and Wales)

Charity registration number: 1035806 (England and Wales)

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COMPANIES HOUSE

Reference and administrative details of the charitable company, its trustees and advisors

Trustees	J A Crewe J M Elias J Gallant M A J Goedhuis N P Kaye R T G Winter X Mayer K Brewer	Resigned 6 January 2026 Appointed 11 November 2025 Appointed 25 November 2025
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Board of Governors	J M Elias J Gallant M A J Goedhuis N P Kaye R T G Winter X Mayer (Chairman) K Brewer
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Registered Company number	02884794 (England and Wales)
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Registered Charity number	1035806 (England and Wales)
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Headmaster	N P Kaye
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Bursar	L Maunder
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Independent auditor	Moore Kingston Smith LLP 4 Victoria Square St Albans Hertfordshire AL1 3TF
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Registered Office	68 Cadogan Square London SW1X 0EA
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Website	www.sussexhouseschool.co.uk
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Bankers	Barclays Bank plc Level 27 1 Churchill Place London E14 5HP
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Trustees' report

for the year ended 31 August 2025

The trustees (who are also directors of Sussex House School Limited for the purposes of company law and trustees for the purposes of charity law) present their statutory report, which also represents a directors' report, for the year ended 31 August 2025 under the Companies Act 2006, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006 and the charitable company's memorandum and articles of association and have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities SORP – Second Edition). The report has been prepared in accordance with Part 8 of the Charities Act 2011.

Reference and administrative information

Sussex House School ("the School") is a registered charitable company founded in 1994, charity number 1035806 and company number 02884794. The liability of the members is limited by guarantee to an amount not exceeding £5.

The School has an official Church of England affiliation under the Designation of Schools having a Religious Character (Independent Schools) (England) Order 2004.

Structure, governance and management

Governing document

The charitable company is governed by its memorandum and articles of association which were last amended on 10 March 1994.

Trustees

The trustees, who are also directors of the charitable company, who have held office for the whole of the year unless otherwise stated, and to the date of this report, are as follows:

J Crewe (Resigned 6 January 2026)

J M Elias

J Gallant

M A J Goedhuis

R T G Winter

N P Kaye

X Mayer (Appointed 11 November 2025)

K Brewer (Appointed 25 November 2025)

Trustee appointment and training

New trustees will be appointed in accordance with the Articles of Association following lengthy consultation and consideration by the existing trustees who must be satisfied regarding their eligibility. Existing trustees retire by rotation each year.

Any new trustees will be inducted into the workings of the School, and also of the company as a registered charity by the Headmaster. Prospective trustees will be provided with a memorandum of the legal responsibilities and duties of trustees and are invited to familiarise themselves with CC3 "The Essential trustee: what you need to know, what you need to do" published by the Charity Commission plus copies of the charitable company's financial statements and minutes of previous trustees' meetings.

Trustees' report

for the year ended 31 August 2025

Structure, governance and management (continued)

Organisational management

The trustees meet at least three times a year to determine the general policy of the charitable company and review its overall management and control, for which they are legally responsible. When determining policies, the trustees seek input from the Board of Governors which also meets at least three times a year, and is concerned with the running of the school. The day-to-day running of the School is delegated to the Headmaster and the Staff Senior Management Team.

Objects, aims, objectives and principal activities (including public benefit)

The primary objective of the charitable company, as set out in its memorandum and articles of association, is promoting and providing for the advancement of education of children.

The Trustees have had regard to the guidance on public benefit published by the Charity Commission, and in particular to its supplementary public benefit guidance on advancing education and on fee charging when exercising their powers and duties, in particular when setting fees charged by the School and identifying the benefits provided by the charitable company in relation to its aims. The paragraphs below provide more information on the School's charitable activities.

Although the School has an entry test, due to the large number of applications for places, the policy is to measure potential as well as a pupil's current performance so that priority is given to children who will benefit from not only the academic programme on offer at the School, but also the specialities of certain areas of creativity, notably Music, Art and Theatre. The School has never restricted entry to a potential pupil because of the pupil's parents' inability to pay the fees. The geographical location of a pupil's home, their ethnicity, race or existence of a disability are quite irrelevant to the School's selection procedure. Although the School has an official Church of England affiliation, a family or child's religious affiliation is not taken into account when places are offered and boys of all religions and denominations or none are welcomed equally.

Strategic aim and intended effect

The School's strategic aim is to reach its annual objective which is the attainment of the highest academic levels whilst allowing pupils to benefit from the School's extensive extra-curricular programme. This enables the School to develop its pupils' abilities and academic potential, awaken and develop their wider interests in life and prepare them for the senior school of their own and their parents' choice.

Objectives for the year

The Trustees' main objective for the year continued to be to educate all the School's pupils to at least the same high standard achieved by the School in previous years, so that they will fully benefit from their chosen senior school for the completion of their education in due course. The strategy to achieve this is to maintain a high teacher-to-pupil ratio and to tailor the education of each pupil to suit their individual needs. In addition, the Trustees aim to continue providing support in respect of the provision of means tested bursaries and to continue to develop links with the local community and other organisations.

Principal activity

The School continues to operate as a day school for 8-13 year-old boys, educating them to a high standard and so enabling them to move on to a suitable senior school for the completion of their education.

Trustees' report

for the year ended 31 August 2025

Review of achievements and performance for the year (including public benefit)

Operational performance of the School

Academic achievement

It has been an outstanding year for the School. All members of Year 8 achieved places at top independent schools, mainly Eton, St. Paul's, Westminster and Winchester, including a record four Academic Scholarships to leading academic schools, and a Music and a Drama Scholarship. One Boy achieved a graduate level Music diploma (LRSM), an extraordinary achievement for a boy of aged 13.

Cultural Achievements

A series of high-quality Musical and theatrical performances took place including an opera at the Britton Theatre, a concert at St John's Smith Square and at St Mary Magdalene, Little Venice. A major Art and Architecture exhibition was held in the lent term. *The Cadogan magazine* was published with a wide selection of sophisticated literary contributions from the boys.

Sporting Achievements

'Fencing' The school has the strongest tradition of winning national and international competitions. One boy was ranked in Europe, having competed in eight separate countries.

Bursaries

Seven pupils received tuition fee bursaries for the 2024/25 academic year. In addition, two pupils receive music bursaries. The school continues to seek pupils who will benefit from the bursary provision, as well as additional sources of bursary funding.

Donations and sponsorships

Donations were made to the Asra Hawariat School Fund, which supports the Asra Hawariat School in Addis Ababa, as a result of funds raised at school events.

Fundraising

The significant majority of the School's donations are raised as a result of the efforts of the School's Activities Committee, which comprises parents of current pupils and School staff. The Christmas Fair and the Summer Auction are the two main events each year which feature fundraising activities. These events are attended by pupils and their families, and donations are from persons with a connection to the School.

Relationships with the Local Community and other organisations

The School is a member of IAPS which acts for the promotion and maintenance of preparatory school standards generally.

The School co-operates with two churches, including St Simon Zelotes, Milner Street, and pupils are involved in events as part of the Music Society Programme of St. Mary Magdalene Church, Little Venice. The School is also closely involved with the Asra Hawariat School to which a proportion of the monies raised from School fundraising is donated each year.

Trustees' report

for the year ended 31 August 2025

Review of achievements and performance for the year (including public benefit) (continued)

Music

The School contributes to the funding of two major events of the St Mary Magdalene Music Society based at St Mary Magdalene Church, in which the School participates, at a cost of £41,616 (2024: £39,863). Members of the public attend and form part of the Chorus and Orchestra in these events and the large audiences contain many members of the public who have no other association with Sussex House.

Church

Sussex House takes part in various events at its local church, St Simon Zelotes, Milner Street, SW3. The School contributed £3,000 (2024: £3,255) towards the upkeep of the church. The School has also maintained its strong link with St Mary Magdalene Church, Rowington Close, Little Venice, W2.

The Asra Hawariat School, Addis Ababa

Sussex House has established a strong link with this school in Addis Ababa. The Asra Hawariat School exists to provide education for just over 1,000 Ethiopian children who would not otherwise have the means to attend school. The school is funded by the Asra Hawariat School Fund based in the UK and no children pay to attend. A generous contribution from funds raised at the Christmas Fair 2023 was donated to the Asra Hawariat School Fund.

The Trustees have continued to review the School's activities including revenue and financial, human and physical resources as part of their duties to monitor and ensure that the School's charitable objects and the public benefit are achieved most effectively.

Related party transactions

N P Kaye is a trustee of both the Asra Hawariat School Fund, which funds the Asra Hawariat school in Addis Ababa, and of St Mary Magdalene Church and the St Mary Magdalene Music Society. Details of transactions with these related parties are set out in note 19 to the financial statements.

Bursary policy

Bursaries are available to those prospective pupils who meet the School's entry requirements, or current pupils, and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In assessing means the School takes a number of factors into consideration including family income, investments and savings and family circumstances.

Risk management

The Trustees identify and assess the major risks to which the Charity is exposed, and how these are appropriately managed. The major risks identified being an adverse impact on the reputation of the school, changes to the regulatory, legislative and inspection regime, political and financial risk. To mitigate these risks, among other actions, the Trustees, with assistance from the Governors and the Staff Senior Management Team, ensure that a high quality education is provided, ensure that a robust set of policies, procedures and risk assessments are maintained, develop financial management, monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate. Trustee Indemnity insurance is in place.

Trustees' report

for the year ended 31 August 2025

Financial review and results for the year

The School's income exceeded expenditure by £417,858 during the year (2024: £473,589), which reflects the ongoing management of income and costs without compromising educational quality. The School received income of £5,644,185 (2024: £5,187,575) during the year as a result of charging for tuition and related activities. This year, the School received donations to the Arts and Sports Fund of £69,460 (2024: £71,716). Unrestricted donations totalled £130 (2024: £53,470).

Expenditure on School operating costs was £5,290,273 (2024: £4,740,673) with a further £3,828 (2024: £15,398) of expenditure incurred in relation to donations.

There continues to be a steady number of registrations for future attendance at the School, and a strong demand for places from high calibre academic candidates, based on entrance test results.

Reserves policy

The School's unrestricted funds at the end of the year were £3,305,632 (2024: £2,856,801), and restricted funds were £607,209 (2024: £643,212). Total free reserves (unrestricted funds less those held in fixed assets) at the end of the year were £2,693,576 (2024: £2,231,784). This represents the funds readily available for the School to use to support its reserves policy. Total reserves stand at £3,912,841 (2024: £3,500,013). In a normal year, a total reserve level equivalent to one term's customary expenditure would be a level which the trustees would consider practicable and achievable on an ongoing basis to cover the customary risks and uncertainties of operating as an independent educational establishment. However, given the prevailing degree of domestic and geo-political, and economic volatility, at the present time, the Trustees consider it prudent to maintain a higher level of reserves to provide a greater degree of financial security for the School during this period of exceptional uncertainty. The Reserves Policy remains subject to ongoing review.

Remuneration Policy

The key management personnel of the School are the Headmaster and the Staff Senior Management Team. Their remuneration is set after appropriate consultation with the Trustees.

Investment policy and objectives

There are no restrictions on the charitable company's absolute powers of investment. The trustees' policy continues to be to put any surplus cash on a special deposit account. Deposit account interest of £67,774 (2024: £42,085) was received during the year.

Future plans

We plan to create an office on the top floor of the Nicholls Hall.

The School's key objectives remain to maintain the number of pupils at the present level and to pursue the same objectives as reported above for this year.

Trustees' report

for the year ended 31 August 2025

Statement of trustees' responsibilities in respect of the financial statements

The trustees (who are also directors of Sussex House School for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

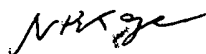
Each of the trustees of the charitable company confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees and signed on their behalf by



N P Kaye
Headmaster

Date: 11th March 2026

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2025

Opinion

We have audited the financial statements of Sussex House School (the 'charitable company') 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 state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis 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 entity's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2025

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees' were not entitled to take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2025

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

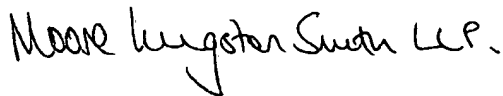
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, safeguarding legislation, GDPR and employment legislation.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included: making enquiries of management and those charged with governance; obtaining additional corroborative evidence as required, review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

Independent auditor's report to the members of Sussex House School
for the year ended 31 August 2025

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.



Jonathan Aikens
Senior Statutory Auditor

For and on behalf of Moore Kingston Smith LLP
Chartered Accountants and Statutory Auditors
4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Date: 13 March 2026

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2025

	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	As Restated Total funds
		2025	2025	2025	2024	2024	2024
		£	£	£	£	£	£
Income from charitable activities:							
School fees		5,464,898	—	5,464,898	5,077,629	—	5,077,629
Bursaries		—	(95,519)	(95,519)	(63,902)	—	(63,902)
Registration fees		27,045	—	27,045	21,600	—	21,600
Income from generated funds:							
Donations	2	130	217,460	217,590	53,470	71,716	125,186
Interest receivable		67,774	—	67,774	42,085	—	42,085
Other income		29,671	500	30,171	27,062	—	27,062
Total income		5,589,518	122,441	5,711,959	5,157,944	71,716	5,229,660
Expenditure on charitable activities:							
	3						
- Teaching costs		3,781,367	155,879	3,937,246	3,640,995	12,624	3,653,619
- Premises		698,908	—	698,908	599,825	—	599,825
- Support costs		571,903	—	571,903	440,518	—	440,518
- Depreciation and amortisation		33,993	2,565	36,558	26,289	19,312	45,601
- Bank charges and bad debts		45,658	—	45,658	1,110	—	1,110
- Donations		3,828	—	3,828	5,086	10,312	15,398
Total expenditure		5,135,657	158,444	5,294,101	4,713,823	42,248	4,756,071
Net income / (expenditure) for the year		453,861	(36,003)	417,858	444,121	29,468	473,589

The notes on pages 15 to 27 form part of the financial statements.

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2025

	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2025	2025	2025	2024	2024	2024
		£	£	£	£	£	£
Net income/(expenditure) for the year		453,861	(36,003)	417,858	444,121	29,468	473,589
Depreciation on revaluation of tangible fixed assets		(5,030)	—	(5,030)	(5,030)	—	(5,030)
Net movement in funds		448,831	(36,003)	412,828	439,091	29,468	468,559
Fund balances at 1 September		2,856,801	643,212	3,500,013	2,417,710	613,744	3,031,454
Fund balances at 31 August	12,13	3,305,632	607,209	3,912,841	2,856,801	643,212	3,500,013

The net incoming resources for the year derive from the continuing operations of the charitable company.

Sussex House School - Charity registered number: 1035806 (England and Wales)

Company registered number: 02884794 (England and Wales)

Balance sheet

As at 31 August 2025

	Notes	£	2025 £	2024 £
Fixed assets:				
Tangible assets	6		611,752	627,458
Listed investments	7		124	124
			<u>611,876</u>	<u>627,582</u>
Non current assets:				
Debtors: amounts falling due after more than one year	10		<u>192,500</u>	<u>192,500</u>
Current assets:				
Debtors	8	351,736		255,770
Cash at bank		<u>4,660,130</u>		<u>4,252,544</u>
		5,011,866		4,508,314
Creditors: amounts falling due within one year	9	<u>(1,592,901)</u>		<u>(1,517,883)</u>
Net current assets			<u>3,418,965</u>	<u>2,990,431</u>
Total assets less current liabilities			4,223,341	3,810,513
Creditors: amounts falling due after more than one year	11		<u>(310,500)</u>	<u>(310,500)</u>
Total net assets			<u>3,912,841</u>	<u>3,500,013</u>
Represented by:				
Reserves:				
Restricted funds	12		607,209	643,212
Unrestricted funds	13		3,305,632	2,856,801
Total funds			<u>3,912,841</u>	<u>3,500,013</u>

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Under Companies Act 2006, s454, on a voluntary basis the Trustees can amend these financial statements if they subsequently prove to be defective.

Approved and authorised for issue by the trustees and signed on their behalf by:

N P Kaye
Trustee

N P Kaye

Date:

11th March 2026

The notes on pages 15 to 27 form part of the financial statements.

Cash flow statement

for the year ended 31 August 2025

	2025	As Restated 2024
	£	£
Cash flows from operating activities:		
Net income for the year	412,828	468,559
Adjustments for:		
Depreciation charges	41,589	50,631
Interest	(67,774)	(42,085)
(Increase) / decrease in debtors	(95,965)	(305,892)
Increase / (decrease) in creditors	484,203	(72,195)
Net cash provided by operating activities:	<u>774,880</u>	<u>99,018</u>
Cash flows from investing activities:		
Interest	67,774	42,085
Purchase of property, furniture and equipment	(25,883)	(26,188)
Net cash used in investing activities:	<u>41,891</u>	<u>15,897</u>
Cash flows from financing activities:		
Increase / (decrease) in fees in advance	(409,185)	611,124
Net cash used in financing activities:	<u>(409,185)</u>	<u>611,124</u>
Change in cash at bank and in hand in the year	407,586	726,039
Cash at bank and in hand at the beginning of the year	4,252,544	3,526,505
Cash at bank and in hand at the end of the year	<u>4,660,130</u>	<u>4,252,544</u>

Changes in net debt

	At 1 September	Cash Flows	At 31 August
	£	£	£
Cash at bank and in hand	<u>4,252,544</u>	<u>407,586</u>	<u>4,660,130</u>

Notes to the financial statements

for the year ended 31 August 2025

1 Accounting policies

Basis of preparation

Sussex House School is a public benefit entity limited by guarantee and incorporated in England and Wales. The registered office is 68 Cadogan Square London SW1X 0EA.

These financial statements have been prepared under the Financial Reporting Standard 102 (FRS 102) and under the historical cost convention modified to include the revaluation of freehold land and buildings, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) – Second Edition and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

Income

All income is recognised when the charitable company is legally entitled to the income, when it is probable that the income will be received and when the amount receivable can be measured with sufficient reliability.

Income represents fees charged in respect of tuition, other related activities and registration fees. Fees consist of charges invoiced for the School year ending 31 August 2025 for tuition and registration. Fees received for education to be provided in future years are deferred to future periods.

Tuition fee income is invoiced and recognised at the start of the period to which it relates. Charges for other related activities are billed in arrears and recognised as income in the period to which they relate. Income from registration fees and donations is recognised when received. Interest income is recognised on an accruals basis for the period to which it relates.

Donations include those amounts donated to specific restricted funds and unrestricted donations along with any tax refund received under Gift Aid. Incoming resources also includes interest receivable and any gains in value of investments.

Expenditure

All expenditure (including irrecoverable VAT) is recognised when a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Charitable activities costs comprise all operating expenditure incurred to enable the charitable company to fulfil its charitable aims. These include both costs that can be allocated directly, and those of an indirect nature which are necessary to support charitable activities.

Costs of generating funds are those incurred in attracting voluntary donations.

Notes to the financial statements

for the year ended 31 August 2025

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets costing £300 or more are capitalised. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	-	over 50 years
Leasehold property and improvements	-	over the lease term
Furniture and equipment	-	over 4-10 years

No depreciation is charged on freehold land.

Listed investments

Listed investments are shown at market value.

Financial instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment, and if found, an impairment loss is recognised.

Cash at bank

Cash at bank comprises cash at bank and in hand.

Debtors

Short term debtors are measured at transaction price, less any impairment losses.

Creditors

Short term creditors are measured at the transaction price.

Deposits

Deposits refundable against final term's fees are treated as a long term liability except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income.

Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 102 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

Contributions to the NEST Pension Scheme are at the level required under current workplace pension legislation.

Notes to the financial statements

for the year ended 31 August 2025

1 Accounting policies (continued)

Leasing commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Fund accounting:

Restricted funds

Restricted funds comprise donations given for a specific purpose and their use is therefore subject to specific restrictions imposed by donors.

Expenditure incurred in fulfilling the objective of each fund is charged against the fund balance and deducted from the expenditure category in the charitable company's Statement of Financial Activities. Where the expenditure relates to a fixed asset, an amount is set aside in restricted funds related to that fixed asset and an annual depreciation charge is made against the restricted fund until such time as that asset is fully depreciated.

Unrestricted funds

Unrestricted funds comprise accumulated surpluses and deficits and are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company.

Judgements

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. The nature of estimation means the actual outcomes could differ from those estimates. There are no judgements made that have a significant effect on the amounts recognised in the financial statements.

Bad Debt Provision

The recognition of a bad debt provision is a key area of judgement as it determines the amount considered recoverable of the school's fee debtors recognised in the financial statements.

The estimation techniques used for bad debt provision requires the trustees to assess whether debts are likely to be recovered which require assessments and judgements to be made on the historical payment patterns and changes in economic situations.

Going concern

The trustees are not aware of any material uncertainties regarding going concern.

2 Income

Income represents fees charged in respect of tuition, other related activities and registration fees. Donations include those amounts donated to specific restricted funds and unrestricted donations along with any tax refund received under Gift Aid. Incoming resources also includes interest receivable and any gains in value of investments.

Notes to the financial statements

for the year ended 31 August 2025

Tuition fee income is invoiced and recognised at the start of the period to which it relates. Charges for other related activities are billed in arrears and recognised as income in the period to which they relate. Income from registration fees and donations are recognised when received. Interest income is recognised on an accruals basis for the period to which it relates.

The donations received during the year comprised:

	Restricted funds	Unrestricted funds	2025 Total	2024 Total
	£	£	£	£
Arts and Sports Fund	69,460	—	69,460	71,716
Asra Hawariat School Fund	—	—	—	—
Bursaries Fund	148,000	—	148,000	—
Other	—	130	130	53,470
	<u>217,460</u>	<u>130</u>	<u>217,590</u>	<u>125,186</u>

3 Expenditure

(a) This is stated after charging:

	2025	2024
	£	£
Staff costs (note 4)	3,528,509	3,182,051
Governance costs – Auditor's remuneration	9,360	12,480
– other governance costs	—	—
Depreciation of owned fixed assets	36,558	45,601
Operating lease rentals – plant and equipment	—	—
– land and buildings	377,505	351,490

(b) Remuneration of trustees

Mr N P Kaye, who is a trustee is also the school's headmaster and his remuneration under his contract of employment as Headmaster (excluding pension contributions) including benefits, was £95,494 (2024: £78,068) and is included in the staff costs. In addition, the School has made employer contributions to the Government's Teachers' Pension Defined Benefits Scheme (note 15) for the benefit of Mr N P Kaye of £Nil (2024: £Nil).

No other trustee received any remuneration in respect of their services during the year (2024: £nil). No trustee received any reimbursement of expenses during the year (2024: £nil).

Notes to the financial statements

for the year ended 31 August 2025

3 Expenditure (continued)

(c) Indemnity insurance

The School has purchased indemnity insurance to indemnify the School for up to £1,000,000 from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part at a cost of £284 (2024: £227).

(d) Support Costs

	2025	2024
	£	£
Wages and salaries	353,595	262,889
Computer costs	73,118	85,847
Insurance (non-buildings)	21,120	26,974
Governance costs	54,551	12,480
Other support costs	69,519	52,328
	<u>571,903</u>	<u>440,518</u>

4 Staff costs

	2025	2024
	£	£
Wages and salaries	2,733,905	2,547,446
Social security costs	326,456	280,062
Other pension costs (note 15)	468,148	354,543
	<u>3,528,509</u>	<u>3,182,051</u>

Of the above £3,174,914 (2024: £2,919,162) is included in teaching costs and £353,595 (2024: £262,889) is included in support costs in the Statement of Financial Activities.

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

	2025	2025	2024	2024
	FTE	No.	FTE	No.
Teaching staff	36	41	37	47
Administration	7	13	5	7
	<u>43</u>	<u>54</u>	<u>42</u>	<u>54</u>

Ex-gratia payments totalling £Nil (2024: £9,000) were paid to staff leaving during the year.

The total of key management personnel compensation was £982,803 (2024: £801,544).

Notes to the financial statements

for the year ended 31 August 2025

4 Staff costs (continued)

The number of employees whose remuneration exceeded £60,000 are set out below:

	2025 No	2024 No
£60,001 - £70,000	7	6
£70,001 - £80,000	5	3
£80,001 - £90,000	3	1
£90,001 - £100,000	2	2
£100,001 - £110,000	2	-
£120,001 - £130,000	1	-
£150,001 - £160,000	-	-
	<u>20</u>	<u>12</u>

5 Taxation

The School is a registered charity and therefore is not liable to income tax or corporation tax or income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

6 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Furniture & equipment £	Total £
Cost/valuation:				
At 1 September 2024	950,827	521,378	961,844	2,434,049
Additions	7,515	—	18,368	25,883
Disposals	—	—	—	—
At 31 August 2025	<u>958,342</u>	<u>521,378</u>	<u>980,212</u>	<u>2,459,932</u>
Depreciation:				
At 1 September 2024	432,682	479,169	894,740	1,806,591
Provided during the year	10,405	6,539	24,645	41,589
Disposals	—	—	—	—
At 31 August 2025	<u>443,087</u>	<u>485,708</u>	<u>919,385</u>	<u>1,848,180</u>
Net book value:				
At 31 August 2025	<u>515,255</u>	<u>35,670</u>	<u>60,827</u>	<u>611,752</u>
At 1 September 2024	<u>518,145</u>	<u>42,209</u>	<u>67,104</u>	<u>627,458</u>

All fixed assets owned are used for direct charitable purposes.

The book value of freehold land and buildings is based on a valuation by Gerald Eve, Chartered Surveyors on November 26, 1999 at open market value in accordance with The Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. This valuation of £700,000 has been incorporated in these financial statements with subsequent additions being included at cost.

Notes to the financial statements

for the year ended 31 August 2025

6 Tangible fixed assets (continued)

The historical cost of freehold land and buildings included above at a valuation of £958,342 (2024: £950,827) was £706,820 (2024: £699,305) and the aggregate depreciation thereon would be £329,302 (2024: £323,826).

7 Listed investments

The charitable company holds 372 shares in Lloyds Banking Group plc (2024: 372 shares) which is recorded at its market value of £124 on August 31, 2025 (2024: £124).

8 Debtors

	2025 £	2024 £
Fees receivable	97,395	70,740
Prepayments and accrued income	250,991	183,491
Other debtors	3,350	1,539
	<u>351,736</u>	<u>255,770</u>

9 Creditors: amounts falling due within one year

	2025 £	2024 £
Deposits refundable within one year	88,500	76,000
Payments for school fees received in advance	884,521	1,199,336
Expense creditors	298,217	84,528
Taxation and social security costs	79,717	60,993
Other creditors	211,157	77,776
Accruals	30,789	19,250
	<u>1,592,901</u>	<u>1,517,883</u>

Deferred Income

	2025 £	2024 £
Opening deferred Income	1,199,336	663,376
Released during the year	(997,397)	(663,376)
Amount deferred in the current year	682,582	1,199,336
Closing deferred income	<u>884,521</u>	<u>1,199,336</u>

Payments for school fees received in advance of £884,521 (2024: £1,199,336) represents fees which are received before the start of the term to which they relate, i.e. fees for the Michaelmas Term which are received during the preceding summer holiday period. It also includes cash received under FIA Scheme prior to 31 August 2025 of £201,939 (2024: £611,124). These amounts are recognised as income at the start of the term to which they relate.

Other creditors includes an amount of £82,955 (2024: £77,776) in respect of contributions due to pension schemes.

Notes to the financial statements

for the year ended 31 August 2025

10 Debtors: Amounts falling due after more than one year

	2025 £	2024 £
Rent deposits	<u>192,500</u>	<u>192,500</u>

11 Creditors: Amounts falling due after more than one year

	2025 £	2024 £
School fee deposits	<u>310,500</u>	<u>304,000</u>

12 Restricted funds

(a) The income funds of the School include restricted funds comprising the following balances:

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Bursary Fund £	Total £
At 1 September 2024	2,565	613,107	620	4,665	2,255	20,000	643,212
Incoming resources:							
Donations received	—	69,460	—	—	—	148,000	217,460
Other Income	—	—	500	—	—	—	500
Resources expended:							
Capital expenditure	—	—	—	—	—	—	—
Depreciation	(2,565)	—	—	—	—	—	(2,565)
School activities	—	(155,879)	—	—	—	(95,519)	(251,398)
Asra Hawariat School	—	—	—	—	—	—	—
Transfers	—	(29)	4,694	(4,665)	—	—	—
At 31 August 2025	<u>—</u>	<u>526,659</u>	<u>5,814</u>	<u>—</u>	<u>2,255</u>	<u>72,481</u>	<u>607,209</u>

Notes to the financial statements
for the year ended 31 August 2025

12 Restricted funds (continued)

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Bursary Fund £	Total £
At 1 September 2023	21,877	554,015	10,932	4,665	2,255	20,000	613,744
Incoming resources:							
Donations received	—	71,716	—	—	—	—	71,716
Resources expended:							
Capital expenditure	—	—	—	—	—	—	—
Depreciation	(19,312)	—	—	—	—	—	(19,312)
School activities	—	(12,624)	—	—	—	—	(12,624)
Asra Hawariat School	—	—	(10,312)	—	—	—	(10,312)
Transfers	—	—	—	—	—	—	—
At 31 August 2024	<u>2,565</u>	<u>613,107</u>	<u>620</u>	<u>4,665</u>	<u>2,255</u>	<u>20,000</u>	<u>643,212</u>

- b) The Capital Expenditure Fund represents amounts used to purchase fixed assets for the School, from funds raised specifically for such a purpose, and also the annual depreciation charge each year on those assets.

The Arts and Sports Fund has been used partly to fund fixed assets in the past but is also to maintain and develop the School's creative, musical, theatrical and sporting activities, with the majority of its funds being generated by the School's Christmas Fair and Summer Auction. We continue to actively seek a candidate whose circumstances meet the specific conditions of the Bursary Fund gift.

Bursaries fund provides financial support for boys where it is needed after a full assessment of the family financial circumstances.

Further music and drama resources will be funded from the Music and Theatre Fund, and improvements to our ICT provision will continue.

Technology fund is the residual funds used to support school investment in technology for education

The School also operates a fund to support the Asra Hawariat School.

13 Unrestricted funds

These funds comprise:

	2025 £	2024 £
Revaluation reserve	137,644	142,674
Accumulated surplus	3,167,988	2,714,127
	<u>3,305,632</u>	<u>2,856,801</u>

The revaluation reserve arose on the revaluation of the freehold land and buildings in 1999, less the depreciation released to the Statement of financial activities.

The remaining unrestricted resources arise principally from the School's day-to-day operations.

Notes to the financial statements

for the year ended 31 August 2025

14 Analysis of net assets between funds

The fund balances at 31 August 2025 are represented by:

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Fixed assets	—	611,876	611,876	2,565	625,017	627,582
Current assets	607,209	4,405,503	5,011,866	640,647	3,867,667	4,508,314
Current liabilities	—	(1,592,901)	(1,592,901)	—	(1,517,883)	(1,517,883)
Debtors: Amounts fallings due after one year	—	192,500	192,500	—	192,500	192,500
Creditors: Amounts falling due after one year	—	(310,500)	(310,500)	—	(310,500)	(310,500)
Total net assets	607,209	3,305,632	3,912,841	643,212	2,856,801	3,500,013

Revaluation reserve at 31 August 2025 is made up of:

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
At 1 September	—	142,674	142,674	—	147,704	147,704
Realised in the year	—	(5,030)	(5,030)	—	(5,030)	(5,030)
At 31 August	—	137,644	137,644	—	142,674	142,674

15 Pensions

Teachers' Pensions

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £452,570 (2024: £347,929) and at the year end £47,742 (2024: £46,264) was accrued in respect of contributions to this scheme. Also included in pension charges for the year was £7,739 in respect of contribution to APTIS pension scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the

Notes to the financial statements

for the year ended 31 August 2025

15 Pensions (continued)

Teachers' Pensions (continued)

Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed was that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Under the definitions set out in section 17 of Financial Reporting Standard 102, the TPS is a multi-employer pension scheme. The charitable company is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, it has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable company has set out above the information available on the scheme.

Other Pensions

Pension contributions are also paid to a contributory pension scheme for the benefit of non-teaching staff. In May 2015 the School started its auto-enrolment pension scheme with NEST for the benefit of all non-teaching staff. The assets of this scheme are held separately from those of the School in independently administered funds.

All pension contribution costs are recognised in the statement of financial activities as they become payable. The pension charge for the year includes contributions payable to NEST of £7,839 (2024: £6,614) and at the year end the amount due to the scheme was £3,006 (2024: £2,284). The statutory minimum contribution level increased in April 2019.

16 Capital commitments

There were capital commitments for items contracted for but not provided in the financial statements amounting to £nil (2024: £nil).

Notes to the financial statements

for the year ended 31 August 2025

17 Other financial commitments

The future minimum lease payments due to the end of the relevant leases are as follows:

	Plant and Equipment 2025 £	Plant and Equipment 2024 £	Land and buildings 2025 £	Land and buildings 2024 £
Operating leases payments due:				
Within one year	1,876	2,220	337,063	305,000
Between 2 and 5 years	2,386	4,762	1,281,540	1,280,000
Greater than 5 years	—	—	880,000	1,200,000
	<u>4,262</u>	<u>6,982</u>	<u>2,498,603</u>	<u>2,785,000</u>

18 Financial Instruments

	2025 £	2024 £
Financial assets that are debt instruments	<u>97,395</u>	<u>70,740</u>
Financial liabilities	<u>775,748</u>	<u>536,542</u>

Financial assets measured at amortised cost comprise fees receivable, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise deposits, expense creditors, pension contributions and expense accruals.

19 Related party transactions

N P Kaye is a trustee of the St Mary Magdalene Church, and the St Mary Magdalene Music Society which organises an annual series of recitals and concerts at St Mary Magdalene Church, Rowington Close, Little Venice, London W2. The School supports this programme and the School's pupils, parents and staff usually participate in two concerts a year which are supported by the charitable company but are also open to the general public. During the year the charitable company incurred expenditure of £41,616 (2024: £39,863) and received contributions of £5,000 (2024: £1,400) from the St Mary Magdalene Music Society towards this expenditure.

N P Kaye is a trustee of the Asra Hawariat School Fund. Donations from Sussex House fundraising activities amounting to £5,194 (2024: £10,312) were made to the Asra Hawariat charitable Fund. The balance of funds for the Asra Hawariat School (note 11) were paid to the charity on 31 October 2023.

There were no donations to the charitable company from the Trustees.

20 Limitation of liability

The members of the charitable company guarantee to contribute an amount not exceeding £5 to the assets of the charitable company in the event of a winding up.

Notes to the financial statements

for the year ended 31 August 2025

21 Prior Period Adjustment

The Statement of Financial Activities and Cash Flow Statement are restated from the prior year. The Statement of Financial Activities is restated due to the reclassification of bursaries from an expenditure item to net of income. This has caused income for 2024 to be £5,229,660.

The Cash Flow Statement is restated due to the reclassification of movement in the Fees in Advance scheme as a financing activity. This has caused inflow from financing activities to be £611,124.

SUSSEX HOUSE SCHOOL

England & Wales - Charity number 1035806

Accounts

Sussex House School

(A company limited by guarantee and not having share capital)

Report and financial statements

For the year ended 31 August 2024

Company registration number: 02884794 (England and Wales)

Charity registration number: 1035806 (England and Wales)

Reference and administrative details of the charitable company, its trustees and advisors

Trustees	J A Crewe J M Elias J Gallant M A J Goedhuis N P Kaye R T G Winter
Board of Governors	J A Crewe (Chairman) K Brewer J M Elias J Gallant H Grayson R T G Winter
Registered Company number	02884794 (England and Wales)
Registered Charity number	1035806 (England and Wales)
Headmaster	N P Kaye
Bursar	Lucy
Independent auditor	Moore Kingston Smith LLP 4 Victoria Square St Albans Hertfordshire AL1 3TF
Registered Office	68 Cadogan Square London SW1X 0EA
Website	www.sussexhouseschool.co.uk
Bankers	Barclays Bank plc Level 27 1 Churchill Place London E14 5HP

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Trustees' report

for the year ended 31 August 2024

The trustees (who are also directors of Sussex House School Limited for the purposes of company law and trustees for the purposes of charity law) present their statutory report, which also represents a directors' report, for the year ended 31 August 2024 under the Companies Act 2006, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006 and the charitable company's memorandum and articles of association and have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities SORP – Second Edition). The report has been prepared in accordance with Part 8 of the Charities Act 2011.

Reference and administrative information

Sussex House School ("the School") is a registered charitable company founded in 1994, charity number 1035806 and company number 02884794. The liability of the members is limited by guarantee to an amount not exceeding £5.

The School has an official Church of England affiliation under the Designation of Schools having a Religious Character (Independent Schools) (England) Order 2004.

Structure, governance and management

Governing document

The charitable company is governed by its memorandum and articles of association which were last amended on 10 March 1994.

Trustees

The trustees, who are also directors of the charitable company, who have held office for the whole of the year unless otherwise stated, and to the date of this report, are as follows:

J Crewe
J M Elias
J Gallant
M A J Goedhuis
N P Kaye
R T G Winter

Trustee appointment and training

New trustees will be appointed in accordance with the Articles of Association following lengthy consultation and consideration by the existing trustees who must be satisfied regarding their eligibility. Existing trustees retire by rotation each year.

Any new trustees will be inducted into the workings of the School, and also of the company as a registered charity by the Headmaster. Prospective trustees will be provided with a memorandum of the legal responsibilities and duties of trustees and are invited to familiarise themselves with CC3 "The Essential trustee: what you need to know, what you need to do" published by the Charity Commission plus copies of the charitable company's financial statements and minutes of previous trustees' meetings.

Trustees' report

for the year ended 31 August 2024

Structure, governance and management (continued)

Organisational management

The trustees meet at least three times a year to determine the general policy of the charitable company and review its overall management and control, for which they are legally responsible. When determining policies, the trustees seek input from the Board of Governors which also meets at least three times a year, and is concerned with the running of the school. The day-to-day running of the School is delegated to the Headmaster and the Staff Senior Management Team.

Objects, aims, objectives and principal activities (including public benefit)

The primary objective of the charitable company, as set out in its memorandum and articles of association, is promoting and providing for the advancement of education of children and adults by the provision of one or more schools, tutorial colleges and other establishments.

The Trustees have had regard to the guidance on public benefit published by the Charity Commission, and in particular to its supplementary public benefit guidance on advancing education and on fee charging when exercising their powers and duties, in particular when setting fees charged by the School and identifying the benefits provided by the charitable company in relation to its aims. The paragraphs below provide more information on the School's charitable activities.

Although the School has an entry test, due to the large number of applications for places, the policy is to measure potential as well as a pupil's current performance so that priority is given to children who will benefit from not only the academic programme on offer at the School, but also the specialities of certain areas of creativity, notably Music, Art and Theatre. The School has never restricted entry to a potential pupil because of the pupil's parents' inability to pay the fees. The geographical location of a pupil's home, their ethnicity, race or existence of a disability are quite irrelevant to the School's selection procedure. Although the School has an official Church of England affiliation, a family or child's religious affiliation is not taken into account when places are offered and boys of all religions and denominations or none are welcomed equally.

Strategic aim and intended effect

The School's strategic aim is to reach its annual objective which is the attainment of the highest academic levels whilst allowing pupils to benefit from the School's extensive extra-curricular programme. This enables the School to develop its pupils' abilities and academic potential, awaken and develop their wider interests in life and prepare them for the senior school of their own and their parents' choice.

Objectives for the year

The Trustees' main objective for the year continued to be to educate all the School's pupils to at least the same high standard achieved by the School in previous years, so that they will fully benefit from their chosen senior school for the completion of their education in due course. The strategy to achieve this is to maintain a high teacher-to-pupil ratio and to tailor the education of each pupil to suit their individual needs. In addition, the Trustees aim to continue providing support in respect of the provision of means tested bursaries and to continue to develop links with the local community and other organisations.

Principal activity

The School continues to operate as a day school for 8-13 year-old boys, educating them to a high standard and so enabling them to move on to a suitable senior school for the completion of their education.

Trustees' report

for the year ended 31 August 2024

Review of achievements and performance for the year (including public benefit)

Operational performance of the School

It has been an outstanding year for the School. All 35 Year 8 leavers achieved places at top independent schools, including 27 to Eton, King's Wimbledon, St.Paul's, Westminster and Winchester, including four Scholarships and the attainment of two Music Diplomas.

Bursaries, donations and sponsorships

6 pupils received tuition fee bursaries for the 2023/24 academic year. In addition, 2 pupils receive music bursaries. The School continues to seek pupils who will benefit from the School's bursary provision, as well as additional sources of bursary funding.

Donations to the Asra Hawariat School Fund, which supports the Asra Hawariat School, Ethiopia arising from funds raised at School events, amounted to £10,312 (2023: £10,932 donations from the Asra Hawariat School Fund), and certain parents made donations directly.

Fundraising

The significant majority of the School's donations are raised as a result of the efforts of the School's Activities Committee, which comprises parents of current pupils and School staff. The Christmas Fair and the Summer Auction are the two main events each year which feature fundraising activities. These events are attended by pupils and their families, and donations are from persons with a connection to the School.

Relationships with the Local Community and other organisations

The School is a member of IAPS which acts for the promotion and maintenance of preparatory school standards generally.

The School co-operates with various churches, including St Simon Zelotes, Milner Street, and pupils are involved in three events a year (two last year) as part of the Music Society Programme of St. Mary Magdalene Church Little Venice, and other local charities and societies. The School is also closely involved with the Asra Hawariat School in Ethiopia to which a proportion of the monies raised from School fundraising is donated each year.

The Malcolm Arnold Preparatory Academy

The School is a strategic partner in the development of the Malcolm Arnold Preparatory Academy (part of the Malcom Arnold Academy), which is committed to reflecting aspects of the educational and creative approach of Sussex House School. The school is based in Northampton and Nicholas Kaye our Headmaster, has provided academic consultancy to the school.

Fencing

The School has a strong tradition of achievement in this sport, winning national competitions and having produced a number of national champions over the past 20 years, and continues to be extremely popular, with much competition success this year.

Trustees' report

for the year ended 31 August 2024

Review of achievements and performance for the year (including public benefit) (continued)

Music

The School contributes to the funding of two major events of the St Mary Magdalene Music Society based at St Mary Magdalene Church, in which the School participates, at a cost of £39,863 (2023: £37,414). Members of the public attend and form part of the Chorus and Orchestra in these events and the large audiences contain many members of the public who have no other association with Sussex House.

Church

Sussex House takes part in various events at its local church, St Simon Zelotes, Milner Street, SW3. The School contributed £3,255 (2023: £2,937) towards the upkeep of the church. The School has also maintained its strong link with St Mary Magdalene Church, Rowington Close, Little Venice, W2.

The Asra Hawariat School, Addis Ababa

Sussex House has established a strong link with this school in Addis Ababa. The Asra Hawariat School exists to provide education for just over 1,000 Ethiopian children who would not otherwise have the means to attend school. The school is funded by the Asra Hawariat School Fund based in the UK and no children pay to attend. A generous contribution from funds raised at the Christmas Fair 2023 was donated to the Asra Hawariat School Fund.

The Trustees have continued to review the School's activities including revenue and financial, human and physical resources as part of their duties to monitor and ensure that the School's charitable objects and the public benefit are achieved most effectively.

Related party transactions

N P Kaye is a trustee of both the Asra Hawariat School Fund, which funds the Asra Hawariat school in Addis Ababa, and of St Mary Magdalene Church and the St Mary Magdalene Music Society. Details of transactions with these related parties are set out in note 19 to the financial statements.

Bursary policy

Bursaries are available to those prospective pupils who meet the School's entry requirements, or current pupils, and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In assessing means the School takes a number of factors into consideration including family income, investments and savings and family circumstances.

Risk management

The Trustees identify and assess the major risks to which the Charity is exposed, and how these are appropriately managed. The major risks identified being an adverse impact on the reputation of the school, changes to the regulatory, legislative and inspection regime, political and financial risk. To mitigate these risks, among other actions, the Trustees, with assistance from the Governors and the Staff Senior Management Team, ensure that a high quality education is provided, ensure that a robust set of policies, procedures and risk assessments are maintained, develop financial management, monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate. Trustee Indemnity insurance is in place.

Trustees' report

for the year ended 31 August 2024

Financial review and results for the year

The School's income exceeded expenditure by £473,589 during the year (2023: £471,154), which reflects the ongoing management of income and costs without compromising educational quality. The School received income of £5,251,477 (2023: £4,892,752) during the year as a result of charging for tuition and related activities. This year, the School received donations to the Arts and Sports Fund of £71,716 (2023: £128,570). There were no donations (2023: £10,932) for the Asra Hawariat School. Unrestricted donations totalled £53,470 (2023: £1,332).

Expenditure on School operating costs was £4,740,673 (2023: £4,514,704) with a further £79,300 (2023: £72,498) of expenditure incurred in relation to bursaries and donations.

This year, staging was purchased for performances at a cost of £6,750 which has added to both teaching and extra-curricular flexibility. New carpeting and furniture for the library was purchased at a cost of £7,739. Initial payment for the release of a new website £6,483.

There continues to be a steady number of registrations for future attendance at the School, and a strong demand for places from high calibre academic candidates, based on entrance test results.

Reserves policy

The School's unrestricted funds at the end of the year were £2,856,801 (2023: £2,417,710), and restricted funds were £643,212 (2023: £613,744). Total reserves stand at £3,500,013 (2023: £3,031,454). In a normal year, a total reserve level equivalent to one term's customary expenditure would be a level which the trustees would consider practicable and achievable on an ongoing basis to cover the customary risks and uncertainties of operating as an independent educational establishment. However, given the prevailing degree of domestic and geo-political, and economic volatility, at the present time, the Trustees consider it prudent to maintain a higher level of reserves to provide a greater degree of financial security for the School during this period of exceptional uncertainty. The Reserves Policy remains subject to ongoing review.

Remuneration Policy

The key management personnel of the School are the Headmaster and the Staff Senior Management Team. Their remuneration is set after appropriate consultation with the Trustees.

Investment policy and objectives

There are no restrictions on the charitable company's absolute powers of investment. The trustees' policy continues to be to put any surplus cash on a special deposit account. Deposit account interest of £42,085 (2023: £24,770) was received during the year.

Future plans

We plan to create an office on the top floor of the Nicholls Hall.

The School's key objectives remain to maintain the number of pupils at the present level and to pursue the same objectives as reported above for this year.

Trustees' report

for the year ended 31 August 2024

Statement of trustees' responsibilities in respect of the financial statements

The trustees (who are also directors of Sussex House School for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

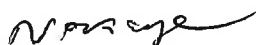
Each of the trustees of the charitable company confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees and signed on their behalf by



N P Kaye
Secretary

Date: 22nd May 2025

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2024

Opinion

We have audited the financial statements of Sussex House School (the 'charitable company') for the year ended 31 August 2024 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 state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis 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 entity's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2024

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees' were not entitled to take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2024

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

The objectives of our audit in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, safeguarding legislation, GDPR and employment legislation.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2024

with laws and regulations. This included making enquiries of management and those charged with governance; obtaining additional corroborative evidence as required, review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

Elizabeth Wicks
Senior Statutory Auditor

For and on behalf of Moore Kingston Smith LLP
Chartered Accountants and Statutory Auditors
4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Date:

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2024

	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2024	2024	2024	2023	2023	2023
		£	£	£	£	£	£
Income from charitable activities:	2						
School fees		5,077,629	—	5,077,629	4,842,667	—	4,842,667
Registration fees		21,600	—	21,600	29,200	—	29,200
Income from generated funds:							
Donations		53,470	71,716	125,186	1,332	139,502	140,834
Interest receivable		42,085	—	42,085	24,770	—	24,770
Other income		27,062	—	27,062	20,885	—	20,885
Total income		5,221,846	71,716	5,293,562	4,918,854	139,502	5,058,356
Expenditure on charitable activities:	3						
- Teaching costs		3,640,995	12,624	3,653,619	3,444,144	13,835	3,457,979
- Premises		599,825	—	599,825	554,857	—	554,857
- Support costs		440,518	—	440,518	432,985	—	432,985
- Depreciation and amortisation		26,289	19,312	45,601	23,801	47,439	71,240
- Bank charges and bad debts		1,110	—	1,110	(2,357)	—	(2,357)
- Bursaries		63,902	—	63,902	30,375	—	30,375
- Donations		5,086	10,312	15,398	42,123	—	42,123
Total expenditure		4,777,725	42,248	4,819,973	4,525,928	61,274	4,587,202
Net income / (expenditure) for the year		444,121	29,468	473,589	392,926	78,228	471,154

The notes on pages 17 to 28 form part of the financial statements.

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Net income/(expenditure) for the year	444,121	29,468	473,589	392,926	78,228	471,154
Depreciation on revaluation of tangible fixed assets	(5,030)	—	(5,030)	(5,030)	—	(5,030)
Net movement in funds	439,091	29,468	468,559	387,896	78,228	466,124
Fund balances at 1 September	2,417,710	613,744	3,031,454	2,029,814	535,516	2,565,330
Fund balances at 31 August	2,856,801	643,212	3,500,013	2,417,710	613,744	3,031,454

The net incoming resources for the year derive from the continuing operations of the charitable company.

Balance sheet

for the year ended 31 August 2024

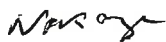
	Notes	£	2024 £	2023 £
Fixed assets:				
Tangible assets	6		627,458	651,901
Listed investments	7		124	124
			627,582	652,025
Non-current assets:				
Debtors: amounts falling due after more than one year	10		192,500	—
Current assets:				
Debtors	8	255,770		142,378
Cash at bank		4,252,544		3,526,505
		4,508,314		3,668,883
Creditors: amounts falling due within one year	9	(1,517,883)		(985,454)
Net current assets			2,990,431	2,683,429
Total assets less current liabilities			3,810,513	3,335,454
Creditors: amounts falling due after more than one year	11		(310,500)	(304,000)
Total net assets			3,500,013	3,031,454
Represented by:				
Reserves:				
Restricted funds	12		643,212	613,744
Unrestricted funds	13		2,856,801	2,417,710
Total funds			3,500,013	3,031,454

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Under Companies Act 2006, s454, on a voluntary basis the Trustees can amend these financial statements if they subsequently prove to be defective.

Approved and authorised for issue by the trustees and signed on their behalf by:

N P Kaye
Trustee



Date: 22nd May 2025

The notes on pages 17 to 28 form part of the financial statements.

Cash Flow Statement

for the year ended 31 August 2024

	2024	2023
	£	£
Cash flows from operating activities:		
Net income for the year	468,559	471,154
Adjustments for:		
Depreciation charges	50,631	71,240
Interest	(42,085)	(24,770)
Increase / (decrease) in debtors	(305,892)	85,764
Increase / (decrease) in creditors	538,929	93,394
Net cash provided by operating activities:	<u>710,142</u>	<u>696,782</u>
Cash flows from investing activities:		
Interest	42,085	24,770
Purchase of property, furniture and equipment	(26,188)	(46,492)
Net cash used in investing activities:	<u>15,897</u>	<u>(21,722)</u>
Change in cash at bank and in hand in the year	726,039	675,060
Cash at bank and in hand at the beginning of the year	3,526,505	2,851,445
Cash at bank and in hand at the end of the year	<u>4,252,544</u>	<u>3,526,505</u>

Changes in net debt

	At 1 September £	Cash Flows £	At 31 August £
Cash at bank and in hand	<u>3,526,505</u>	<u>726,039</u>	<u>4,252,544</u>

The notes on pages 17 to 28 form part of the financial statements.

Notes to the financial statements

for the year ended 31 August 2024

1 Accounting policies

Basis of preparation

Sussex House School is a public benefit entity under the Financial Reporting Standard 102 (FRS 102). The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) – Second Edition and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

Income

All income is recognised when the charitable company is legally entitled to the income, when it is probable that the income will be received and when the amount receivable can be measured with sufficient reliability.

Income represents fees charged in respect of tuition, other related activities and registration fees. Fees consist of charges invoiced for the School year ending 31 August 2024 for tuition and registration. Fees received for education to be provided in future years are deferred to future periods.

Tuition fee income is invoiced and recognised at the start of the period to which it relates. Charges for other related activities are billed in arrears and recognised as income in the period to which they relate. Income from registration fees and donations is recognised when received. Interest income is recognised on an accruals basis for the period to which it relates.

Donations include those amounts donated to specific restricted funds and unrestricted donations along with any tax refund received under Gift Aid. Incoming resources also includes interest receivable and any gains in value of investments.

Expenditure

All expenditure (including irrecoverable VAT) is recognised when a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Charitable activities costs comprise all operating expenditure incurred to enable the charitable company to fulfil its charitable aims. These include both costs that can be allocated directly, and those of an indirect nature which are necessary to support charitable activities.

Costs of generating funds are those incurred in attracting voluntary donations.

Notes to the financial statements

for the year ended 31 August 2024

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets costing £300 or more are capitalised. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	-	over 50 years
Leasehold property and improvements	-	over the lease term
Furniture and equipment	-	over 4-10 years

No depreciation is charged on freehold land.

Listed investments

Listed investments are shown at market value.

Financial instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment, and if found, an impairment loss is recognised.

Cash at bank

Cash at bank comprises cash at bank and in hand.

Debtors

Short term debtors are measured at transaction price, less any impairment losses.

Creditors

Short term creditors are measured at the transaction price.

Deposits

Deposits refundable against final term's fees are treated as a long term liability except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income.

Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 102 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

Contributions to the NEST Pension Scheme are at the level required under current workplace pension legislation.

Notes to the financial statements

for the year ended 31 August 2024

1 Accounting policies (continued)

Leasing commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Fund accounting:

Restricted funds

Restricted funds comprise donations given for a specific purpose and their use is therefore subject to specific restrictions imposed by donors.

Expenditure incurred in fulfilling the objective of each fund is charged against the fund balance and deducted from the expenditure category in the charitable company's Statement of Financial Activities. Where the expenditure relates to a fixed asset, an amount is set aside in restricted funds related to that fixed asset and an annual depreciation charge is made against the restricted fund until such time as that asset is fully depreciated.

Unrestricted funds

Unrestricted funds comprise accumulated surpluses and deficits and are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company.

Judgements

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. The nature of estimation means the actual outcomes could differ from those estimates. There are no judgements made that have a significant effect on the amounts recognised in the financial statements.

Going concern

The trustees are not aware of any material uncertainties regarding going concern.

2 Income

Income represents fees charged in respect of tuition, other related activities and registration fees. Donations include those amounts donated to specific restricted funds and unrestricted donations along with any tax refund received under Gift Aid. Incoming resources also includes interest receivable and any gains in value of investments.

Tuition fee income is invoiced and recognised at the start of the period to which it relates. Charges for other related activities are billed in arrears and recognised as income in the period to which they relate. Income from registration fees and donations are recognised when received. Interest income is recognised on an accruals basis for the period to which it relates.

Notes to the financial statements

for the year ended 31 August 2024

2 Income (continued)

The donations received during the year comprised:

	Restricted funds £	Unrestricted funds £	2024 Total £	2023 Total £
Arts and Sports Fund	71,716	—	71,716	128,570
Asra Hawariat School Fund	—	—	—	10,932
Other	—	53,470	53,470	1,332
	<u>71,716</u>	<u>53,470</u>	<u>125,186</u>	<u>140,834</u>

3 Expenditure

(a) This is stated after charging:

	2024 £	2023 £
Staff costs (note 4)	3,182,051	2,991,884
Governance costs – Auditor’s remuneration	12,480	10,620
– other governance costs	—	208
Depreciation of owned fixed assets	45,601	71,240
Operating lease rentals – plant and equipment	—	2,481
– land and buildings	<u>351,490</u>	<u>325,245</u>

(b) Remuneration of trustees

No trustees received any remuneration in respect of their services during the year (2023: £nil). No trustee received any reimbursement of expenses during the year (2023: £nil).

Mr N P Kaye, who is a trustee is also the school’s headmaster and his remuneration under his contract of employment as Headmaster (excluding pension contributions) including benefits, was £78,068 (2023: £152,316) and is included in the staff costs. In addition, the School has made employer contributions to the Government’s Teachers’ Pension Defined Benefits Scheme (note 14) for the benefit of Mr N P Kaye of £Nil (2023: £24,137).

There was a refund in the year for previous overpayments to the Teacher’s pension scheme in relation to Mr N P Kaye. The refund to Mr N P Kaye was £19,853 and to the school was £40,181.

(c) Indemnity insurance

The School has purchased indemnity insurance to indemnify the School for up to £1,000,000 from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part at a cost of £227 (2023: £208).

Notes to the financial statements

for the year ended 31 August 2024

3 Expenditure (continued)

(d) Support Costs

	2024	2023
	£	£
Wages and salaries	262,889	233,076
Computer costs	85,847	85,842
Insurance (non-buildings)	26,974	25,200
Other support costs	64,808	88,867
	<u>440,518</u>	<u>432,985</u>

4 Staff costs

	2024	2023
	£	£
Wages and salaries	2,547,446	2,372,297
Social security costs	280,062	268,962
Other pension costs (note 14)	354,543	350,625
	<u>3,182,051</u>	<u>2,991,884</u>

Of the above £2,919,162 (2023: £2,758,808) is included in teaching costs and £262,889 (2023: £233,076) is included in support costs in the Statement of Financial Activities.

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

	2024 FTE	2024 No.	2023 FTE	2023 No.
Teaching staff	37	47	37	47
Administration	5	7	5	7
	<u>42</u>	<u>54</u>	<u>42</u>	<u>54</u>

Ex-gratia payments totalling £9,000 (2023: £30,000) were paid to staff leaving during the year. A termination payment of £Nil (2023: £14,400) was made during the year.

The total of key management personnel compensation was £801,544 (2023: £965,167).

The number of employees whose remuneration exceeded £60,000 and to whom retirement benefits are accruing under defined benefit schemes (note 14) are set out below:

	2024 No	2023 No
£60,001 - £70,000	6	4
£70,001 - £80,000	3	3
£80,001 - £90,000	1	3
£90,001 - £100,000	2	2
£100,001 - £110,000	-	-
£140,001 - £150,000	-	-
£150,001 - £160,000	-	1
	<u>-</u>	<u>1</u>

Notes to the financial statements

for the year ended 31 August 2024

5 Taxation

The School is a registered charity and therefore is not liable to income tax or corporation tax or income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

6 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Furniture & equipment £	Total £
Cost/valuation:				
At 1 September 2023	950,827	521,378	935,656	2,407,861
Additions	—	—	26,188	26,188
Disposals	—	—	—	—
At 31 August 2024	<u>950,827</u>	<u>521,378</u>	<u>961,844</u>	<u>2,434,049</u>
Depreciation:				
At 1 September 2023	422,338	467,322	866,300	1,755,960
Provided during the year	10,344	11,847	28,440	50,631
Disposals	—	—	—	—
At 31 August 2024	<u>432,682</u>	<u>479,169</u>	<u>894,740</u>	<u>1,806,591</u>
Net book value:				
At 31 August 2024	<u>518,145</u>	<u>42,209</u>	<u>67,104</u>	<u>627,458</u>
At 1 September 2023	<u>528,489</u>	<u>54,056</u>	<u>69,356</u>	<u>651,901</u>

All fixed assets owned are used for direct charitable purposes.

The book value of freehold land and buildings is based on a valuation by Gerald Eve, Chartered Surveyors on November 26 1999 at open market value in accordance with The Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. This valuation of £700,000 has been incorporated in these financial statements with subsequent additions being included at cost.

The historical cost of freehold land and buildings included above at a valuation of £950,827 was £699,305 and the aggregate depreciation thereon would be £323,826.

7 Listed investments

The charitable company holds 372 shares in Lloyds Banking Group plc (2023: 372 shares) which is recorded at its market value of £124 on August 31, 2024 (2023: £124).

Notes to the financial statements

for the year ended 31 August 2024

8 Debtors

	2024 £	2023 £
Fees receivable	70,740	48,148
Prepayments and accrued income	183,491	94,230
Other debtors	1,539	—
	<u>255,770</u>	<u>142,378</u>

9 Creditors: amounts falling due within one year

	2024 £	2023 £
Deposits refundable within one year	76,000	72,000
Payments for school fees received in advance	1,199,336	663,376
Expense creditors	84,528	29,482
Taxation and social security costs	60,993	69,613
Other creditors	77,776	40,086
Accruals	19,250	110,897
	<u>1,517,883</u>	<u>985,454</u>

Payments for school fees received in advance of £1,199,336 (2023: 663,376) represents fees which are received before the start of the term to which they relate, i.e. fees for the Michaelmas Term and FIA scheme, which are received during the preceding summer holiday period. It also includes cash received under FIA Scheme prior to 31 August 2024 of £611,124 (2023: £Nil).

	2024 £	2023 £
Opening deferred income	663,376	585,160
Released during the year	(663,376)	(585,160)
Amounts deferred in current year	1,199,336	663,376
Closing deferred income	<u>1,199,336</u>	<u>663,376</u>

Other creditors includes an amount of £77,776 (2023: £38,521) in respect of contributions due to pension schemes.

10 Debtors: Amounts falling due after more than one year

	2024 £	2023 £
Rent deposits	<u>192,500</u>	<u>-</u>

11 Creditors: Amounts falling due after more than one year

	2024 £	2023 £
School fee deposits	<u>310,500</u>	<u>301,000</u>

Notes to the financial statements

for the year ended 31 August 2024

12 Restricted funds

(a) The income funds of the School include restricted funds comprising the following balances:

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Bursary Fund £	Total £
At 1 September 2023	21,877	554,015	10,932	4,665	2,255	20,000	613,744
Incoming resources:							
Donations received	—	71,716	—	—	—	—	71,716
Resources expended:							
Capital expenditure	—	—	—	—	—	—	—
Depreciation	(19,312)	—	—	—	—	—	(19,312)
School activities	—	(12,624)	—	—	—	—	(12,624)
Asra Hawariat School	—	—	(10,312)	—	—	—	(10,312)
Transfers	—	—	—	—	—	—	—
At 31 August 2024	<u>2,565</u>	<u>613,107</u>	<u>620</u>	<u>4,665</u>	<u>2,255</u>	<u>20,000</u>	<u>643,212</u>
	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Bursary Fund £	Total £
At 1 September 2022	62,921	439,280	—	4,665	8,650	20,000	535,516
Incoming resources:							
Donations received	—	128,570	10,932	—	—	—	139,502
Resources expended:							
Capital expenditure	6,395	—	—	—	(6,395)	—	—
Depreciation	(47,439)	—	—	—	—	—	(47,439)
School activities	—	(13,835)	—	—	—	—	(13,835)
Asra Hawariat School	—	—	—	—	—	—	—
Ethiopia	—	—	—	—	—	—	—
Transfers	—	—	—	—	—	—	—
At 31 August 2023	<u>21,877</u>	<u>554,015</u>	<u>10,932</u>	<u>4,665</u>	<u>2,255</u>	<u>20,000</u>	<u>613,744</u>

Notes to the financial statements

for the year ended 31 August 2024

12 Restricted funds continued

b) The Capital Expenditure Fund represents amounts used to purchase fixed assets for the School, from funds raised specifically for such a purpose, and also the annual depreciation charge each year on those assets.

The Arts and Sports Fund has been used partly to fund fixed assets in the past but is also to maintain and develop the School's creative, musical, theatrical and sporting activities, with the majority of its funds being generated by the School's Christmas Fair and Summer Auction. We continue to actively seek a candidate whose circumstances meet the specific conditions of the Bursary Fund gift.

Further music and drama resources will be funded from the Music and Theatre Fund, and improvements to our ICT provision will continue.

The School also operates a fund to support the Asra Hawariat School.

13 Unrestricted funds

These funds comprise:

	2024 £	2023 £
Revaluation reserve	142,674	147,694
Accumulated surplus	<u>2,714,127</u>	<u>2,270,016</u>
	<u>2,856,801</u>	<u>2,417,710</u>

The revaluation reserve arose on the revaluation of the freehold land and buildings in 1999, less the depreciation released to the Statement of financial activities.

The remaining unrestricted resources arise principally from the School's day-to-day operations.

14 Analysis of net assets between funds

The fund balances at 31 August 2024 are represented by:

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Fixed assets	2,565	625,017	627,582	21,877	630,148	652,025
Current assets	640,647	3,867,667	4,508,314	591,867	3,077,016	3,668,883
Current liabilities	—	(1,517,883)	(1,517,883)	—	(985,454)	(985,454)
Debtors: Amounts fallings due after one year	—	192,500	192,500	—	—	—
Creditors: Amounts falling due after one year	—	(310,500)	(310,500)	—	(304,000)	(304,000)
Total net assets	<u>643,212</u>	<u>2,856,801</u>	<u>3,500,013</u>	<u>613,744</u>	<u>2,417,710</u>	<u>3,031,454</u>

Notes to the financial statements

for the year ended 31 August 2024

14 Analysis of net assets between funds (continued)

Unrealised gains at 31 August 2024 are represented by:

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
At 1 September	—	147,694	147,694	—	152,724	152,724
Realised in the year	—	(5,030)	(5,030)	—	(5,030)	(5,030)
At 31 August	—	142,664	142,664	—	147,694	147,694

15 Pensions

Teachers' Pensions

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £347,929 (2023: £330,758) and at the year end £46,264 (2023: £36,609) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed was that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Notes to the financial statements

for the year ended 31 August 2024

15 Pensions (continued)

Teachers' Pensions (continued)

Under the definitions set out in section 17 of Financial Reporting Standard 102, the TPS is a multi-employer pension scheme. The charitable company is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, it has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable company has set out above the information available on the scheme.

Other Pensions

Pension contributions are also paid to a contributory pension scheme for the benefit of non-teaching staff. In May 2015 the School started its auto-enrolment pension scheme with NEST for the benefit of all non-teaching staff. The assets of this scheme are held separately from those of the School in independently administered funds.

All pension contribution costs are recognised in the statement of financial activities as they become payable. The pension charge for the year includes contributions payable to NEST of £6,614 (2023: £19,867) and at the year end the amount due to the scheme was £2,284 (2023: £1,902). The statutory minimum contribution level increased in April 2019.

16 Capital commitments

There were capital commitments for items contracted for but not provided in the financial statements amounting to £nil (2023: £nil).

17 Other financial commitments

The future minimum lease payments due to the end of the relevant leases are as follows:

	Plant and Equipment 2024	Plant and Equipment 2023	Land and buildings 2024	Land and buildings 2023
	£	£	£	£
Operating leases payments due:				
Within one year	2,220	2,220	305,000	290,057
Between 2 and 5 years	4,762	6,982	1,280,000	1,265,000
Greater than 5 years	—	—	1,200,000	1,520,000
	6,982	9,202	2,785,000	3,075,057

18 Financial Instruments

	2024	2023
	£	£
Financial assets that are debt instruments	70,740	61,077
Financial liabilities	536,542	545,845

Financial assets measured at amortised cost comprise fees receivable, accrued income and other debtors.

Notes to the financial statements

for the year ended 31 August 2024

Financial liabilities measured at amortised cost comprise deposits, expense creditors, pension contributions and expense accruals.

19 Related party transactions

N P Kaye is a trustee of the St Mary Magdalene Church, and the St Mary Magdalene Music Society which organises an annual series of recitals and concerts at St Mary Magdalene Church, Rowington Close, Little Venice, London W2. The School supports this programme and the School's pupils, parents and staff usually participate in two concerts a year which are supported by the charitable company but are also open to the general public. During the year the charitable company incurred expenditure of £39,863 (2023: £43,333) and received contributions of £1,400 (2023: £5,000) from the St Mary Magdalene Music Society towards this expenditure.

N P Kaye is a trustee of the Asra Hawariat School Fund. Donations from Sussex House fundraising activities amounting to £10,312 (2023: £10,932 donations from the Asra Hawariat School Fund) were made to the Asra Hawariat charitable Fund. The balance of funds for the Asra Hawariat School (note 11) were paid to the charity on 31 October 2023.

There were no donations to the charitable company from the Trustees.

20 Limitation of liability

The members of the charitable company guarantee to contribute an amount not exceeding £5 to the assets of the charitable company in the event of a winding up.

Detailed income and expenditure account

for the year ended 31 August 2024

	£	2024 £	2023 £
Income from charitable activities	5,126,291		4,862,377
Unrestricted donations	53,470		1,332
Teaching costs (see over)	<u>(3,640,995)</u>		<u>(3,444,144)</u>
Gross surplus		1,538,766	1,419,565
Support costs:			
Wages and salaries	262,889		233,076
Telephone and fax	10,286		10,630
Photocopiers	7,126		7,907
Other insurance	26,974		25,200
Sundry	5,037		3,172
Computer costs	85,847		85,842
Marketing	159		161
Legal and professional fees	29,720		55,769
Audit fee (Governance costs)	12,480		11,020
Liability insurance (Governance costs)	—		208
Total administrative expenditure		(440,518)	(432,985)
Premises:			
Rent	351,490		326,126
Maintenance	41,605		59,044
Cleaning	94,539		95,501
Council tax and rates	41,845		32,915
Heat, light and water	53,151		25,691
Building insurance	<u>17,195</u>		<u>15,580</u>
		(599,825)	(554,857)
Other expenditure:			
Depreciation	26,289		23,801
(Profit)/loss on disposal	<u>—</u>		<u>—</u>
		(26,289)	(23,801)
Other financial costs:			
Bank charges	1,110		2,619
Bad debts written-off	—		—
Provision for doubtful debts	<u>—</u>		<u>(4,976)</u>
		(1,110)	2,357
Operating surplus before interest		471,024	410,279
Donations		(68,988)	(42,123)
Net interest		42,085	24,770
Net incoming resources		444,121	392,926

Detailed income and expenditure account

for the year ended 31 August 2024

	2024 £	2023 £
Teaching costs:		
Wages and salaries	2,919,162	2,758,808
Teaching materials	47,801	56,759
Magazine	18,445	21,210
Library	11,185	13,131
Activities and Clubs	67,198	72,118
School functions and events	93,116	70,675
Coach hire – sports	85,556	75,282
Printing	11,569	13,105
Other staff costs	22,111	49,841
Inspection costs	9,156	1,944
Stationery	11,140	10,902
Lunches and pantry supplies	55,730	46,494
Sports facility hire and events	76,183	69,968
School trips	49,831	42,476
Postage and couriers	6,445	7,842
Travel and other transportation costs	3,634	2,492
Subscriptions	6,096	8,750
Signwriting	6,160	250
Concert and Exhibition costs	135,908	117,744
Sundry teaching costs	4,569	4,353
	3,640,995	3,444,144

SUSSEX HOUSE SCHOOL

England & Wales - Charity number 1035806

Accounts

Sussex House School

(A company limited by guarantee and not having share capital)

Report and financial statements

For the year ended 31 August 2023

Company registration number: 02884794 (England and Wales)

Charity registration number: 1035806 (England and Wales)

*

Reference and administrative details of the charitable company, its trustees and advisors

Trustees	J A Crewe J M Elias J Gallant <i>appointed 6 6 2023</i> M A J Goedhuis N P Kaye R T G Winter
Board of Governors	J A Crewe (Chairman) K Brewer J M Elias N M Gayner <i>resigned 30 9 2022</i> J Gallant H Grayson <i>appointed 6 3 2023</i> P D Hargreaves <i>resigned 5 11 2022</i> R T G Winter
Registered Company number	02884794 (England and Wales)
Registered Charity number	1035806 (England and Wales)
Headmaster	N P Kaye
Bursar	A M Bennett
Independent auditor	WMT - Chartered Accountants 4 Beaconsfield Road St Albans Hertfordshire AL1 3RD
Registered Office	68 Cadogan Square London SW1X 0EA
Website	www.sussexhouseschool.co.uk
Bankers	Barclays Bank plc Level 27 1 Churchill Place London E14 5HP

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Trustees' report

for the year ended 31 August 2023

The Trustees (who are also directors of Sussex House School Limited for the purposes of company law and trustees for the purposes of charity law) present their statutory report, which also represents a directors' report, for the year ended 31 August 2023 under the Companies Act 2006, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006 and the charitable company's memorandum and articles of association and have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities SORP – Second Edition). The report has been prepared in accordance with Part 8 of the Charities Act 2011.

Reference and administrative information

Sussex House School ("the School") is a registered charitable company founded in 1994, charity number 1035806 and company number 02884794. The liability of the members is limited by guarantee to an amount not exceeding £5.

The School has an official Church of England affiliation under the Designation of Schools having a Religious Character (Independent Schools) (England) Order 2004.

Structure, governance and management

Governing document

The charitable company is governed by its memorandum and articles of association which were last amended on 10 March 1994.

Trustees

The Trustees, who are also directors of the charitable company, who have held office for the whole of the year unless otherwise stated, and to the date of this report, are as follows:

J Crewe

J M Elias

J Gallant *appointed 6 6 2023*

M A J Goedhuis

N P Kaye

R T G Winter

Trustee appointment and training

New trustees will be appointed in accordance with the Articles of Association following lengthy consultation and consideration by the existing trustees who must be satisfied regarding their eligibility. Existing trustees retire by rotation each year.

Any new trustees will receive appropriate induction into the workings of the School, and also of the company as a registered charity. They will also be provided with a memorandum of the legal responsibilities and duties of trustees and are invited to familiarise themselves with CC3 "The Essential trustee: what you need to know, what you need to do" published by the Charity Commission plus copies of the charitable company's financial statements and minutes of previous Trustees' meetings.

Trustees' report

for the year ended 31 August 2023

Structure, governance and management (continued)

Organisational management

The Trustees meet at least three times a year to determine the general policy of the charitable company and review its overall management and control, for which they are legally responsible. When determining policies, the Trustees seek input from the Board of Governors which also meets at least three times a year, and is concerned with the running of the school. The day-to-day running of the School is delegated to the Headmaster and the Staff Senior Management Team.

Objects, aims, objectives and principal activities (including public benefit)

The primary objective of the charitable company, as set out in its memorandum and articles of association, is promoting and providing for the advancement of education of children and adults by the provision of one or more schools, tutorial colleges and other establishments.

The Trustees have had regard to the guidance on public benefit published by the Charity Commission, and in particular to its supplementary public benefit guidance on advancing education and on fee charging when exercising their powers and duties, in particular when setting fees charged by the School and identifying the benefits provided by the charitable company in relation to its aims. The paragraphs below provide more information on the School's charitable activities.

Although the School has an entry test, due to the large number of applications for places, the policy is to measure potential as well as a pupil's current performance so that priority is given to children who will benefit from not only the academic programme on offer at the School, but also the specialities of certain areas of creativity, notably Music, Art and Theatre. The School has never restricted entry to a potential pupil because of the pupil's parents' inability to pay the fees. The geographical location of a pupil's home, their ethnicity, race or existence of a disability are quite irrelevant to the School's selection procedure. Although the School has an official Church of England affiliation, a family or child's religious affiliation is not taken into account when places are offered and boys of all religions and denominations or none are welcomed equally.

Strategic aim and intended effect

The School's strategic aim is to reach its annual objective which is the attainment of the highest academic levels whilst allowing pupils to benefit from the School's extensive extra-curricular programme. This enables the School to develop its pupils' abilities and academic potential, awaken and develop their wider interests in life and prepare them for the senior school of their own and their parents' choice.

Objectives for the year

The Trustees' main objective for the year continued to be to educate all the School's pupils to at least the same high standard achieved by the School in previous years, so that they will fully benefit from their chosen senior school for the completion of their education in due course. The strategy to achieve this is to maintain a high teacher-to-pupil ratio and to tailor the education of each pupil to suit their individual needs. In addition, the Trustees aim to continue providing support in respect of the provision of means tested bursaries and to continue to develop links with the local community and other organisations.

Principal activity

The School continues to operate as a day school for 8-13 year-old boys, educating them to a high standard and so enabling them to move on to a suitable senior school for the completion of their education.

Trustees' report

for the year ended 31 August 2023

Review of achievements and performance for the year (including public benefit)

Operational performance of the School

With the School calendar firmly back to normal after COVID 19 restrictions, it has been another outstanding year for the School. A record eleven awards were won, including two academic scholarships, five music awards, a Design and Technology Scholarship, an Art Scholarship, a Drama Scholarship and a Sports exhibition.

Bursaries and donations

There were bursaries awarded to 3 pupils for the 2022/23 academic year. The School continues to seek pupils who will benefit from the School's bursary provision, as well as additional sources of bursary funding.

Donations to the Asra Hawariat School Fund, which supports the Asra Hawariat School, Ethiopia arising from funds raised at School events, amounted to £10,932 (2022: £851), and certain parents made donations directly.

Fundraising

The significant majority of the School's donations are raised as a result of the efforts of the School's Activities Committee, which comprises parents of current pupils and School staff. The Christmas Fair and the Summer Auction are the two main events each year which feature fundraising activities. These events are attended by pupils and their families, and donations are from persons with a connection to the School.

Relationships with the Local Community and other organisations

The School is a member of IAPS which acts for the promotion and maintenance of preparatory school standards generally.

The School co-operates with various churches, including St Simon Zelotes, Milner Street, and pupils are involved in three concerts a year (two last year) as part of the Music Society Programme of St. Mary Magdalene Church Little Venice, and other local charities and societies. The School is also closely involved with the Asra Hawariat School in Ethiopia to which a proportion of the monies raised from School fundraising is donated each year.

Sussex House has continued to share our curriculum under an initiative of the Board of Governors for Grenfell Response.

The Malcolm Arnold Preparatory Academy

The School is a strategic partner in the development of the Malcolm Arnold Preparatory Academy (part of the Malcom Arnold Academy), which is committed to reflecting aspects of the educational and creative approach of Sussex House School. The school is based in Northampton and Nicholas Kaye our Headmaster, has provided academic consultancy to the school.

Fencing

The School has a strong tradition of achievement in this sport, having produced a number of national champions over the past 20 years, and continues to be extremely popular, with much competition success this year.

Trustees' report

for the year ended 31 August 2023

Review of achievements and performance for the year (including public benefit) (continued)

Music

The School contributes to the funding of two major events of the St Mary Magdalene Music Society based at St Mary Magdalene Church, in which the School participates, at a cost of £37,414 (2022: £33,989). Members of the public attend and form part of the Chorus and Orchestra in these events and the large audiences contain many members of the public who have no other association with Sussex House.

Church

Sussex House takes part in various events at its local church, St Simon Zelotes, Milner Street, SW3. The School contributed £2,957 (2022: £2,937) towards the upkeep of the church. The School has also maintained its strong link with St Mary Magdalene Church, Rowington Close, Little Venice, W2.

The Asra Hawariat School, Addis Ababa

Sussex House has established a strong link with this school in Addis Ababa. The Asra Hawariat School exists to provide education for just over 1,000 Ethiopian children who would not otherwise have the means to attend school. The school is funded by the Asra Hawariat School Fund based in the UK and no children pay to attend. A generous contribution from funds raised at the Christmas Fair 2022 and Summer Auction 2023 was donated to the Asra Hawariat School Fund, and the fund balance was paid to the charity on 31 October 2023.

The Trustees have continued to review the School's activities including revenue and financial, human and physical resources as part of their duties to monitor and ensure that the School's charitable objects and the public benefit are achieved most effectively.

Related party transactions

N P Kaye is a trustee of both the Asra Hawariat School Fund, which funds the Asra Hawariat school in Addis Ababa, and of St Mary Magdalene Church and the St Mary Magdalene Church Music Society. Details of transactions with these related parties are set out in note 18 to the financial statements.

Bursary policy

Bursaries are available to those prospective pupils who meet the School's entry requirements, or current pupils, and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In assessing means the School takes a number of factors into consideration including family income, investments and savings and family circumstances.

Risk management

The Trustees identify and assess the major risks to which the Charity is exposed, and how these are appropriately managed. The major risks identified being an adverse impact on the reputation of the school, changes to the regulatory, legislative and inspection regime, political and financial risk. To mitigate these risks, among other actions, the Trustees, with assistance from the Governors and the Staff Senior Management Team, ensure that a high quality education is provided, ensure that a robust set of policies, procedures and risk assessments are maintained, develop financial management, monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate. Trustee Indemnity insurance is in place.

Trustees' report

for the year ended 31 August 2023

Financial review and results for the year

The School's income exceeded expenditure by £471,154 during the year (2022: £435,263), which reflects the ongoing management of income and costs without compromising educational quality. The School received income of £4,892,752 (2022: £4,613,209) during the year as a result of charging for tuition and related activities. This year, the School received donations to the Arts and Sports Fund of £128,570 (2022: £72,681). There were donations of £10,932 (2022: £851) for the Asra Hawariat School. Unrestricted donations totalled £1,332 (2022: £88,189).

Expenditure on School operating costs was £4,514,704 (2022: £4,309,162) with a further £72,498 (2022: £52,949) of expenditure incurred in relation to bursaries and donations.

This year, an additional smart board was purchased for use in the ballroom at a cost of £6,395 which has added to both teaching and extra-curricular flexibility. A new projector was purchased for the Art Room at a cost of £3,696. A new entry management system was purchased at a cost of £9,494 and is in its trial phase. Further improvements were made to the fire alarm system, at a cost of £6,197.

There continues to be a steady number of registrations for future attendance at the School, and a strong demand for places from high calibre academic candidates, based on entrance test results.

Reserves policy

The School's unrestricted funds at the end of the year were £2,417,710 (2022: £2,029,814), and restricted funds were £613,744 (2022: £535,516). Total reserves stand at £3,031,454 (2022: £2,565,330). In a normal year, a total reserve level equivalent to one term's customary expenditure would be a level which the Trustees would consider practicable and achievable on an ongoing basis to cover the customary risks and uncertainties of operating as an independent educational establishment. However, given the prevailing degree of domestic and geo-political, and economic volatility, at the present time, the Trustees consider it prudent to maintain a higher level of reserves to provide a greater degree of financial security for the School during this period of exceptional uncertainty. The Reserves Policy remains subject to ongoing review.

Remuneration Policy

The key management personnel of the School are the Headmaster and the Staff Senior Management Team. Their remuneration is set after appropriate consultation with the Trustees.

Investment policy and objectives

There are no restrictions on the charitable company's absolute powers of investment. The Trustees' policy continues to be to put any surplus cash on a special deposit account. Deposit account interest of £24,770 (2022: £2,444) was received during the year.

Future plans

The main project we aim to progress during the forthcoming year is the potential building of an additional classroom, which will allow for more flexible, multi-purpose use of existing space.

The School's key objectives remain to maintain the number of pupils at the present level and to pursue the same objectives as reported above for this year.

Trustees' report

for the year ended 31 August 2023

Statement of trustees' responsibilities in respect of the financial statements

The Trustees (who are also directors of Sussex House School for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees of the charitable company confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees and signed on their behalf by

N P Kaye
Secretary



Date: 30 January 2024

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2023

Opinion

We have audited the financial statements of Sussex House School (the 'charitable company') for the year ended 31 August 2023 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 state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis 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 entity's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2023

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the Directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees' were not entitled to take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2023

consideration as to where and how fraud may occur in the entity. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of Sussex House School and its activities, the following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards (FRS 102), Company Law (Companies Act 2006), Charity Law (Charities Act 2011), the Charities Statement of Recommended Practice (Charity SORP) and Pension legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, child protection and safeguarding, education regulations, data protection, health and safety legislation and employment law.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2023

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

WMT.

Elizabeth Wicks
Senior Statutory Auditor

For and on behalf of WMT
Chartered Accountants and Statutory Auditors
4 Beaconsfield Road
St Albans
Hertfordshire
AL1 3RD

Date: 2 February 2024

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2023

	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2023	2023	2023	2022	2022	2022
		£	£	£	£	£	£
Income from charitable activities:	2						
School fees		4,842,667	—	4,842,667	4,563,982	—	4,563,982
Registration fees		29,200	—	29,200	28,400	—	28,400
Income from generated funds:							
Donations		1,332	139,502	140,834	88,189	93,532	181,721
Interest receivable		24,770	—	24,770	2,444	—	2,444
Other income		20,885	—	20,885	20,827	—	20,827
Total income		4,918,854	139,502	5,058,356	4,703,842	93,532	4,797,374
Expenditure on charitable activities:	3						
- Teaching costs		3,444,144	13,835	3,457,979	3,246,864	18,701	3,265,565
- Premises		554,857	—	554,857	536,254	—	536,254
- Support costs		432,985	—	432,985	410,771	—	410,771
- Depreciation and amortisation		23,801	47,439	71,240	34,426	53,827	88,253
- Bank charges and bad debts		(2,357)	—	(2,357)	8,319	—	8,319
- Bursaries		30,375	—	30,375	3,472	—	3,472
- Donations		42,123	—	42,123	38,686	10,791	49,477
Total expenditure		4,525,928	61,274	4,587,202	4,278,792	83,319	4,362,111
Net income / (expenditure) for the year		392,926	78,228	471,154	425,050	10,213	435,263

The notes on pages 17 to 28 form part of the financial statements.

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2023

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Notes	funds	funds	funds	funds	funds	funds
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Net income/(expenditure) for the year	392,926	78,228	471,154	425,050	10,213	435,263
Depreciation on revaluation of tangible fixed assets	(5,030)	—	(5,030)	(5,030)	—	(5,030)
Net movement in funds	387,896	78,228	466,124	420,020	10,213	430,233
Fund balances at 1 September	2,029,814	535,516	2,565,330	1,609,794	525,303	2,135,097
Fund balances at 31 August	11,12 2,417,710	613,744	3,031,454	2,029,814	535,516	2,565,330

The net incoming resources for the year derive from the continuing operations of the charitable company.

The notes on pages 17 to 28 form part of the financial statements.

Balance sheet

for the year ended 31 August 2023

	Notes	£	2023 £	2022 £
Fixed assets:				
Tangible assets	6		651,901	681,679
Listed investments	7		124	124
			652,025	681,803
Current assets:				
Debtors	8	142,378		228,142
Cash at bank		3,526,505		2,851,445
		3,668,883		3,079,587
Creditors: amounts falling due within one year	9	(985,454)		(896,060)
Net current assets			2,683,429	2,183,527
Total assets less current liabilities			3,335,454	2,865,330
Creditors: amounts falling due after more than one year	10		(304,000)	(300,000)
Total net assets			3,031,454	2,565,330
Represented by:				
Reserves:				
Restricted funds	11		613,744	535,516
Unrestricted funds	12		2,417,710	2,029,814
Total funds			3,031,454	2,565,330

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Under Companies Act 2006, s454, on a voluntary basis the Trustees can amend these financial statements if they subsequently prove to be defective.

Approved and authorised for issue by the trustees and signed on their behalf by:

N P Kaye
Trustee



Date: 30 January 2024

The notes on pages 17 to 28 form part of the financial statements.

Cash flow statement

for the year ended 31 August 2023

	2023	2022
	£	£
Cash flows from operating activities:		
Net income for the year	471,154	435,263
Adjustments for:		
Depreciation charges	71,240	88,253
Interest	(24,770)	(2,444)
Decrease / (increase) in debtors	85,764	14,662
Increase / (decrease) in creditors	93,394	37,613
Net cash provided by operating activities:	<u>696,782</u>	<u>573,347</u>
Cash flows from investing activities:		
Interest	24,770	2,444
Purchase of property, furniture and equipment	(46,492)	(117,184)
Net cash used in investing activities:	<u>(21,722)</u>	<u>(114,740)</u>
Change in cash at bank and in hand in the year	675,060	458,607
Cash at bank and in hand at the beginning of the year	2,851,445	2,392,838
Cash at bank and in hand at the end of the year	<u>3,526,505</u>	<u>2,851,445</u>

Changes in net debt

	At	Cash	At
	1 September	Flows	31 August
	£	£	£
Cash at bank and in hand	<u>2,851,445</u>	<u>675,060</u>	<u>3,526,505</u>

The notes on pages 17 to 28 form part of the financial statements.

Notes to the financial statements

for the year ended 31 August 2023

1 Accounting policies

Basis of preparation

Sussex House School is a public benefit entity under the Financial Reporting Standard 102 (FRS 102). The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) – Second Edition and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

Income

All income is recognised when the charitable company is legally entitled to the income, when it is probable that the income will be received and when the amount receivable can be measured with sufficient reliability.

Income represents fees charged in respect of tuition, other related activities and registration fees. Fees consist of charges invoiced for the School year ending August 31 for tuition and registration. Fees received for education to be provided in future years are deferred to future periods.

Tuition fee income is invoiced and recognised at the start of the period to which it relates. Charges for other related activities are billed in arrears and recognised as income in the period to which they relate. Income from registration fees and donations is recognised when received. Interest income is recognised on an accruals basis for the period to which it relates.

Donations include those amounts donated to specific restricted funds and unrestricted donations along with any tax refund received under Gift Aid. Incoming resources also includes interest receivable and any gains in value of investments.

Expenditure

All expenditure (including irrecoverable VAT) is recognised when a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Charitable activities costs comprise all operating expenditure incurred to enable the charitable company to fulfil its charitable aims. These include both costs that can be allocated directly, and those of an indirect nature which are necessary to support charitable activities.

Costs of generating funds are those incurred in attracting voluntary donations.

Notes to the financial statements

for the year ended 31 August 2023

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets costing £300 or more are capitalised. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	-	over 50 years
Leasehold property and improvements	-	over the lease term
Furniture and equipment	-	over 4-10 years

No depreciation is charged on freehold land.

Listed investments

Listed investments are shown at market value.

Financial instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment, and if found, an impairment loss is recognised.

Cash at bank

Cash at bank comprises cash at bank and in hand.

Debtors

Short term debtors are measured at transaction price, less any impairment losses.

Creditors

Short term creditors are measured at the transaction price.

Deposits

Deposits refundable against final term's fees are treated as a long term liability except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income.

Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 102 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

Contributions to the NEST Pension Scheme are at the level required under current workplace pension legislation.

Notes to the financial statements

for the year ended 31 August 2023

1 Accounting policies (continued)

Leasing commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Fund accounting:

Restricted funds

Restricted funds comprise donations given for a specific purpose and their use is therefore subject to specific restrictions imposed by donors.

Expenditure incurred in fulfilling the objective of each fund is charged against the fund balance and deducted from the expenditure category in the charitable company's Statement of Financial Activities. Where the expenditure relates to a fixed asset, an amount is set aside in restricted funds related to that fixed asset and an annual depreciation charge is made against the restricted fund until such time as that asset is fully depreciated.

Unrestricted funds

Unrestricted funds comprise accumulated surpluses and deficits and are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company.

Judgements

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. The nature of estimation means the actual outcomes could differ from those estimates. There are no judgements made that have a significant effect on the amounts recognised in the financial statements.

Going concern

The trustees are not aware of any material uncertainties regarding going concern.

2 Income

Income represents fees charged in respect of tuition, other related activities and registration fees. Donations include those amounts donated to specific restricted funds and unrestricted donations along with any tax refund received under Gift Aid. Incoming resources also includes interest receivable and any gains in value of investments.

Tuition fee income is invoiced and recognised at the start of the period to which it relates. Charges for other related activities are billed in arrears and recognised as income in the period to which they relate. Income from registration fees and donations is recognised when received. Interest income is recognised on an accruals basis for the period to which it relates.

Notes to the financial statements

for the year ended 31 August 2023

2 Income (continued)

The donations received during the year comprised:

	Restricted funds £	Unrestricted funds £	2023 Total £	2022 Total £
Arts and Sports Fund	128,570	—	128,570	72,681
Asra Hawariat School Fund	10,932	—	10,932	851
Music and Theatre Fund	—	—	—	—
Bursary Fund	—	—	—	20,000
Other	—	1,332	1,332	88,189
	<u>139,502</u>	<u>1,332</u>	<u>140,834</u>	<u>181,721</u>

3 Expenditure

(a) This is stated after charging:

	2023 £	2022 £
Staff costs (note 4)	2,991,884	2,845,780
Governance costs – Auditor’s remuneration	10,620	9,500
– other governance costs	208	196
Depreciation of owned fixed assets	71,240	88,253
Operating lease rentals – plant and equipment	2,481	2,838
– land and buildings	325,245	308,198

(b) Remuneration of trustees

No trustees received any remuneration in respect of their services during the year (2022: £nil). No trustee received any reimbursement of expenses during the year (2022: £nil).

Mr N P Kaye, who is a trustee is also the school’s headmaster and his remuneration under his contract of employment as Headmaster (excluding pension contributions) including benefits, was £152,316 (2022: £145,246) and is included in the staff costs. In addition, the School has made employer contributions to the Government’s Teachers’ Pension Defined Benefits Scheme (note 14) for the benefit of Mr N P Kaye of £24,137 (2022: £30,650).

(c) Indemnity insurance

The School has purchased indemnity insurance to indemnify the School for up to £1,000,000 from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part at a cost of £208 (2022: £196).

Notes to the financial statements

for the year ended 31 August 2023

3 Expenditure (continued)

(d) Support Costs

	2023	2022
	£	£
Wages and salaries	233,076	275,053
Computer costs	85,842	77,234
Insurance (non-buildings)	25,200	23,672
Other support costs	139,267	34,812
	<u>432,985</u>	<u>410,771</u>

4 Staff costs

	2023	2022
	£	£
Wages and salaries	2,372,297	2,263,165
Social security costs	268,962	262,720
Other pension costs (note 14)	350,625	319,895
	<u>2,991,884</u>	<u>2,845,780</u>

Of the above £2,758,808 (2022: £2,570,727) is included in teaching costs and £233,076 (2022: £275,053) is included in support costs in the Statement of Financial Activities.

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

	2023 FTE	2023 No.	2022 FTE	2022 No.
Teaching staff	37	47	37	48
Administration	5	7	5	6
	<u>42</u>	<u>54</u>	<u>42</u>	<u>54</u>

Ex-gratia payments totalling £30,000 (2022: £2,000) were paid to staff leaving during the year. A termination payment of £14,400 (2022: nil) was made during the year.

The total of key management personnel compensation was £965,167 (2022: £960,325).

The number of employees whose remuneration exceeded £60,000 and to whom retirement benefits are accruing under defined benefit schemes (note 14) are set out below:

	2023 No	2022 No
£60,001 - £70,000	4	7
£70,001 - £80,000	3	1
£80,001 - £90,000	3	2
£90,001 - £100,000	2	1
£100,001 - £110,000	-	1
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
	<u>1</u>	<u>-</u>

Notes to the financial statements

for the year ended 31 August 2023

5 Taxation

The School is a registered charity and therefore is not liable to income tax or corporation tax or income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

6 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Furniture & equipment £	Total £
Cost/valuation:				
At 1 September 2022	950,827	515,892	894,650	2,361,369
Additions	—	5,486	41,006	46,492
Disposals	—	—	—	—
At 31 August 2023	<u>950,827</u>	<u>521,378</u>	<u>935,656</u>	<u>2,407,861</u>
Depreciation:				
At 1 September 2022	411,994	433,435	834,261	1,679,690
Provided during the year	10,344	33,887	32,039	76,270
Disposals	—	—	—	—
At 31 August 2023	<u>422,338</u>	<u>467,322</u>	<u>866,300</u>	<u>1,755,960</u>
Net book value:				
At 31 August 2023	<u>528,489</u>	<u>54,056</u>	<u>69,356</u>	<u>651,901</u>
At 1 September 2022	<u>538,833</u>	<u>82,457</u>	<u>60,389</u>	<u>681,679</u>

All fixed assets owned are used for direct charitable purposes.

The charitable company has adopted a policy of not revaluing its tangible fixed assets. The book value of freehold land and buildings is based on a valuation by Gerald Eve, Chartered Surveyors on November 26 1999 at open market value in accordance with The Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. This valuation of £700,000 has been incorporated in these financial statements with subsequent additions being included at cost.

The historical cost of freehold land and buildings included above at a valuation of £950,827 was £699,305 and the aggregate depreciation thereon would be £318,513.

7 Listed investments

The charitable company holds 372 shares in Lloyds Banking Group plc (2022: 372 shares) which is recorded at its market value of £124 on 31 August 2023 (2022: £124).

Notes to the financial statements

for the year ended 31 August 2023

8 Debtors

	2023 £	2022 £
Fees receivable	48,148	57,350
Prepayments and accrued income	94,230	170,792
Other debtors	—	—
	<u>142,378</u>	<u>228,142</u>

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Deposits refundable within one year	72,000	74,000
Payments for school fees received in advance	663,376	585,160
Expense creditors	29,482	109,755
Taxation and social security costs	69,613	62,096
Other creditors	40,086	37,546
Accruals	110,897	27,503
	<u>985,454</u>	<u>896,060</u>

Payments for school fees received in advance of £663,376 (2022: 585,160) represents fees which are received before the start of the term to which they relate, i.e. fees for the Michaelmas Term which are received during the preceding summer holiday period. These amounts are recognised as income at the start of the term to which they relate. All opening amounts have been released at the start of the next term.

Other creditors includes an amount of £38,521 (2022: £37,824) in respect of contributions due to pension schemes.

10 Creditors: Amounts falling due after more than one year

	2023 £	2022 £
School fee deposits	<u>304,000</u>	<u>300,000</u>

Notes to the financial statements

for the year ended 31 August 2023

11 Restricted funds

(a) The income funds of the School include restricted funds comprising the following balances:

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Bursary Fund £	Total £
At 1 September 2022	62,921	439,280	—	4,665	8,650	20,000	535,516
Incoming resources:							
Donations received	—	128,570	10,932	—	—	—	139,502
Resources expended:							
Capital expenditure	6,395	—	—	—	(6,395)	—	—
Depreciation	(47,439)	—	—	—	—	—	(47,439)
School activities	—	(13,835)	—	—	—	—	(13,835)
Asra Hawariat School	—	—	—	—	—	—	—
Transfers	—	—	—	—	—	—	—
At 31 August 2023	21,877	554,015	10,932	4,665	2,255	20,000	613,744

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Bursary Fund £	Total £
At 1 September 2021	103,045	385,300	9,940	6,980	20,038	—	525,303
Incoming resources:							
Donations received	—	72,681	851	—	—	20,000	93,532
Resources expended:							
Capital expenditure	13,703	—	—	(2,315)	(11,388)	—	—
Depreciation	(53,827)	—	—	—	—	—	(53,827)
School activities	—	(18,701)	—	—	—	—	(18,701)
Asra Hawariat School	—	—	(9,191)	—	—	—	(9,191)
Ethiopia	—	—	(1,600)	—	—	—	(1,600)
Transfers	—	—	—	—	—	—	—
At 31 August 2022	62,921	439,280	—	4,665	8,650	20,000	535,516

Notes to the financial statements

for the year ended 31 August 2023

11 Restricted funds continued

- b) The Capital Expenditure Fund represents amounts used to purchase fixed assets for the School, from funds raised specifically for such a purpose, and also the annual depreciation charge each year on those assets.

The Arts and Sports Fund has been used partly to fund fixed assets in the past but is also to maintain and develop the School's creative, musical, theatrical and sporting activities, with the majority of its funds being generated by the School's Christmas Fair and Summer Auction. We continue to actively seek a candidate whose circumstances meet the specific conditions of the Bursary Fund gift.

Further music and drama resources will be funded from the Music and Theatre Fund, and improvements to our ICT provision will continue.

The School also operates a fund to support the Asra Hawariat School.

12 Unrestricted funds

These funds comprise:

	2023 £	2022 £
Revaluation reserve	147,694	152,724
Accumulated surplus	<u>2,270,016</u>	<u>1,877,090</u>
	<u>2,417,710</u>	<u>2,029,814</u>

The revaluation reserve arose on the revaluation of the freehold land and buildings in 1999, less the depreciation released to the Statement of financial activities.

The remaining unrestricted resources arise principally from the School's day-to-day operations.

13 Analysis of net assets between funds

The fund balances at 31 August 2023 are represented by:

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Fixed assets	21,877	630,148	652,025	62,921	618,882	681,803
Current assets	591,867	3,077,016	3,668,883	472,595	2,606,992	3,079,587
Current liabilities	—	(985,454)	(985,454)	—	(896,060)	(896,060)
Creditors: Amounts falling due after one year	—	(304,000)	(304,000)	—	(300,000)	(300,000)
Total net assets	<u>613,744</u>	<u>2,417,710</u>	<u>3,031,454</u>	<u>535,516</u>	<u>2,029,814</u>	<u>2,565,330</u>

Notes to the financial statements

for the year ended 31 August 2023

13 Analysis of net assets between funds (continued)

Unrealised gains at 31 August 2023 are represented by:

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
At 1 September	—	152,724	152,724	—	157,754	157,754
Realised in the year	—	(5,030)	(5,030)	—	(5,030)	(5,030)
At 31 August	—	147,694	147,694	—	152,724	152,724

14 Pensions

Teachers' Pensions

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £330,758 (2022: £297,843) and at the year end £36,609 (2022: £35,432) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed was that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Notes to the financial statements

for the year ended 31 August 2023

14 Pensions (continued)

Teachers' Pensions (continued)

Under the definitions set out in section 17 of Financial Reporting Standard 102, the TPS is a multi-employer pension scheme. The charitable company is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, it has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable company has set out above the information available on the scheme.

Other Pensions

Pension contributions are also paid to a contributory pension scheme for the benefit of non-teaching staff. In May 2015 the School started its auto-enrolment pension scheme with NEST for the benefit of all non-teaching staff. The assets of this scheme are held separately from those of the School in independently administered funds.

All pension contribution costs are recognised in the statement of financial activities as they become payable. The pension charge for the year includes contributions payable to NEST of £19,867 (2022: £22,052) and at the year end the amount due to the scheme was £1,902 (2022: £2,192). The statutory minimum contribution level increased in April 2019.

15 Capital commitments

There were capital commitments for items contracted for but not provided in the financial statements amounting to £nil (2022: £nil).

Notes to the financial statements

for the year ended 31 August 2023

16 Other financial commitments

The future minimum lease payments due to the end of the relevant leases are as follows:

	Plant and Equipment 2023	Plant and Equipment 2022	Land and buildings 2023	Land and buildings 2022
	£	£	£	£
Operating leases payments due:				
Within one year	2,220	631	290,057	199,260
Between 2 and 5 years	6,982	2,050	1,265,000	—
Greater than 5 years	—	—	1,520,000	—
	9,202	2,681	3,075,057	199,260

17 Financial Instruments

	2023	2022
	£	£
Financial assets that are debt instruments	61,077	76,012
Financial liabilities	545,845	539,304

Financial assets measured at amortised cost comprise fees receivable, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise deposits, expense creditors, pension contributions and expense accruals.

18 Related party transactions

N P Kaye is a trustee of the St Mary Magdalene Church, and the St Mary Magdalene Music Society which organises an annual series of recitals and concerts at St Mary Magdalene Church, Rowington Close, Little Venice, London W2. The School supports this programme and the School's pupils, parents and staff usually participate in two concerts a year which are supported by the charitable company but are also open to the general public. During the year the charitable company incurred expenditure of £43,333 (2022: £44,749) and received contributions of £5,000 (2022: £9,000) from the St Mary Magdalene Music Society towards this expenditure.

N P Kaye is a trustee of the Asra Hawariat School Fund. Donations from Sussex House fundraising activities amounting to £nil (2022: £9,191) were made to the Asra Hawariat charitable Fund. The balance of funds for the Asra Hawariat School (note 11) were paid to the charity on 31 October 2023.

There were no donations to the charitable company from the Trustees.

19 Limitation of liability

The members of the charitable company guarantee to contribute an amount not exceeding £5 to the assets of the charitable company in the event of a winding up.

SUSSEX HOUSE SCHOOL

England & Wales - Charity number 1035806

Accounts

Sussex House School

(A company limited by guarantee and not having share capital)

Report and financial statements

For the year ended 31 August 2022

Company registration number: 02884794 (England and Wales)

Charity registration number: 1035806 (England and Wales)

Reference and administrative details of the charitable company, its trustees and advisors

Trustees	J A Crewe J M Elias M A J Goedhuis N P Kaye R T G Winter
Board of Governors	J A Crewe (Chairman) K Brewer <i>appointed 23 6 2022</i> J M Elias N M Gayner <i>resigned 30 9 2022</i> J Gallant P D Hargreaves <i>resigned 5 11 2022</i> R T G Winter
Registered Company number	02884794 (England and Wales)
Registered Charity number	1035806 (England and Wales)
Headmaster	N P Kaye
Bursar	A M Bennett
Independent auditor	WMT - Chartered Accountants Verulam Point Station Way St Albans Hertfordshire AL1 5HE
Registered Office	68 Cadogan Square London SW1X 0EA
Website	www.sussexhouseschool.co.uk
Bankers	Barclays Bank plc Level 27 1 Churchill Place London E14 5HP

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Trustees' report

for the year ended 31 August 2022

The trustees (who are also directors of Sussex House School Limited for the purposes of company law and trustees for the purposes of charity law) present their statutory report, which also represents a directors' report, for the year ended 31 August 2022 under the Companies Act 2006, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006 and the charitable company's memorandum and articles of association and have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities SORP – Second Edition). The report has been prepared in accordance with Part 8 of the Charities Act 2011.

Reference and administrative information

Sussex House School ("the School") is a registered charitable company founded in 1994, charity number 1035806 and company number 02884794. The liability of the members is limited by guarantee to an amount not exceeding £5.

The School has an official Church of England affiliation under the Designation of Schools having a Religious Character (Independent Schools) (England) Order 2004.

Structure, governance and management

Governing document

The charitable company is governed by its memorandum and articles of association which were last amended on 10 March 1994.

Trustees

The trustees, who are also directors of the charitable company, who have held office for the whole of the year unless otherwise stated, and to the date of this report, are as follows:

J Crewe
J M Elias
M A J Goedhuis
N P Kaye
R T G Winter

Trustee appointment and training

New trustees will be appointed in accordance with the Articles of Association following lengthy consultation and consideration by the existing trustees who must be satisfied regarding their eligibility. Existing trustees retire by rotation each year.

Any new trustees will be inducted into the workings of the School, and also of the company as a registered charity by the Headmaster. Prospective trustees will be provided with a memorandum of the legal responsibilities and duties of trustees and are invited to familiarise themselves with CC3 "The Essential trustee: what you need to know, what you need to do" published by the Charity Commission plus copies of the charitable company's financial statements and minutes of previous trustees' meetings.

Trustees' report

for the year ended 31 August 2022

Structure, governance and management (continued)

Organisational management

The trustees meet at least three times a year to determine the general policy of the charitable company and review its overall management and control, for which they are legally responsible. When determining policies, the trustees seek input from the Board of Governors which also meets at least three times a year, and is concerned with the running of the school. The day-to-day running of the School is delegated to the Headmaster and the Staff Senior Management Team.

Objects, aims, objectives and principal activities (including public benefit)

The primary objective of the charitable company, as set out in its memorandum and articles of association, is promoting and providing for the advancement of education of children and adults by the provision of one or more schools, tutorial colleges and other establishments.

The Trustees have had regard to the guidance on public benefit published by the Charity Commission, and in particular to its supplementary public benefit guidance on advancing education and on fee charging when exercising their powers and duties, in particular when setting fees charged by the School and identifying the benefits provided by the charitable company in relation to its aims.

Although the School has an entry test, due to the large number of applications for places, the policy is to measure potential as well as a pupil's current performance so that priority is given to children who will benefit from not only the academic programme on offer at the School, but also the specialities of certain areas of creativity, notably Music, Art and Theatre. The School has never restricted entry to a potential pupil because of the pupil's parents' inability to pay the fees. The geographical location of a pupil's home, their ethnicity, race or existence of a disability are quite irrelevant to the School's selection procedure. Although the School has an official Church of England affiliation, a family or child's religious affiliation is not taken into account when places are offered and boys of all religions and denominations or none are welcomed equally.

Strategic aim and intended effect

The School's strategic aim is to reach its annual objective which is the attainment of the highest academic levels whilst allowing pupils to benefit from the School's extensive extra-curricular programme. This enables the School to develop its pupils' abilities and academic potential, awaken and develop their wider interests in life and prepare them for the senior school of their own and their parents' choice.

Objectives for the year

The trustees' main objective for the year continued to be to educate all the School's pupils to at least the same high standard achieved by the School in previous years, so that they will fully benefit from their chosen senior school for the completion of their education in due course. The strategy to achieve this is to maintain a high teacher-to-pupil ratio and to tailor the education of each pupil to suit their individual needs. In addition, the trustees aim to continue providing support in respect of the provision of means tested bursaries and to continue to develop links with the local community and other organisations.

Principal activity

The School continues to operate as a day school for 8-13 year-old boys, educating them to a high standard and so enabling them to move on to a suitable senior school for the completion of their education.

Trustees' report

for the year ended 31 August 2022

Review of achievements and performance for the year (including public benefit)

Operational performance of the School

The School enthusiastically returned to normality after the lifting of COVID 19 restrictions, and it has been another outstanding year for the School. Sixth form pupils were successful in gaining entry to the top schools of their choice, with an Academic Scholarship, 2 Music Scholarships and a Sports Exhibition.

Bursaries, donations and sponsorships

There was 1 bursary awarded for the 2021/22 academic year. The School continues to seek pupils who will benefit from the School's bursary provision, as well as additional sources of bursary funding. The School was grateful to receive £20,000 of funding for bursaries, and is actively seeking a suitable candidate who meets the criteria of the gift.

Donations to the Asra Hawariat School Fund, which supports the Asra Hawariat School, Ethiopia arising from funds raised at School events, amounted to £851 (2021: £9,846), and certain parents made donations directly.

Fundraising

The significant majority of the School's donations are raised as a result of the efforts of the School's Activities Committee, which comprises parents of current pupils and School staff. The Christmas Fair and the Summer Auction are the two main events each year which feature fundraising activities. These events are attended by pupils and their families, and donations are from persons with a connection to the School. Although the format of the Christmas Fair was modified due to COVID 19 precautions, donations to the School were generous.

Relationships with the Local Community and other organisations

The School is a member of IAPS which acts for the promotion and maintenance of preparatory school standards generally.

The School co-operates with various churches, including St Simon Zelotes, Milner Street, and pupils are involved in three concerts a year (two this year) as part of the Music Society Programme of St. Mary Magdalene Church Little Venice, and other local charities and societies. The School is also closely involved with the Asra Hawariat School in Ethiopia to which a proportion of the monies raised from the Christmas Fair is donated each year.

Sussex House has continued to share our curriculum under an initiative of the Board of Governors for Grenfell Response.

The Malcolm Arnold Preparatory Academy

The School is a strategic partner in the development of the Malcolm Arnold Preparatory Academy (part of the Malcom Arnold Academy), which is committed to reflecting aspects of the educational and creative approach of Sussex House School. The school is based in Northampton and Nicholas Kaye our Headmaster, has provided academic consultancy to the school.

Fencing

The School has a strong tradition of achievement in this sport, having produced a number of national champions over the past 20 years, and the return to competitions after COVID 19 was most welcome.

Trustees' report

for the year ended 31 August 2022

Review of achievements and performance for the year (including public benefit) (continued)

Music

The School contributes to the funding of two major events of the St Mary Magdalene Music Society based at St Mary Magdalene Church, in which the School participates, at a cost of £33,989 (2021: £nil, as due to COVID restrictions neither event took place last year). Members of the public attend and form part of the Chorus and Orchestra in these events and the large audiences contain many members of the public who have no other association with Sussex House.

Church

Sussex House takes part in various events at its local church, St Simon Zelotes, Milner Street, SW3. The School continues to be very grateful to St Simon Zelotes for allowing a greater than normal use of the church during COVID restrictions. The School contributed £2,937 (2021: £8,000) towards the upkeep of the church. The School has also maintained its strong link with St Mary Magdalene Church, Rowington Close, Little Venice, W2.

The Asra Hawariat School, Addis Ababa

Sussex House has established a strong link with this school in Addis Ababa. The Asra Hawariat School exists to provide education for 1,500 Ethiopian children who would not otherwise have the means to attend school. The school is funded by the Asra Hawariat School Fund based in the UK and no children pay to attend. A generous contribution from funds raised at the Summer Auction 2021 was donated to the Asra Hawariat School Fund and as a result of the link many parents have made generous separate donations to that school.

The trustees have continued to review the School's activities including revenue and financial, human and physical resources as part of their duties to monitor and ensure that the School's charitable objects and the public benefit are achieved most effectively.

Related party transactions

N P Kaye is a trustee of both the Asra Hawariat School Fund, which funds the Asra Hawariat school in Addis Ababa, and of the St Mary Magdalene Music Society. Details of transactions with these related parties are set out in note 18 to the financial statements.

Bursary policy

Bursaries are available to those prospective pupils who meet the School's entry requirements, or current pupils, and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In assessing means the School takes a number of factors into consideration including family income, investments and savings and family circumstances.

Risk management

The Trustees identify and assess the major risks to which the Charity is exposed, and how these are appropriately managed. The major risks identified being an adverse impact on the reputation of the school, changes to the regulatory, legislative and inspection regime, political and financial risk. To mitigate these risks, among other actions, the Trustees, with assistance from the Governors and the Staff Senior Management Team, ensure that a high quality education is provided, ensure that a robust set of policies, procedures and risk assessments are maintained, develop financial management, monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate. Trustee Indemnity insurance is in place.

Trustees' report

for the year ended 31 August 2022

Financial review and results for the year

The School's income exceeded expenditure by £435,263 during the year (2021: £446,527), which reflects the ongoing management of income and costs without compromising educational quality. The School received income of £4,613,209 (2021: £4,203,550) during the year as a result of charging for tuition and related activities. In addition, the School received donations for Bursary provision of £20,000, and to the Arts and Sports Fund of £72,681 (2021: £47,557). There were donations of £851 (2021: £9,846) for the Asra Hawariat School. Unrestricted donations totalled £88,189 (2021: £53,148) and the School also received contributions of £8,063 towards the cost of our Jubilee celebrations.

Expenditure on School operating costs was £4,309,162 (2021: £3,882,096) with a further £52,949 (2021: £41,635) of expenditure incurred in relation to bursaries and donations.

This year, an additional smart board was purchased for use in the ballroom at a cost of £4,260 which has added to both teaching and extra-curricular flexibility. IT spending during the year included a mobile set of laptops for classroom use at a cost of £7,128, a set of laptops and a tablet for Learning Support at a cost of £7,685 and upgrades to laptops for staff use at a cost of £8,245. The fire alarm system, including emergency lighting, was upgraded at a cost of £53,145.

There continues to be a steady number of registrations for future attendance at the School, and a strong demand for places from high calibre academic candidates, based on entrance test results.

Reserves policy

The School's unrestricted funds at the end of the year were £2,029,814 (2021: £1,609,794), and restricted funds were £535,516 (2021: £525,303). Total reserves stand at £2,565,330 (2021: £2,135,097). In a normal year, a total reserve level equivalent to one term's customary expenditure would be a level which the trustees would consider practicable and achievable on an ongoing basis to cover the customary risks and uncertainties of operating as an independent educational establishment. However, given the considerable domestic and geo-political, and economic volatility at the present time, the Trustees consider it prudent to maintain a higher level of reserves to provide a greater degree of financial security for the School during this period of exceptional uncertainty. The Reserves Policy is subject to ongoing review.

Remuneration Policy

The key management personnel of the School are the Headmaster and the Staff Senior Management Team. Their remuneration is set by the Trustees.

Investment policy and objectives

There are no restrictions on the charitable company's absolute powers of investment. The trustees' policy continues to be to put any surplus cash on a special deposit account. Deposit account interest of £2,444 (2021: £1,617) was received during the year.

Future plans

The main project for the forthcoming year is the Technology project, which will continue the rolling upgrade of smart boards in the ICT room and all classrooms.

The School's key objectives remain to maintain the number of pupils at the present level and to pursue the same objectives as reported above for this year.

Trustees' report

for the year ended 31 August 2022

Statement of trustees' responsibilities in respect of the financial statements

The trustees (who are also directors of Sussex House School for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees of the charitable company confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees and signed on their behalf by



N P Kaye
Secretary

Date: 6/3/2023

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2022

Opinion

We have audited the financial statements of Sussex House School (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis 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 entity's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2022

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees' were not entitled to take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2022

engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, child protection & safeguarding legislation, employment law, public benefit requirements, health & safety and data protection regulations.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2022

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

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.

WMT.

Elizabeth Wicks

Senior Statutory Auditor

For and on behalf of WMT
Chartered Accountants and Statutory Auditors
Verulam Point
Station Way
St Albans
Hertfordshire
AL1 5HE

Date: 13 March 2023

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2022

	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2022	2022	2022	2021	2021	2021
		£	£	£	£	£	£
Income from charitable activities:	2						
School fees		4,563,982	—	4,563,982	4,085,712	—	4,085,712
Registration fees		28,400	—	28,400	35,210	—	35,210
Income from generated funds:							
Donations		88,189	93,532	181,721	53,148	111,943	165,091
Interest receivable		2,444	—	2,444	1,617	—	1,617
Other income		20,827	—	20,827	82,628	—	82,628
Total income		4,703,842	93,532	4,797,374	4,258,315	111,943	4,370,258
Expenditure on charitable activities:	3						
- Teaching costs		3,246,864	18,701	3,265,565	2,813,032	66,613	2,879,645
- Premises		536,254	—	536,254	514,104	—	514,104
- Support costs		410,771	—	410,771	384,359	—	384,359
- Depreciation and amortisation		34,426	53,827	88,253	21,296	66,489	87,785
- Bank charges and bad debts		8,319	—	8,319	16,203	—	16,203
- Bursaries		3,472	—	3,472	29,207	—	29,207
- Donations		38,686	10,791	49,477	9,358	3,070	12,428
Total expenditure		4,278,792	83,319	4,362,111	3,787,559	136,172	3,923,731
Net income / (expenditure) for the year		425,050	10,213	435,263	470,756	(24,229)	446,527

The notes on pages 17 to 28 form part of the financial statements.

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2022

	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2022	2022	2022	2021	2021	2021
		£	£	£	£	£	£
Net income/(expenditure) for the year		425,050	10,213	435,263	470,756	(24,229)	446,527
Depreciation on revaluation of tangible fixed assets		(5,030)	—	(5,030)	(5,030)	—	(5,030)
Net movement in funds		420,020	10,213	430,233	465,726	(24,229)	441,497
Fund balances at 1 September		1,609,794	525,303	2,135,097	1,144,068	549,532	1,693,600
Fund balances at 31 August	11,12	2,029,814	535,516	2,565,330	1,609,794	525,303	2,135,097

The net incoming resources for the year derive from the continuing operations of the charitable company.

The notes on pages 17 to 28 form part of the financial statements.

Balance sheet

for the year ended 31 August 2022

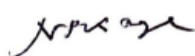
	Notes	£	2022 £	2021 £
Fixed assets:				
Tangible assets	6		681,679	657,778
Listed investments	7		124	124
			<u>681,803</u>	<u>657,902</u>
Current assets:				
Debtors	8	228,142		242,804
Cash at bank		2,851,445		2,392,838
		<u>3,079,587</u>		<u>2,635,642</u>
Creditors: amounts falling due within one year	9	<u>(896,060)</u>		<u>(866,447)</u>
Net current assets			<u>2,183,527</u>	<u>1,769,195</u>
Total assets less current liabilities			2,865,330	2,427,097
Creditors: amounts falling due after more than one year	10		(300,000)	(292,000)
Total net assets			<u>2,565,330</u>	<u>2,135,097</u>
Represented by:				
Reserves:				
Restricted funds	11		535,516	525,303
Unrestricted funds	12		2,029,814	1,609,794
Total funds			<u>2,565,330</u>	<u>2,135,097</u>

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Under Companies Act 2006, s454, on a voluntary basis the Trustees can amend these financial statements if they subsequently prove to be defective.

Approved and authorised for issue by the trustees and signed on their behalf by:

N P Kaye
Trustee



Date: 6/3/23

The notes on pages 17 to 28 form part of the financial statements.

Cash flow statement

for the year ended 31 August 2022

	2022	2021
	£	£
Cash flows from operating activities:		
Net income for the year	435,263	446,527
Adjustments for:		
Depreciation charges	88,253	87,785
Interest	(2,444)	(1,617)
(Increase) / decrease in debtors	14,662	(36,660)
Increase / (decrease) in creditors	37,613	218,134
Net cash provided by operating activities:	<u>573,347</u>	<u>714,169</u>
Cash flows from investing activities:		
Interest	2,444	1,617
Purchase of property, furniture and equipment	<u>(117,184)</u>	<u>(13,355)</u>
Net cash used in investing activities:	<u>(114,740)</u>	<u>(11,738)</u>
Change in cash at bank and in hand in the year	458,607	702,431
Cash at bank and in hand at the beginning of the year	2,392,838	1,690,407
Cash at bank and in hand at the end of the year	<u>2,851,445</u>	<u>2,392,838</u>

Changes in net debt

	At 1 September	Cash Flows	At 31 August
	£	£	£
Cash at bank and in hand	<u>2,392,838</u>	<u>458,607</u>	<u>2,851,445</u>

The notes on pages 17 to 28 form part of the financial statements.

Notes to the financial statements

for the year ended 31 August 2022

1 Accounting policies

Basis of preparation

Sussex House School is a public benefit entity under the Financial Reporting Standard 102 (FRS 102). The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) – Second Edition and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

Income

All income is recognised when the charitable company is legally entitled to the income, when it is probable that the income will be received and when the amount receivable can be measured with sufficient reliability.

Fees

Fees consist of charges invoiced for the School year ending August 31 for tuition and registration. Fees received for education to be provided in future years are deferred to future periods.

Job Retention Scheme

Job Retention Scheme income consists of claims made through HMRC for a proportion of the cost of the wages and salaries of those employees who are furloughed during a period of Government-imposed physical school closure related to the COVID 19 pandemic. Amounts claimed are given in note 2.

Expenditure

All expenditure (including irrecoverable VAT) is recognised when a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Charitable activities costs comprise all operating expenditure incurred to enable the charitable company to fulfil its charitable aims. These include both costs that can be allocated directly, and those of an indirect nature which are necessary to support charitable activities.

Costs of generating funds are those incurred in attracting voluntary donations.

Notes to the financial statements

for the year ended 31 August 2022

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets costing £300 or more are capitalised. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	-	over 50 years
Leasehold property and improvements	-	over the lease term
Furniture and equipment	-	over 4-10 years

No depreciation is charged on freehold land.

Listed investments

Listed investments are shown at market value.

Financial instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment, and if found, an impairment loss is recognised.

Cash at bank

Cash at bank comprises cash at bank and in hand.

Debtors

Short term debtors are measured at transaction price, less any impairment losses.

Creditors

Short term creditors are measured at the transaction price.

Deposits

Deposits refundable against final term's fees are treated as a long term liability except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income.

Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 102 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

Contributions to the NEST Pension Scheme are at the level required under current workplace pension legislation.

Notes to the financial statements

for the year ended 31 August 2022

1 Accounting policies (continued)

Leasing commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Fund accounting:

Restricted funds

Restricted funds comprise donations given for a specific purpose and their use is therefore subject to specific restrictions imposed by donors.

Expenditure incurred in fulfilling the objective of each fund is charged against the fund balance and deducted from the expenditure category in the charitable company's Statement of Financial Activities. Where the expenditure relates to a fixed asset, an amount is set aside in restricted funds related to that fixed asset and an annual depreciation charge is made against the restricted fund until such time as that asset is fully depreciated.

Unrestricted funds

Unrestricted funds comprise accumulated surpluses and deficits and are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company.

Judgements

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. The nature of estimation means the actual outcomes could differ from those estimates. There are no judgements made that have a significant effect on the amounts recognised in the financial statements.

Going concern

The trustees are not aware of any material uncertainties regarding going concern.

2 Income

Income represents fees charged in respect of tuition, other related activities and registration fees. Donations include those amounts donated to specific restricted funds and unrestricted donations along with any tax refund received under Gift Aid. Incoming resources also includes interest receivable and any gains in value of investments. Last year, Other Income included claims made under the HMRC Job Retention Scheme, comprising claims of 2021: £63,007 and 2021: £9,621 for wages and salaries of furloughed teaching and support staff respectively.

Notes to the financial statements

for the year ended 31 August 2022

2 Income (continued)

The donations received during the year comprised:

	Restricted funds £	Unrestricted funds £	2022 Total £	2021 Total £
Arts and Sports Fund	72,681	—	72,681	47,557
Asra Hawariat School Fund	851	—	851	12,246
Music and Theatre Fund	—	—	—	52,140
Bursary Fund	20,000	—	20,000	—
Other	—	88,189	88,189	53,148
	<u>93,532</u>	<u>88,189</u>	<u>181,721</u>	<u>165,091</u>

3 Expenditure

(a) This is stated after charging:

	2022 £	2021 £
Staff costs (note 4)	2,845,780	2,685,764
Governance costs – Auditor’s remuneration	9,500	9,000
– other governance costs	196	196
Depreciation of owned fixed assets	88,253	87,785
Operating lease rentals – plant and equipment	2,838	3,012
– land and buildings	308,198	313,400

(b) Remuneration of trustees

No trustees received any remuneration in respect of their services during the year (2021: £nil). No trustee received any reimbursement of expenses during the year (2021: £nil).

Mr N P Kaye, who is a trustee is also the school’s headmaster and his remuneration (excluding pension contributions) including benefits, was £145,246 (2021: £141,924) and is included in the staff costs. In addition, the School has made employer contributions to the Government’s Teachers’ Pension Defined Benefits Scheme (note 14) for the benefit of Mr N P Kaye of £30,650 (2021: £30,347).

(c) Indemnity insurance

The School has purchased indemnity insurance to indemnify the School for up to £1,000,000 from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part at a cost of £196 (2021: £196).

Notes to the financial statements

for the year ended 31 August 2022

3 Expenditure (continued)

(d) Support Costs

	2022	2021
	£	£
Wages and salaries	275,053	259,146
Computer costs	77,234	65,099
Insurance (non-buildings)	23,672	21,672
Other support costs	34,812	38,442
	410,771	384,359

4 Staff costs

	2022	2021
	£	£
Wages and salaries	2,263,165	2,150,480
Social security costs	262,720	232,527
Other pension costs (note 14)	319,895	302,757
	2,845,780	2,685,764

Of the above £2,570,727 (2021: £2,426,618) is included in teaching costs and £275,053 (2021: £259,146) is included in support costs in the Statement of Financial Activities.

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

	2022	2022	2021	2021
	FTE	No.	FTE	No.
Teaching staff	37	48	36	45
Administration	5	6	5	5
	42	54	41	50

Ex-gratia payments totalling £2,000 (2021: £nil) were paid to staff leaving during the year.

The total of key management personnel compensation was £960,325 (2021: £862,828).

The number of employees whose remuneration exceeded £60,000 and to whom retirement benefits are accruing under defined benefit schemes (note 14) are set out below:

	2022	2021
	No	No
£60,001 - £70,000	7	5
£70,001 - £80,000	1	2
£80,001 - £90,000	2	1
£90,001 - £100,000	1	2
£100,001 - £110,000	1	-
£140,001 - £150,000	1	1

Notes to the financial statements

for the year ended 31 August 2022

5 Taxation

The School is a registered charity and therefore is not liable to income tax or corporation tax or income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

6 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Furniture & equipment £	Total £
Cost/valuation:				
At 1 September 2021	936,628	449,546	858,011	2,244,185
Additions	14,199	66,346	36,639	117,184
Disposals	—	—	—	—
At 31 August 2022	<u>950,827</u>	<u>515,892</u>	<u>894,650</u>	<u>2,361,369</u>
Depreciation:				
At 1 September 2021	402,076	384,660	799,671	1,586,407
Provided during the year	9,918	48,775	34,590	93,283
Disposals	—	—	—	—
At 31 August 2022	<u>411,994</u>	<u>433,435</u>	<u>834,261</u>	<u>1,679,690</u>
Net book value:				
At 31 August 2022	<u>538,833</u>	<u>82,457</u>	<u>60,389</u>	<u>681,679</u>
At 1 September 2021	<u>534,552</u>	<u>64,886</u>	<u>58,340</u>	<u>657,778</u>

All fixed assets owned are used for direct charitable purposes.

The charitable company has adopted a policy of not revaluing its tangible fixed assets. The book value of freehold land and buildings is based on a valuation by Gerald Eve, Chartered Surveyors on November 26 1999 at open market value in accordance with The Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. This valuation of £700,000 has been incorporated in these financial statements with subsequent additions being included at cost.

The historical cost of freehold land and buildings included above at a valuation of £936,628 was £685,106 and the aggregate depreciation thereon would be £313,200.

7 Listed investments

The charitable company holds 372 shares in Lloyds Banking Group plc (2021: 372 shares) which is recorded at its market value of £124 on August 31 2022 (2021: £124).

Notes to the financial statements

for the year ended 31 August 2022

8 Debtors

	2022 £	2021 £
Fees receivable	57,350	94,253
Prepayments and accrued income	170,792	146,390
Other debtors	0	2,161
	<u>228,142</u>	<u>242,804</u>

9 Creditors: amounts falling due within one year

	2022 £	2021 £
Deposits refundable within one year	74,000	85,500
Payments for school fees received in advance	585,160	587,665
Expense creditors	109,755	80,913
Taxation and social security costs	62,096	55,553
Other creditors	37,546	35,088
Accruals	27,503	21,728
	<u>896,060</u>	<u>866,447</u>

Payments for school fees received in advance of £585,160 (2021: 587,665) represents fees which are received before the start of the term to which they relate, typically fees for the Michaelmas Term which are received during the preceding summer holiday period.

Other creditors includes an amount of £37,824 (2021: £35,088) in respect of contributions due to pension schemes.

10 Creditors: Amounts falling due after more than one year

	2022 £	2021 £
School fee deposits	<u>300,000</u>	<u>292,000</u>

Notes to the financial statements

for the year ended 31 August 2022

11 Restricted funds

(a) The income funds of the School include restricted funds comprising the following balances:

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Bursary Fund £	Total £
At 1 September 2021	103,045	385,300	9,940	6,980	20,038	—	525,303
Incoming resources:							
Donations received	—	72,681	851	—	—	20,000	93,532
Resources expended:							
Capital expenditure	13,703	—	—	(2,315)	(11,388)	—	—
Depreciation	(53,827)	—	—	—	—	—	(53,827)
School activities	—	(18,701)	—	—	—	—	(18,701)
Asra Hawariat School	—	—	(9,191)	—	—	—	(9,191)
Ethiopia	—	—	(1,600)	—	—	—	(1,600)
Transfers	—	—	—	—	—	—	—
At 31 August 2022	62,921	439,280	—	4,665	8,650	20,000	535,516

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Art Display fund £	Total £
At 1 September 2020	163,343	347,450	764	10,521	22,454	5,000	549,532
Incoming resources:							
Donations received	—	47,557	12,246	52,140	—	—	111,943
Resources expended:							
Capital expenditure	6,191	—	—	—	(2,416)	(3,775)	—
Depreciation	(66,489)	—	—	—	—	—	(66,489)
School activities	—	(10,932)	—	(55,681)	—	—	(66,613)
Asra Hawariat School	—	—	(2,270)	—	—	—	(2,270)
Ethiopia	—	—	(800)	—	—	—	(800)
Transfers	—	—	—	—	—	—	—
At 31 August 2021	103,045	384,075	9,940	6,980	20,038	1,225	525,303

Notes to the financial statements

for the year ended 31 August 2022

11 Restricted funds continued

- b) The Capital Expenditure Fund represents amounts used to purchase fixed assets for the School, from funds raised specifically for such a purpose, and also the annual depreciation charge each year on those assets.

The Arts and Sports Fund has been used partly to fund fixed assets in the past but is also to maintain and develop the School's creative, musical, theatrical and sporting activities, with the majority of its funds being generated by the School's Christmas Fair and Summer Auction. The purposes for which the Art Display Fund was established have been fulfilled and therefore the remaining funds of £1,225 have been amalgamated with the Arts & Sports Fund.

Further music and drama resources will be funded from the Music and Theatre Fund, and the main current focus is the ongoing rolling upgrade of smart white boards, in the ICT room and classrooms.

The School also operates a fund to support the Asra Hawariat School.

12 Unrestricted funds

These funds comprise:

	2022 £	2021 £
Revaluation reserve	152,724	157,754
Accumulated surplus	<u>1,877,090</u>	<u>1,452,040</u>
	<u>2,029,814</u>	<u>1,609,794</u>

The revaluation reserve arose on the revaluation of the freehold land and buildings in 1999, less the depreciation released to the Statement of financial activities.

The remaining unrestricted resources arise principally from the School's day-to-day operations.

13 Analysis of net assets between funds

The fund balances at 31 August 2022 are represented by:

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Fixed assets	62,921	618,882	681,803	103,045	554,857	657,902
Current assets	472,595	2,606,992	3,079,587	422,258	2,213,384	2,635,642
Current liabilities	—	(896,060)	(896,060)	—	(866,447)	(866,447)
Creditors: Amounts falling due after one year	—	(300,000)	(300,000)	—	(292,000)	(292,000)
Total net assets	<u>535,516</u>	<u>2,029,814</u>	<u>2,565,330</u>	<u>525,303</u>	<u>1,607,794</u>	<u>2,135,097</u>

Notes to the financial statements

for the year ended 31 August 2022

13 Analysis of net assets between funds (continued)

Unrealised gains at 31 August 2022 are represented by:

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
At 1 September	—	157,754	157,754	—	162,784	162,784
Realised in the year	—	(5,030)	(5,030)	—	(5,030)	(5,030)
At 31 August	—	152,724	152,724	—	157,754	157,754

14 Pensions

Teachers' Pensions

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £297,843 (2021: £281,585) and at the year end £35,432 (2021: £32,675) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The latest valuation report in respect of the TPS was prepared at 31 March 2016 and the valuation report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

Notes to the financial statements

for the year ended 31 August 2022

14 Pensions (continued)

Teachers' Pensions (continued)

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Under the definitions set out in section 17 of Financial Reporting Standard 102, the TPS is a multi-employer pension scheme. The charitable company is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, it has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable company has set out above the information available on the scheme.

Other Pensions

Pension contributions are also paid to a contributory pension scheme for the benefit of non-teaching staff. In May 2015 the School started its auto-enrolment pension scheme with NEST for the benefit of all non-teaching staff. The assets of this scheme are held separately from those of the School in independently administered funds.

All pension contribution costs are recognised in the statement of financial activities as they become payable. The pension charge for the year includes contributions payable to NEST of £22,052 (2021: £21,182) and at the year end the amount due to the scheme was £2,192 (2021: £2,213). The statutory minimum contribution level increased in April 2019.

15 Capital commitments

There were capital commitments for items contracted for but not provided in the financial statements amounting to £nil (2020: £nil).

Notes to the financial statements

for the year ended 31 August 2022

16 Other financial commitments

The future minimum lease payments due to the end of the relevant leases are as follows:

	Plant and Equipment 2022	Plant and Equipment 2021	Land and buildings 2022	Land and buildings 2021
	£	£	£	£
Operating leases payments due:				
Within one year	631	1,580	199,260	263,552
Between 2 and 5 years	2,050	—	—	195,000
Greater than 5 years	—	—	—	—
	<u>2,681</u>	<u>1,580</u>	<u>199,260</u>	<u>458,552</u>

17 Financial Instruments

	2022	2021
	£	£
Financial assets that are debt instruments	<u>76,012</u>	<u>107,849</u>
Financial liabilities	<u>539,304</u>	<u>506,619</u>

Financial assets measured at amortised cost comprise fees receivable, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise deposits, expense creditors, pension contributions and expense accruals.

18 Related party transactions

N P Kaye is a trustee of the St Mary Magdalene Music Society which organises an annual series of recitals and concerts at St Mary Magdalene Church, Rowington Close, Little Venice, London W2. The School supports this programme and the School's pupils, parents and staff usually participate in two concerts a year (but just one last year due to the COVID 19 pandemic) which are sponsored by the charitable company but are also open to the general public. During the year the charitable company incurred expenditure of £44,749 (2021: £1,064) and received contributions of £9,000 (2021: £nil) from the St Mary Magdalene Music Society towards this expenditure.

N P Kaye is a trustee of the Asra Hawariat School Fund. Donations from Sussex House fundraising activities amounting to £9,191 (2021: £2,270) were made to the Asra Hawariat charitable Fund.

There were no donations to the charitable company from the Trustees.

19 Limitation of liability

The members of the charitable company guarantee to contribute an amount not exceeding £5 to the assets of the charitable company in the event of a winding up.

SUSSEX HOUSE SCHOOL

England & Wales - Charity number 1035806

Accounts

Sussex House School

(A company limited by guarantee and not having share capital)

Report and financial statements

For the year ended 31 August 2021

Company registration number: 02884794 (England and Wales)

Charity registration number: 1035806 (England and Wales)

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Trustees' report

for the year ended 31 August 2021

The trustees (who are also directors of Sussex House School Limited for the purposes of company law and trustees for the purposes of charity law) present their statutory report, which also represents a directors' report, for the year ended 31 August 2021 under the Companies Act 2006, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006 and the charitable company's memorandum and articles of association and have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities SORP – Second Edition). The report has been prepared in accordance with Part 8 of the Charities Act 2011.

Reference and administrative information

Sussex House School ("the School") is a registered charitable company founded in 1994, charity number 1035806 and company number 02884794. The liability of the members is limited by guarantee to an amount not exceeding £5.

The School has an official Church of England affiliation under the Designation of Schools having a Religious Character (Independent Schools) (England) Order 2004.

Structure, governance and management

Governing document

The charitable company is governed by its memorandum and articles of association which were last amended on 10 March 1994.

Trustees

The trustees, who are also directors of the charitable company, who have held office for the whole of the year unless otherwise stated, and to the date of this report, are as follows:

A B Badenoch *deceased 26 11 2020*

J Crewe

J M Elias

M A J Goedhuis

N P Kaye

R T G Winter *appointed 22 May 2021*

Trustee appointment and training

New trustees will be appointed in accordance with the Articles of Association following lengthy consultation and consideration by the existing trustees who must be satisfied regarding their eligibility. Existing trustees retire by rotation each year.

Any new trustees will be inducted into the workings of the School, and also of the company as a registered charity by the Headmaster. Prospective trustees will be provided with a memorandum of the legal responsibilities and duties of trustees and are invited to familiarise themselves with CC3 "The Essential trustee: what you need to know, what you need to do" published by the Charity Commission plus copies of the charitable company's financial statements and minutes of previous trustees' meetings.

Trustees' report

for the year ended 31 August 2021

Structure, governance and management (continued)

Organisational management

The trustees meet six times a year to determine the general policy of the charitable company and review its overall management and control, for which they are legally responsible. When determining policies, the trustees seek input from the Board of Governors which also meets at least three times a year. The day-to-day running of the School is delegated to the Headmaster and the Staff Senior Management Team.

Objects, aims, objectives and principal activities (including public benefit)

The primary objective of the charitable company, as set out in its memorandum and articles of association, is promoting and providing for the advancement of education of children and adults by the provision of one or more schools, tutorial colleges and other establishments.

The Trustees have had regard to the guidance on public benefit published by the Charity Commission, and in particular to its supplementary public benefit guidance on advancing education and on fee charging when exercising their powers and duties, in particular when setting fees charged by the School and identifying the benefits provided by the charitable company in relation to its aims.

Although the School has an entry test, due to the large number of applications for places, the policy is to measure potential as well as a pupil's current performance so that priority is given to children who will benefit from not only the academic programme on offer at the School, but also the specialities of certain areas of creativity, notably Music, Art and Theatre. The School has never restricted entry to a potential pupil because of the pupil's parents' inability to pay the fees. The School has never asked for a pupil to be removed from Sussex House due to a change in parents' financial circumstances. The geographical location of a pupil's home, their ethnicity, race or existence of a disability are quite irrelevant to the School's selection procedure. Although the School has an official Church of England affiliation, a family or child's religious affiliation is not taken into account when places are offered and boys of all religions and denominations or none are welcomed equally.

Strategic aim and intended effect

The School's strategic aim is to reach its annual objective which is the attainment of the highest academic levels whilst allowing pupils to benefit from the School's extensive extra-curricular programme. This enables the School to develop its pupils' abilities and academic potential, awaken and develop their wider interests in life and prepare them for the senior school of their own and their parents' choice.

Objectives for the year

The trustees' main objective for the year continued to be to educate all the School's pupils to at least the same high standard achieved by the School in previous years, so that they will fully benefit from their chosen senior school for the completion of their education in due course. The strategy to achieve this is to maintain a high teacher-to-pupil ratio and to tailor the education of each pupil to suit their individual needs. In addition, the trustees aim to continue providing support in respect of the provision of means tested bursaries and to continue to develop links with the local community and other organisations.

Principal activity

The School continues to operate as a day school for 8-13 year-old boys, educating them to a high standard and so enabling them to move on to a suitable senior school for the completion of their education.

Trustees' report

for the year ended 31 August 2021

Review of achievements and performance for the year (including public benefit)

Operational performance of the School

Despite the unprecedented, ongoing challenges presented by the COVID 19 pandemic, it has been an outstanding year for the School. Sixth form pupils were successful in gaining entry to the schools of their choice, with a King's Scholarship to Eton, and 2 other Academic Scholarships to top academic schools, and a Music Scholarship to a competitive school. The School responded to the imposition of a second lockdown during the first half of the Lent 2021 term by reverting to its established academic "Virtually Sussex House" online learning programme, which was extended to include winter term activities. Again, the customary volume and variety of literary, drama, art, music and sports were significantly impacted during second lockdown, and the termly school fee was reduced by 20% accordingly. Those staff who did not have a role in the delivery of the online learning programme were furloughed during the period of school closure.

Bursaries, donations and sponsorships

There were 2 bursaries awarded for the 2020/21 academic year. The School continues to seek pupils who will benefit from the School's bursary provision, as well as additional sources of bursary funding.

Donations to the Asra Hawariat School Fund, which supports the Asra Hawariat School, Ethiopia arising from funds raised at School events, amounted to £9,846 (2020: £764), and certain parents made donations directly.

Fundraising

The significant majority of the School's donations are raised as a result of the efforts of the School's Activities Committee, which comprises parents of current pupils and School staff. The Christmas Fair and the Summer Auction are the two main events each year which feature fundraising activities. These events are attended by pupils and their families, and donations are from persons with a connection to the School. Although the Christmas Fair could not take place this year, due to the COVID 19 pandemic, donations to the School were generous.

Relationships with the Local Community and other organisations

The School is a member of IAPS which acts for the promotion and maintenance of preparatory school standards generally.

The School co-operates with various churches, including St Simon Zelotes, Milner Street, and pupils are involved in three concerts a year (two this year) as part of the Music Society Programme of St. Mary Magdalene Church Little Venice, and other local charities and societies. The School is also closely involved with the Asra Hawariat School in Ethiopia to which a proportion of the monies raised from the Christmas Fair is donated each year.

Sussex House has continued to share our curriculum under an initiative of the Board of Governors for Grenfell Response.

The Malcolm Arnold Preparatory Academy

The School is a strategic partner in the development of the Malcolm Arnold Preparatory Academy (part of the Malcom Arnold Academy), which is committed to reflecting aspects of the educational and creative approach of Sussex House School. The school is based in Northampton. Sussex House has been sharing expertise at many levels and Nicholas Kaye our Headmaster, has been an academic consultant to the school.

Fencing

The School has a strong tradition of achievement in this sport, having produced a number of national champions over the past 20 years, however, many competitions were cancelled this year due to COVID 19, including the London Youth Games.

Trustees' report

for the year ended 31 August 2021

Review of achievements and performance for the year (including public benefit) (continued)

Music

The School usually contributes to the funding of two major events of the St Mary Magdalene Music Society based at St Mary Magdalene Church, in which the School participates. Due to COVID restrictions neither event took place this year (2020: £14,947, 1 event). Members of the public attend and form part of the Chorus and Orchestra in these events and the large audiences contain many members of the public who have no other association with Sussex House.

Church

Sussex House takes part in various events at its local church, St Simon Zelotes, Milner Street, SW3. This year, the School was very grateful to St Simon Zelotes who allowed a greater than normal use of the church during COVID restrictions, which enabled a number of events to go ahead in a distanced manner. The School contributed £8,000 (2020: £2,500) towards the upkeep of the church. The School has also maintained its strong link with St Mary Magdalene Church, Rowington Close, Little Venice, W2.

The Asra Hawariat School, Addis Ababa

Sussex House has established a strong link with this school in Addis Ababa. The Asra Hawariat School exists to provide education for 1,500 Ethiopian children who would not otherwise have the means to attend school. The school is funded by the Asra Hawariat School Fund based in the UK and no children pay to attend. A generous contribution from funds raised at the Summer Auction 2021 was donated to the Asra Hawariat School Fund and as a result of the link many parents have made generous separate donations to that school.

The trustees have continued to review the School's activities including revenue and financial, human and physical resources as part of their duties to monitor and ensure that the School's charitable objects and the public benefit are achieved most effectively.

Related party transactions

N P Kaye is a trustee of both the Asra Hawariat School Fund, which funds the Asra Hawariat school in Addis Ababa, and of the St Mary Magdalene Music Society. Details of transactions with these related parties are set out in note 18 to the financial statements.

Bursary policy

Bursaries are available to those prospective pupils who meet the School's entry requirements, or current pupils, and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In assessing means the School takes a number of factors into consideration including family income, investments and savings and family circumstances.

Risk management

The Trustees identify and assess the major risks to which the Charity is exposed, and how these are appropriately managed. This year, the COVID 19 pandemic featured heavily. The major risks identified being an adverse impact on the reputation of the school, changes to the regulatory, legislative and inspection regime, and financial risk. To mitigate these risks, among other actions, the Trustees, with assistance from the Governors and the Staff Senior Management Team, ensure that a high quality education is provided, ensure that a robust set of policies, procedures and risk assessments are maintained, develop financial management, monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate. Trustee Indemnity insurance is in place.

Trustees' report

for the year ended 31 August 2021

Financial review and results for the year

The School's income exceeded expenditure by £446,527 during the year (2020: £387,497), which reflects the ongoing management of income and costs without compromising educational quality. The School received income of £4,203,550 (2020: £3,925,675) during the year as a result of charging for tuition and related activities. In addition, the School received donations to the Theatre Fund of £52,140 in support of school drama, and donations to the Arts and Sports Fund of £47,557 (2020: £142,361). There were donations of £9,846 (2020: £764) for the Asra Hawariat School. Unrestricted donations totalled £53,148 (2020: £22,264).

Expenditure on School operating costs was £3,882,096 (2020: £3,713,710) with a further £41,635 (2020: £43,431) of expenditure incurred in relation to bursaries and donations.

In response to COVID restrictions, the focus of drama productions was adapted from live audience to film. The Music and Theatre Fund supported this by funding a professional film crew, equipment, and a cinema screening of our film production "A Midsummer Night's Dream" at a cost of £55,681. The replacement of smart board kit was begun at a cost of £2,416 and bespoke display table for the annual Art Exhibition were commissioned at a cost of £3,775.

There continues to be a steady number of registrations for future attendance at the School, and a strong demand for places from high calibre academic candidates, based on entrance test results.

Reserves policy

The School's unrestricted funds at the end of the year were £1,609,794 (2020: £1,144,068), and restricted funds were £525,303 (2020: £549,532). Total reserves stand at £2,135,097 (2020: £1,693,600). In a normal year, a total reserve level equivalent to one term's customary expenditure would be a level which the trustees would consider practicable and achievable on an ongoing basis to cover the customary risks and uncertainties of operating as an independent educational establishment. However, based on the educational impact and reductions in tuition fees the school has experienced due to the COVID 19 pandemic during the past two years, and the lingering uncertainty associated with the longer term implications of the pandemic and Brexit, the Trustees consider it prudent to maintain a higher level of reserves to cover these unprecedented risks, in order that the School is in a position to respond to an increasingly challenging economy. The Reserves Policy is subject to ongoing review.

Remuneration Policy

The key management personnel of the School are the Headmaster and the Staff Senior Management Team. Their remuneration is set by the Trustees.

Investment policy and objectives

There are no restrictions on the charitable company's absolute powers of investment. The trustees' policy continues to be to put any surplus cash on a special deposit account. Deposit account interest of £1,617 (2020: £3,574) was received during the year.

Future plans

The main project for the forthcoming year is the Technology project, which will continue the upgrade of smart boards in the ICT room and all classrooms.

The School's key objectives remain to maintain the number of pupils at the present level and to pursue the same objectives as reported above for this year.

Trustees' report

for the year ended 31 August 2021

Statement of trustees' responsibilities in respect of the financial statements

The trustees (who are also directors of Sussex House School for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees of the charitable company confirms that:

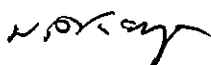
- so far as the trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees and signed on their behalf by

N P Kaye
Secretary



Date: 30 November 2021

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2021

Opinion

We have audited the financial statements of Sussex House School (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis 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 entity's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees' were not entitled to take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2021

engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, child protection & safeguarding legislation, employment law, public benefit requirements, health & safety and data protection regulations.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2021

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

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.



Elizabeth Irvine
Senior Statutory Auditor

For and on behalf of WMT
Chartered Accountants and Statutory Auditors
Verulam Point
Station Way
St Albans
Hertfordshire
AL1 5HE

Date: 17 December 2021

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2021

	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2021	2021	2021	2020	2020	2020
		£	£	£	£	£	£
Income from charitable activities:	2						
School fees		4,085,712	—	4,085,712	3,675,724	—	3,675,724
Registration fees		35,210	—	35,210	22,800	—	22,800
Income from generated funds:							
Donations		53,148	111,943	165,091	22,264	193,125	215,389
Interest receivable		1,617	—	1,617	3,574	—	3,574
Other income		82,628	—	82,628	227,151	—	227,151
Total income		4,258,315	111,943	4,370,258	3,951,513	193,125	4,144,638
Expenditure on charitable activities:	3						
- Teaching costs		2,813,032	66,613	2,879,645	2,708,459	26,682	2,735,141
- Premises		514,104	—	514,104	510,604	—	510,604
- Support costs		384,359	—	384,359	372,137	—	372,137
- Depreciation and amortisation		21,296	66,489	87,785	23,926	69,469	93,395
- Bank charges and bad debts		16,203	—	16,203	2,433	—	2,433
- Bursaries		29,207	—	29,207	22,659	—	22,659
- Donations		9,358	3,070	12,428	18,495	2,277	20,772
Total expenditure		3,787,559	136,172	3,923,731	3,658,713	98,428	3,757,141
Net income / (expenditure) for the year		470,756	(24,229)	446,527	292,800	94,697	387,497

The notes on pages 17 to 28 form part of the financial statements.

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2021

	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2021	2021	2021	2020	2020	2020
		£	£	£	£	£	£
Net income/(expenditure) for the year		470,756	(24,229)	446,527	292,800	94,697	387,497
Depreciation on revaluation of tangible fixed assets		(5,030)	—	(5,030)	(5,030)	—	(5,030)
Net movement in funds		465,726	(24,229)	441,497	287,770	94,697	382,467
Fund balances at 1 September		1,144,068	549,532	1,693,600	856,298	454,835	1,311,133
Fund balances at 31 August	11,12	1,609,794	525,303	2,135,097	1,144,068	549,532	1,693,600

The net incoming resources for the year derive from the continuing operations of the charitable company.

The notes on pages 17 to 28 form part of the financial statements.

Balance sheet

for the year ended 31 August 2021

	Notes	£	2021 £	2020 £
Fixed assets:				
Tangible assets	6		657,778	737,238
Listed investments	7		124	124
			<u>657,902</u>	<u>737,362</u>
Current assets:				
Debtors	8	242,804		206,144
Cash at bank		2,392,838		1,690,407
		<u>2,635,642</u>		<u>1,896,551</u>
Creditors: amounts falling due within one year	9	<u>(866,447)</u>		<u>(640,813)</u>
Net current assets			<u>1,769,195</u>	<u>1,255,738</u>
Total assets less current liabilities			<u>2,427,097</u>	<u>1,993,100</u>
Creditors: amounts falling due after more than one year	10		(292,000)	(299,500)
Total net assets			<u>2,135,097</u>	<u>1,693,600</u>
Represented by:				
Reserves:				
Restricted funds	11		525,303	549,532
Unrestricted funds	12		1,609,794	1,144,068
Total funds			<u>2,135,097</u>	<u>1,693,600</u>

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Under Companies Act 2006, s454, on a voluntary basis the Trustees can amend these financial statements if they subsequently prove to be defective.

Approved and authorised for issue by the trustees and signed on their behalf by:

N P Kaye
Trustee



Date: 30 November 2021

The notes on pages 17 to 28 form part of the financial statements.

Cash flow statement

for the year ended 31 August 2021

	2021	2020
	£	£
Cash flows from operating activities:		
Net income for the year	446,527	387,497
Adjustments for:		
Depreciation charges	87,785	93,395
Interest	(1,617)	(3,574)
(Increase) / decrease in debtors	(36,660)	41,049
Increase / (decrease) in creditors	218,134	(54,545)
Net cash provided by operating activities:	<u>714,169</u>	<u>463,822</u>
Cash flows from investing activities:		
Interest	1,617	3,574
Purchase of property, furniture and equipment	<u>(13,355)</u>	<u>(38,054)</u>
Net cash used in investing activities:	<u>(11,738)</u>	<u>(34,480)</u>
Change in cash at bank and in hand in the year	702,431	429,342
Cash at bank and in hand at the beginning of the year	1,690,407	1,261,065
Cash at bank and in hand at the end of the year	<u>2,392,838</u>	<u>1,690,407</u>

Changes in net debt

	At 1 September	Cash Flows	At 31 August
	£	£	£
Cash at bank and in hand	<u>1,690,407</u>	<u>702,431</u>	<u>2,392,838</u>

The notes on pages 17 to 28 form part of the financial statements.

Notes to the financial statements

for the year ended 31 August 2021

1 Accounting policies

Basis of preparation

Sussex House School is a public benefit entity under the Financial Reporting Standard 102 (FRS 102). The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) – Second Edition and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

Income

All income is recognised when the charitable company is legally entitled to the income, when it is probable that the income will be received and when the amount receivable can be measured with sufficient reliability.

Fees

Fees consist of charges invoiced for the School year ending August 31 for tuition and registration. Fees received for education to be provided in future years are deferred to future periods.

Job Retention Scheme

Job Retention Scheme income consists of claims made through HMRC for a proportion of the cost of the wages and salaries of those employees who are furloughed during a period of Government-imposed physical school closure related to the COVID 19 pandemic. Amounts claimed are given in note 2.

Expenditure

All expenditure (including irrecoverable VAT) is recognised when a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Charitable activities costs comprise all operating expenditure incurred to enable the charitable company to fulfil its charitable aims. These include both costs that can be allocated directly, and those of an indirect nature which are necessary to support charitable activities.

Costs of generating funds are those incurred in attracting voluntary donations.

Notes to the financial statements

for the year ended 31 August 2021

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets costing £300 or more are capitalised. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	-	over 50 years
Leasehold property and improvements	-	over the lease term
Furniture and equipment	-	over 4-10 years

No depreciation is charged on freehold land.

Listed investments

Listed investments are shown at market value.

Financial instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment, and if found, an impairment loss is recognised.

Cash at bank

Cash at bank comprises cash at bank and in hand.

Debtors

Short term debtors are measured at transaction price, less any impairment losses.

Creditors

Short term creditors are measured at the transaction price.

Deposits

Deposits refundable against final term's fees are treated as a long term liability except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income.

Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 102 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

Contributions to the NEST Pension Scheme are at the level required under current workplace pension legislation.

Notes to the financial statements

for the year ended 31 August 2021

1 Accounting policies (continued)

Leasing commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Fund accounting:

Restricted funds

Restricted funds comprise donations given for a specific purpose and their use is therefore subject to specific restrictions imposed by donors.

Expenditure incurred in fulfilling the objective of each fund is charged against the fund balance and deducted from the expenditure category in the charitable company's Statement of Financial Activities. Where the expenditure relates to a fixed asset, an amount is set aside in restricted funds related to that fixed asset and an annual depreciation charge is made against the restricted fund until such time as that asset is fully depreciated.

Unrestricted funds

Unrestricted funds comprise accumulated surpluses and deficits and are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company.

Judgements

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. The nature of estimation means the actual outcomes could differ from those estimates. There are no judgements made that have a significant effect on the amounts recognised in the financial statements.

Going concern

The trustees are not aware of any material uncertainties regarding going concern.

2 Income

Income represents fees charged in respect of tuition, other related activities and registration fees. Donations include those amounts donated to specific restricted funds and unrestricted donations along with any tax refund received under Gift Aid. Incoming resources also includes interest receivable and any gains in value of investments. This year, Other Income includes claims made under the HMRC Job Retention Scheme, comprising claims of £63,007 (2020: £165,731) and £9,621 (2020: £48,930) for wages and salaries of furloughed teaching and support staff respectively.

Notes to the financial statements

for the year ended 31 August 2021

2 Income (continued)

The donations received during the year comprised:

	Restricted funds £	Unrestricted funds £	2021 Total £	2020 Total £
Arts and Sports Fund	47,557	—	47,557	142,361
Asra Hawariat School Fund	12,246	—	12,246	764
Technology Fund	—	—	—	50,000
Music and Theatre Fund	52,140	—	52,140	—
Other	—	53,148	53,148	22,264
	<u>111,943</u>	<u>53,148</u>	<u>165,091</u>	<u>215,389</u>

3 Expenditure

(a) This is stated after charging:

	2021 £	2020 £
Staff costs (note 4)	2,685,764	2,570,780
Governance costs – Auditor’s remuneration	8,400	8,610
– other governance costs	196	187
Depreciation of owned fixed assets	87,785	93,395
Operating lease rentals – plant and equipment	3,012	2,780
– land and buildings	<u>313,400</u>	<u>290,127</u>

(b) Remuneration of trustees

No trustees received any remuneration in respect of their services during the year (2020: £nil). No trustee received any reimbursement of expenses during the year (2020: £nil).

Mr N P Kaye, who is a trustee is also the school’s headmaster and his remuneration (excluding pension contributions) including benefits, was £141,924 (2020: £147,032) and is included in the staff costs. In addition, the School has made employer contributions to the Government’s Teachers’ Pension Defined Benefits Scheme (note 14) for the benefit of Mr N P Kaye of £30,347 (2020: £29,535).

(c) Indemnity insurance

The School has purchased indemnity insurance to indemnify the School for up to £1,000,000 from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part at a cost of £196 (2020: £187).

Notes to the financial statements

for the year ended 31 August 2021

3 Expenditure (continued)

(d) Support Costs

	2021	2020
	£	£
Wages and salaries	259,146	253,837
Computer costs	65,099	73,519
Insurance (non-buildings)	21,672	19,282
Other support costs	38,442	25,499
	<u>384,359</u>	<u>372,137</u>

4 Staff costs

	2021	2020
	£	£
Wages and salaries	2,150,480	2,058,151
Social security costs	232,527	223,988
Other pension costs (note 14)	302,757	288,641
	<u>2,685,764</u>	<u>2,570,780</u>

Of the above £2,426,618 (2020: £2,316,943) is included in teaching costs and £259,146 (2020: £253,837) is included in support costs in the Statement of Financial Activities.

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

	2021	2021	2020	2020
	FTE	No.	FTE	No.
Teaching staff	36	45	37	46
Administration	5	5	5	5
	<u>41</u>	<u>50</u>	<u>42</u>	<u>51</u>

Ex-gratia payments totalling £nil (2020: £5,385) were paid to staff leaving during the year.

The total of key management personnel compensation was £862,828 (2020: £858,667).

The number of employees whose remuneration exceeded £60,000 and to whom retirement benefits are accruing under defined benefit schemes (note 14) are set out below:

	2021	2020
	No	No
£60,001 - £70,000	5	4
£70,001 - £80,000	2	2
£80,001 - £90,000	1	2
£90,001 - £100,000	2	1
£140,001 - £150,000	1	1
	<u>11</u>	<u>10</u>

Notes to the financial statements

for the year ended 31 August 2021

5 Taxation

The School is a registered charity and therefore is not liable to income tax or corporation tax or income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

6 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Furniture & equipment £	Total £
Cost/valuation:				
At 1 September 2020	936,628	449,546	844,656	2,230,830
Additions	—	—	13,355	13,355
Disposals	—	—	—	—
At 31 August 2021	<u>936,628</u>	<u>449,546</u>	<u>858,011</u>	<u>2,244,185</u>
Depreciation:				
At 1 September 2020	382,155	352,276	759,161	1,493,592
Provided during the year	19,921	32,384	40,510	92,815
Disposals	—	—	—	—
At 31 August 2021	<u>402,076</u>	<u>384,660</u>	<u>799,671</u>	<u>1,586,407</u>
Net book value:				
At 31 August 2021	<u>534,552</u>	<u>64,886</u>	<u>58,340</u>	<u>657,778</u>
At 1 September 2020	<u>554,473</u>	<u>97,270</u>	<u>85,495</u>	<u>737,238</u>

All fixed assets owned are used for direct charitable purposes.

The charitable company has adopted a policy of not revaluing its tangible fixed assets. The book value of freehold land and buildings is based on a valuation by Gerald Eve, Chartered Surveyors on November 26 1999 at open market value in accordance with The Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. This valuation of £700,000 has been incorporated in these financial statements with subsequent additions being included at cost.

The historical cost of freehold land and buildings included above at a valuation of £936,628 was £685,106 and the aggregate depreciation thereon would be £308,313.

7 Listed investments

The charitable company holds 372 shares in Lloyds Banking Group plc (2020: 372 shares) which is recorded at its market value of £124 on August 31 2021 (2020: £124).

Notes to the financial statements

for the year ended 31 August 2021

8 Debtors

	2021 £	2020 £
Fees receivable	94,253	18,938
Prepayments and accrued income	146,390	184,254
Other debtors	2,161	2,952
	<u>242,804</u>	<u>206,144</u>

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Deposits refundable within one year	85,500	56,500
Payments for school fees received on account	587,665	353,272
Expense creditors	80,913	109,345
Taxation and social security costs	55,553	57,359
Other creditors	35,088	34,868
Accruals	21,728	29,469
	<u>866,447</u>	<u>640,813</u>

Other creditors includes an amount of £35,088 (2020: £34,868) in respect of contributions due to pension schemes.

10 Creditors: Amounts falling due after more than one year

	2021 £	2020 £
School fee deposits	<u>292,000</u>	<u>299,500</u>

Notes to the financial statements

for the year ended 31 August 2021

11 Restricted funds

(a) The income funds of the School include restricted funds comprising the following balances:

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Art Display Fund £	Total £
At 1 September 2020	163,343	347,450	764	10,521	22,454	5,000	549,532
Incoming resources:							
Donations received	—	47,557	12,246	52,140	—	—	111,943
Resources expended:							
Capital expenditure	6,191	—	—	—	(2,416)	(3,775)	—
Depreciation	(66,489)	—	—	—	—	—	(66,489)
School activities	—	(10,932)	—	(55,681)	—	—	(66,613)
Asra Hawariat School	—	—	(2,270)	—	—	—	(2,270)
Ethiopia	—	—	(800)	—	—	—	(800)
Transfers	—	—	—	—	—	—	—
At 31 August 2021	<u>103,045</u>	<u>384,075</u>	<u>9,940</u>	<u>6,980</u>	<u>20,038</u>	<u>1,225</u>	<u>525,303</u>

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Art Display fund £	Total £
At 1 September 2019	199,257	233,030	2,277	15,271	—	5,000	454,835
Incoming resources:							
Donations received	—	142,361	764	—	50,000	—	193,125
Resources expended:							
Capital expenditure	33,555	(1,259)	—	(4,750)	(27,546)	—	—
Depreciation	(69,469)	—	—	—	—	—	(69,469)
School activities	—	(26,682)	—	—	—	—	(26,682)
Asra Hawariat School	—	—	(2,277)	—	—	—	(2,277)
Transfers	—	—	—	—	—	—	—
At 31 August 2020	<u>163,343</u>	<u>347,450</u>	<u>764</u>	<u>10,521</u>	<u>22,454</u>	<u>5,000</u>	<u>549,532</u>

Notes to the financial statements

for the year ended 31 August 2021

11 Restricted funds continued

- b) The Capital Expenditure Fund represents amounts used to purchase fixed assets for the School, from funds raised specifically for such a purpose, and also the annual depreciation charge each year on those assets.

The Arts and Sports Fund has been used partly to fund fixed assets in the past but is also to maintain and develop the School's creative, musical, theatrical and sporting activities, with the majority of its funds being generated by the School's Christmas Fair and Summer Auction.

Further music, drama and art resources will be funded from the Music and Theatre Fund and the Art Display Fund, and the main current focus is the upgrading of smart white boards, in the ICT room and classrooms.

The School also operates a fund to support the Asra Hawariat School.

12 Unrestricted funds

These funds comprise:

	2021 £	2020 £
Revaluation reserve	157,754	162,784
Accumulated surplus	<u>1,452,040</u>	<u>981,284</u>
	<u>1,609,794</u>	<u>1,144,068</u>

The revaluation reserve arose on the revaluation of the freehold land and buildings in 1999, less the depreciation released to the Statement of financial activities.

The remaining unrestricted resources arise principally from the School's day-to-day operations.

13 Analysis of net assets between funds

The fund balances at 31 August 2021 are represented by:

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Fixed assets	103,045	554,857	657,902	163,343	574,019	737,362
Current assets	422,258	2,213,384	2,635,642	386,189	1,510,362	1,896,551
Current liabilities	—	(866,447)	(866,447)	—	(640,813)	(640,813)
Creditors: Amounts falling due after one year	—	(292,000)	(292,000)	—	(299,500)	(299,500)
Total net assets	<u>525,303</u>	<u>1,607,794</u>	<u>2,135,097</u>	<u>549,532</u>	<u>1,144,068</u>	<u>1,693,600</u>

Notes to the financial statements

for the year ended 31 August 2021

13 Analysis of net assets between funds (continued)

Unrealised gains at 31 August 2021 are represented by:

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
At 1 September	—	162,784	162,784	—	167,814	167,814
Realised in the year	—	(5,030)	(5,030)	—	(5,030)	(5,030)
At 31 August	—	157,754	157,754	—	162,784	162,784

14 Pensions

Teachers' Pensions

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £281,585 (2020: £265,587) and at the year end £32,675 (2020: £32,655) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The latest valuation report in respect of the TPS was prepared at 31 March 2016 and the valuation report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

Notes to the financial statements

for the year ended 31 August 2021

14 Pensions (continued)

Teachers' Pensions (continued)

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

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation. Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Under the definitions set out in section 17 of Financial Reporting Standard 102, the TPS is a multi-employer pension scheme. The charitable company is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, it has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable company has set out above the information available on the scheme.

Other Pensions

Pension contributions are also paid to a contributory pension scheme for the benefit of non-teaching staff. In May 2015 the School started its auto-enrolment pension scheme with NEST for the benefit of all non-teaching staff. The assets of this scheme are held separately from those of the School in independently administered funds.

All pension contribution costs are recognised in the statement of financial activities as they become payable. The pension charge for the year includes contributions payable to NEST of £21,182 (2020: £19,761) and at the year end the amount due to the scheme was £2,213 (2020: £2,012). The statutory minimum contribution level increased in April 2019.

15 Capital commitments

There were capital commitments for items contracted for but not provided in the financial statements amounting to £nil (2020: £nil).

Notes to the financial statements

for the year ended 31 August 2021

16 Other financial commitments

The future minimum lease payments due to the end of the relevant leases are as follows:

	Plant and Equipment 2021	Plant and Equipment 2020	Land and buildings 2021	Land and buildings 2020
	£	£	£	£
Operating leases payments due:				
Within one year	1,580	2,494	263,552	267,768
Between 2 and 5 years	—	1,554	195,000	455,000
Greater than 5 years	—	—	—	—
	<u>1,580</u>	<u>4,048</u>	<u>458,552</u>	<u>722,768</u>

17 Financial Instruments

	2021	2020
	£	£
Financial assets that are debt instruments	<u>107,849</u>	<u>62,110</u>
Financial liabilities	<u>506,619</u>	<u>521,072</u>

Financial assets measured at amortised cost comprise fees receivable, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise deposits, expense creditors, pension contributions and expense accruals.

18 Related party transactions

N P Kaye is a trustee of the St Mary Magdalene Music Society which organises an annual series of recitals and concerts at St Mary Magdalene Church, Rowington Close, Little Venice, London W2. The School's pupils, parents and staff usually participate in three concerts a year (but just one this year due to the COVID 19 pandemic) which are sponsored by the charitable company but are also open to the general public. During the year the charitable company incurred expenditure of £1,064 (2020: £23,975) and received contributions of £nil (2020: £8,000) from the St Mary Magdalene Music Society towards this expenditure.

There were no donations to the charitable company from the Trustees.

19 Limitation of liability

The members of the charitable company guarantee to contribute an amount not exceeding £5 to the assets of the charitable company in the event of a winding up.

SUSSEX HOUSE SCHOOL

England & Wales - Charity number 1035806

Accounts

Sussex House School

(A company limited by guarantee and not having share capital)

Report and financial statements

For the year ended 31 August 2020

Company registration number: 02884794 (England and Wales)

Charity registration number: 1035806 (England and Wales)

Reference and administrative details of the charitable company, its trustees and advisors

Trustees A B Badenoch *deceased 26 11 2020*
J A Crewe
J M Elias
M A J Goedhuis
N P Kaye

Board of Governors J A Crewe (Chairman)
A B Badenoch *deceased 26 11 2020*
J M Elias
G R Evans *resigned 12 3 2020*
N M Gayner
M A J Goedhuis *resigned 15 1 2020*
P D Hargreaves
J Gallant *appointed 2 7 2020*
P P A Lagrange *resigned 25 1 2020*

Registered Company number 02884794 (England and Wales)

Registered Charity number 1035806 (England and Wales)

Headmaster N P Kaye

Bursar A M Bennett

Independent auditor WMT - Chartered Accountants
Verulam Point
Station Way
St Albans
Hertfordshire
AL1 5HE

Registered Office 68 Cadogan Square
London
SW1X 0EA

Website www.sussexhouseschool.co.uk

Bankers Barclays Bank plc
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1 Churchill Place
London
E14 5HP

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Trustees' report

for the year ended 31 August 2020

The trustees (who are also directors of Sussex House School Limited for the purposes of company law and trustees for the purposes of charity law) present their statutory report, which also represents a directors' report, for the year ended 31 August 2020 under the Companies Act 2006, together with the audited financial statements for the year, and confirm that the latter comply with the requirements of the Companies Act 2006 and the charitable company's memorandum and articles of association and have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities SORP – Second Edition). The report has been prepared in accordance with Part 8 of the Charities Act 2011.

Reference and administrative information

Sussex House School ("the School") is a registered charitable company founded in 1994, charity number 1035806 and company number 02884794. The liability of the members is limited by guarantee to an amount not exceeding £5.

The School has an official Church of England affiliation under the Designation of Schools having a Religious Character (Independent Schools) (England) Order 2004.

Structure, governance and management

Governing document

The charitable company is governed by its memorandum and articles of association which were last amended on 10 March 1994.

Trustees

The trustees, who are also directors of the charitable company, who have held office for the whole of the year unless otherwise stated, and to the date of this report, are as follows:

A B Badenoch *deceased 26 11 2020*

J Crewe

J M Elias

M A J Goedhuis

N P Kaye

Trustee appointment and training

New trustees will be appointed in accordance with the Articles of Association following lengthy consultation and consideration by the existing trustees who must be satisfied regarding their eligibility. Existing trustees retire by rotation each year.

Any new trustees will be inducted into the workings of the School, and also of the company as a registered charity by the Headmaster. Prospective trustees will be provided with a memorandum of the legal responsibilities and duties of trustees and are invited to familiarise themselves with CC3 "The Essential trustee: what you need to know, what you need to do" published by the Charity Commission plus copies of the charitable company's financial statements and minutes of previous trustees' meetings.

Trustees' report

for the year ended 31 August 2020

Structure, governance and management (continued)

Organisational management

The trustees meet six times a year to determine the general policy of the charitable company and review its overall management and control, for which they are legally responsible. When determining policies, the trustees seek input from the Board of Governors which also meets at least three times a year. The day-to-day running of the School is delegated to the Headmaster and the Staff Senior Management Team.

Objects, aims, objectives and principal activities (including public benefit)

The primary objective of the charitable company, as set out in its memorandum and articles of association, is promoting and providing for the advancement of education of children and adults by the provision of one or more schools, tutorial colleges and other establishments.

The Trustees have had regard to the guidance on public benefit published by the Charity Commission, and in particular to its supplementary public benefit guidance on advancing education and on fee charging when exercising their powers and duties, in particular when setting fees charged by the School and identifying the benefits provided by the charitable company in relation to its aims.

Although the School has an entry test, due to the large number of applications for places, the policy is to measure potential as well as a pupil's current performance so that priority is given to children who will benefit from not only the academic programme on offer at the School, but also the specialities of certain areas of creativity, notably Music, Art and Theatre. The School has never restricted entry to a potential pupil because of the pupil's parents' inability to pay the fees. The School has never asked for a pupil to be removed from Sussex House due to a change in parents' financial circumstances. The geographical location of a pupil's home, their ethnicity, race or existence of a disability are quite irrelevant to the School's selection procedure. Although the School has an official Church of England affiliation, a family or child's religious affiliation is not taken into account when places are offered and boys of all religions and denominations or none are welcomed equally.

Strategic aim and intended effect

The School's strategic aim is to reach its annual objective which is the attainment of the highest academic levels whilst allowing pupils to benefit from the School's extensive extra-curricular programme. This enables the School to develop its pupils' abilities and academic potential, awaken and develop their wider interests in life and prepare them for the senior school of their own and their parents' choice.

Objectives for the year

The trustees' main objective for the year continued to be to educate all the School's pupils to at least the same high standard achieved by the School in previous years, so that they will fully benefit from their chosen senior school for the completion of their education in due course. The strategy to achieve this is to maintain a high teacher-to-pupil ratio and to tailor the education of each pupil to suit their individual needs. In addition, the trustees aim to continue providing support in respect of the provision of means tested bursaries and to continue to develop links with the local community and other organisations.

Principal activity

The School continues to operate as a day school for 8-13 year-old boys, educating them to a high standard and so enabling them to move on to a suitable senior school for the completion of their education.

Trustees' report

for the year ended 31 August 2020

Review of achievements and performance for the year (including public benefit)

Operational performance of the School

It has been an outstanding year for the School with members of the sixth form succeeding in gaining entry to the Schools of their choice, with a King's Scholarship to Eton, and 2 Music Scholarships and a Music Exhibition to top academic schools. The COVID 19 pandemic had an unprecedented impact, with the 23 March 2020 lockdown imposing far-reaching restrictions, but the School rose to the challenge, devising and delivering its academic "Virtually Sussex House" online learning programme, which was very well received and hugely successful. Inevitably, the customary volume and variety of literary, drama, art, music and sports, along with many school trips, were significantly impacted during the Summer term, and the termly school fee was reduced by 40% accordingly. Those staff who did not have a role in the delivery of the online learning programme were furloughed.

Bursaries, donations and sponsorships

There were 2 bursaries awarded for 2019-20. The School continues to seek pupils who will benefit from the School's bursary provision, as well as additional sources of bursary funding.

Donations to the Asra Hawariat School Fund, which supports the Asra Hawariat School, Ethiopia arising from funds raised at School events, amounted to £764 (2019: £2,807), and certain parents made donations directly.

Relationships with the Local Community and other organisations

A significant proportion of the School's donations are raised as a result of the efforts of the School's Activities Committee which is managed by the parents of pupils and staff at the School. The two main fundraising activities each year are usually the Christmas Fair and the Summer Auction. Although the latter could not take place this year, due to the COVID 19 pandemic, donations to the school were generous.

The School is a member of IAPS which acts for the promotion and maintenance of preparatory school standards generally.

The School co-operates with various churches, including St Simon Zelotes, Milner Street, and pupils are involved in three concerts a year (two this year) as part of the Music Society Programme of St. Mary Magdalene Church Little Venice, and other local charities and societies. The School is also closely involved with the Asra Hawariat School in Ethiopia to which a proportion of the monies raised from the School Christmas Fair is donated each year.

Sussex House has continued to share our curriculum under an initiative of the Board of Governors for Grenfell Response.

The Malcolm Arnold Preparatory Academy

The School is a strategic partner in the development of the Malcolm Arnold Preparatory Academy (part of the Malcolm Arnold Academy), which is committed to reflecting aspects of the educational and creative approach of Sussex House School. The school is based in Northampton. Sussex House has been sharing expertise at many levels and Nicholas Kaye our Headmaster, has been an academic consultant to the school.

Fencing

The School has a considerable tradition of achievement in this sport, having produced a considerable number of national champions over the past 20 years, however, many of the later competitions were cancelled this year due to the pandemic, including the London Youth Games.

Trustees' report

for the year ended 31 August 2020

Review of achievements and performance for the year (including public benefit) (continued)

Music

The School contributed to the funding of one major event (2019: two events) of the St Mary Magdalene Music Society based at St Mary Magdalene Church, at a cost of £14,947 (2019 : £25,200). Members of the public attend and form part of the Chorus and Orchestra in these events and the large audiences contain many members of the public who have no other association with Sussex House. Events this year include the Duruflé Requiem (November 2019), 'Victorian Voices' evening (March 2020). The customary 'Singers and Soloists' concert which usually takes place in May was not possible this year, due to the COVID 19 pandemic. Sussex House Choir sang carols at a variety of local venues, including local churches and hotels.

Church

Sussex House takes part in various events at its local church, St Simon Zelotes, Milner Street, SW3. The School contributed £2,500 (2019: £2,500) towards the upkeep of the church. The School has also maintained its strong link with St Mary Magdalene Church, Rowington Close, Little Venice, W2.

The Asra Hawariat School, Addis Ababa

Sussex House has established a strong link with this school in Addis Ababa. The Asra Hawariat School exists to provide education for 1,500 Ethiopian children who would not otherwise have the means to attend school. The school is funded by the Asra Hawariat School Fund based in the UK and no children pay to attend. A generous contribution from funds raised at the annual Sussex House Christmas Fair was donated to the Asra Hawariat School Fund and as a result of the link many parents have made generous separate donations to that school.

The trustees have continued to review the School's activities including revenue and financial, human and physical resources as part of their duties to monitor and ensure that the School's charitable objects and the public benefit are achieved most effectively.

Related party transactions

N P Kaye is a trustee of the Asra Hawariat School Addis Ababa, Ethiopia and of the St Mary Magdalene Music Society. Details of transactions with these related parties are set out in note 18 to the financial statements.

Bursary policy

Bursaries are available to those prospective pupils who meet the School's entry requirements, or current pupils, and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk. In assessing means the School takes a number of factors into consideration including family income, investments and savings and family circumstances.

Risk management

The Trustees identify and assess the major risks to which the Charity is exposed, and how these are appropriately managed. This year, the COVID 19 pandemic featured heavily. The major risks identified being an adverse impact on the reputation of the school, changes to the regulatory, legislative and inspection regime, and financial risk. To mitigate these risks, among other actions, the Trustees, with assistance from the Governors and the Staff Senior Management Team, ensure that a high quality education is provided, ensure that a robust set of policies, procedures and risk assessments are maintained, develop financial management, monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate. Trustee Indemnity insurance is in place.

Trustees' report

for the year ended 31 August 2020

Financial review and results for the year

The School's income exceeded expenditure by £387,497 during the year (2019: £144,360), which reflects the ongoing management of income and costs without compromising educational quality. The School received income of £3,925,675 (2019: £4,022,924) during the year as a result of charging for tuition and related activities. In addition, the School received donations to the Technology Fund for the upgrade of IT equipment of £50,000 and donations to the Arts and Sports Fund of £142,361 (2019: £118,006). There were donations of £764 (2019: £2,807) for the Asra Hawariat School fund and unrestricted donations of £22,264 (2019: £28,026).

Expenditure on School operating costs was £3,713,710 (2019: £4,040,234) with a further £43,431 (2019: £31,235) of expenditure incurred in relation to bursaries and donations.

A grand piano was refurbished from Theatre and Music Fund at a cost of £4,750 and the computers in the IT suite were replaced at a cost of £27,546.

The year, a further £5,758 (2019: £16,665) of capital expenditure was incurred, mainly on technology for "Virtually Sussex House". There continues to be a steady number of registrations for future attendance at the School, and a strong demand for places from high calibre academic candidates, based on entrance test results.

Reserves policy

The School's unrestricted funds at the end of the year were £1,144,068 (2019: £856,298), and restricted funds were £549,532 (2019: £454,835). Total reserves stand at £1,693,600 (2019: £1,311,133). In a normal year, a total reserve level equivalent to one term's customary expenditure would be a level which the trustees would consider practicable and achievable on an ongoing basis to cover the customary risks and uncertainties of operating as an independent educational establishment. However, based on the educational impact and reduction in tuition fees the school has experienced due to the COVID 19 pandemic during the year, and the considerable continuing uncertainty associated with the pandemic, the Trustees consider it prudent to maintain reserves to cover these unprecedented risks, in order that the School is in a position to respond to the developing situation.

Remuneration Policy

The key management personnel of the School are the Headmaster and the Staff Senior Management Team. Their remuneration is set by the Trustees.

Investment policy and objectives

There are no restrictions on the charitable company's absolute powers of investment. The trustees' policy continues to be to put any surplus cash on a special deposit account. Deposit account interest of £3,574 (2019: £4,066) was received during the year.

Future plans

The projects for the forthcoming year are the Technology project, which will upgrade the ICT equipment.

The School's key objectives remain to maintain the number of pupils at the present level and to pursue the same objectives as reported above for this year.

Trustees' report

for the year ended 31 August 2020

Statement of trustees' responsibilities in respect of the financial statements

The trustees (who are also directors of Sussex House School for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees of the charitable company confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees and signed on their behalf by



N P Kaye
Secretary

Date: 10th Feb 2021

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2020

Opinion

We have audited the financial statements of Sussex House School (the 'charitable company') for the year ended 31 August 2020 which comprise 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 state of the charitable company's 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 requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2020

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report and the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees' were not entitled to take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report to the members of Sussex House School

for the year ended 31 August 2020

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.



Elizabeth Irvine (Senior Statutory Auditor)

For and on behalf of

WMT – Chartered Accountants and Statutory Auditors

Verulam Point

Station Way

St Albans

Hertfordshire

AL1 5HE

Date: 12 February 2021

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2020

	Notes	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2020	2020	2020	2019	2019	2019
		£	£	£	£	£	£
Income from charitable activities:							
	2						
School fees		3,675,724	—	3,675,724	3,985,172	—	3,985,172
Registration fees		22,800	—	22,800	27,000	—	27,000
Income from generated funds:							
Donations		22,264	193,125	215,389	28,026	160,813	188,839
Interest receivable		3,574	—	3,574	4,066	—	4,066
Other income		227,151	—	227,151	10,752	—	10,752
Total income		3,951,513	193,125	4,144,638	4,055,016	160,813	4,215,829
Expenditure on charitable activities:							
	3						
- Teaching costs		2,708,459	26,682	2,735,141	2,860,128	55,599	2,915,727
- Premises		510,604	—	510,604	608,485	—	608,485
- Support costs		372,137	—	372,137	379,854	—	379,854
- Depreciation and amortisation		23,926	69,469	93,395	26,745	89,172	115,917
- Bank charges and bad debts		2,433	—	2,433	20,251	—	20,251
- Bursaries		22,659	—	22,659	—	—	—
- Donations		18,495	2,277	20,772	28,971	2,264	31,235
Total expenditure		3,658,713	98,428	3,757,141	3,924,434	147,035	4,071,469
Net income for the year		292,800	94,697	387,497	130,582	13,778	144,360

The notes on pages 16 to 27 form part of the financial statements.

Statement of financial activities (including income and expenditure account)

For the year ended 31 August 2020

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
Notes	funds	funds	funds	funds	funds	funds
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Net income/(expenditure) for the year	292,800	94,697	387,497	130,582	13,778	144,360
Depreciation on revaluation of tangible fixed assets	(5,030)	—	(5,030)	(5,030)	—	(5,030)
Net movement in funds	287,770	94,697	382,467	125,552	13,778	139,330
Fund balances at 1 September	856,298	454,835	1,311,133	730,746	441,057	1,171,803
Fund balances at 31 August	1,144,068	549,532	1,693,600	856,298	454,835	1,311,133

The net incoming resources for the year derive from the continuing operations of the charitable company.

The notes on pages 16 to 27 form part of the financial statements.

Balance sheet

for the year ended 31 August 2020

	Notes	£	2020 £	2019 £
Fixed assets:				
Tangible assets	6		737,238	797,609
Listed investments	7		124	124
			737,362	797,733
Current assets:				
Debtors	8	206,144		247,193
Cash at bank		1,690,407		1,261,065
		1,896,551		1,508,258
Creditors: amounts falling due within one year	9	(640,813)		(709,358)
Net current assets			1,255,738	798,900
Total assets less current liabilities			1,993,100	1,596,633
Creditors: amounts falling due after more than one year	10		(299,500)	(285,500)
Total net assets			1,693,600	1,311,133
Represented by:				
Reserves:				
Restricted funds	11		549,532	454,835
Unrestricted funds	12		1,144,068	856,298
Total funds			1,693,600	1,311,133

The financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Under Companies Act 2006, s454, on a voluntary basis the Trustees can amend these financial statements if they subsequently prove to be defective.

Approved and authorised for issue by the trustees and signed on their behalf by:



N P Kaye
Trustee

Date: 10th Feb. 2021

The notes on pages 16 to 27 form part of the financial statements.

Cash flow statement

for the year ended 31 August 2020

	2020	2019
	£	£
Cash flows from operating activities:		
Net income for the year	387,497	144,360
Adjustments for:		
Depreciation charges	93,395	115,917
Interest	(3,574)	(4,066)
(Increase) / decrease in debtors	41,049	(53,156)
Increase / (decrease) in creditors	(54,545)	43,711
Net cash provided by operating activities:	<u>463,822</u>	<u>246,766</u>
Cash flows from investing activities:		
Interest	3,574	4,066
Purchase of property, furniture and equipment	(38,054)	(45,691)
Net cash used in investing activities:	<u>(34,480)</u>	<u>(41,625)</u>
Change in cash at bank and in hand in the year	429,342	205,141
Cash at bank and in hand at the beginning of the year	1,261,065	1,055,924
Cash at bank and in hand at the end of the year	<u>1,690,407</u>	<u>1,261,065</u>

Changes in net debt

	At 1 September	Cash Flows	At 31 August
	£	£	£
Cash at bank and in hand	<u>1,261,065</u>	<u>429,342</u>	<u>1,690,407</u>

The notes on pages 16 to 27 form part of the financial statements.

Notes to the financial statements

for the year ended 31 August 2020

1 Accounting policies

Basis of preparation

Sussex House School is a public benefit entity under the Financial Reporting Standard 102 (FRS 102). The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold land and buildings, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) – Second Edition and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

Income

All income is recognised when the charitable company is legally entitled to the income, when it is probable that the income will be received and when the amount receivable can be measured with sufficient reliability.

Fees

Fees consist of charges invoiced for the School year ending August 31 for tuition and registration. Fees received for education to be provided in future years are deferred to future periods.

Job Retention Scheme

Job Retention Scheme income consists of claims made through HMRC for a proportion of the cost of the wages and salaries of those employees who are furloughed during a period of Government-imposed physical school closure related to the COVID 19 pandemic. Amounts claimed are given in note 2.

Expenditure

All expenditure (including irrecoverable VAT) is recognised when a liability is incurred and has been classified under headings that aggregate all costs related to the category.

Charitable activities costs comprise all operating expenditure incurred to enable the charitable company to fulfil its charitable aims. These include both costs that can be allocated directly, and those of an indirect nature which are necessary to support charitable activities.

Costs of generating funds are those incurred in attracting voluntary donations.

Notes to the financial statements

for the year ended 31 August 2020

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets costing £300 or more are capitalised. Depreciation is provided on tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	-	over 50 years
Leasehold property and improvements	-	over the lease term
Furniture and equipment	-	over 4-10 years

No depreciation is charged on freehold land.

Listed investments

Listed investments are shown at market value.

Financial instruments

The charitable company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment, and if found, an impairment loss is recognised.

Cash at bank

Cash at bank comprises cash at bank and in hand.

Debtors

Short term debtors are measured at transaction price, less any impairment losses.

Creditors

Short term creditors are measured at the transaction price.

Deposits

Deposits refundable against final term's fees are treated as a long term liability except to the extent that they are due to be repaid within one year of the balance sheet date in which case they are recorded as a current liability. Forfeited deposits are taken to income.

Pensions

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS 102 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

Contributions to the NEST Pension Scheme are at the level required under current workplace pension legislation.

Notes to the financial statements

for the year ended 31 August 2020

1 Accounting policies (continued)

Leasing commitments

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Fund accounting:

Restricted funds

Restricted funds comprise donations given for a specific purpose and their use is therefore subject to specific restrictions imposed by donors.

Expenditure incurred in fulfilling the objective of each fund is charged against the fund balance and deducted from the expenditure category in the charitable company's Statement of Financial Activities. Where the expenditure relates to a fixed asset, an amount is set aside in restricted funds related to that fixed asset and an annual depreciation charge is made against the restricted fund until such time as that asset is fully depreciated.

Unrestricted funds

Unrestricted funds comprise accumulated surpluses and deficits and are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company.

Judgements

The preparation of the financial statements requires the Trustees to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. The nature of estimation means the actual outcomes could differ from those estimates. There are no judgements made that have a significant effect on the amounts recognised in the financial statements.

Going concern

The trustees are not aware of any material uncertainties regarding going concern.

2 Income

Income represent fees charged in respect of tuition, other related activities and registration fees. Donations include those amounts donated to specific restricted funds and unrestricted donations along with any tax refund received under Gift Aid. Incoming resources also includes interest receivable and any gains in value of investments. This year, Other Income includes claims made under the HMRC Job Retention Scheme, comprising claims of £165,731 and £48,930 for wages and salaries of furloughed teaching and support staff respectively.

Notes to the financial statements

for the year ended 31 August 2020

2 Income (continued)

The donations received during the year comprised:

	Restricted funds £	Unrestricted funds £	2020 Total £	2019 Total £
Arts and Sports Fund	142,361	—	142,361	118,006
Asra Hawariat School Fund	764	—	764	2,807
Technology Fund	50,000	—	50,000	—
Music and Theatre Fund	—	—	—	40,000
Other	—	22,264	22,264	28,026
	<u>193,125</u>	<u>22,264</u>	<u>215,389</u>	<u>188,839</u>

3 Expenditure

(a) This is stated after charging:

	2020 £	2019 £
Staff costs (note 4)	2,570,780	2,534,173
Governance costs – Auditor's remuneration	8,610	8,220
– other governance costs	187	186
Depreciation of owned fixed assets	93,395	115,917
Operating lease rentals – plant and equipment	2,780	2,745
– land and buildings	<u>290,127</u>	<u>314,213</u>

(b) Remuneration of trustees

No trustees received any remuneration in respect of their services during the year (2019: £nil). No trustee received any reimbursement of expenses during the year (2019: £nil).

Mr N P Kaye, who is a trustee is also the school's headmaster and his remuneration (excluding pension contributions) including benefits, was £147,032 (2019: £140,334) and is included in the staff costs. In addition, the School has made employer contributions to the Government's Teachers' Pension Defined Benefits Scheme (note 14) for the benefit of Mr N P Kaye of £29,535 (2019: £20,555).

(c) Indemnity insurance

The School has purchased indemnity insurance to indemnify the School for up to £1,000,000 from loss arising from the neglect or default of its trustees, employees or agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part at a cost of £187 (2019: £186).

Notes to the financial statements

for the year ended 31 August 2020

3 Expenditure (continued)

(d) Support Costs

	2020	2019
	£	£
Wages and salaries	253,837	248,310
Computer costs	73,519	68,052
Insurance (non-buildings)	19,282	21,110
Other support costs	25,499	42,382
	<u>372,137</u>	<u>379,854</u>

4 Staff costs

	2020	2019
	£	£
Wages and salaries	2,058,151	2,088,233
Social security costs	223,988	227,730
Other pension costs (note 14)	288,641	218,210
	<u>2,570,780</u>	<u>2,534,173</u>

Of the above £2,316,943 (2019: £2,285,863) is included in teaching costs and £253,837 (2019: £248,310) is included in support costs in the Statement of Financial Activities.

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

	2020 FTE	2020 No.	2019 FTE	2019 No.
Teaching staff	37	46	37	48
Administration	5	5	5	5
	<u>42</u>	<u>51</u>	<u>42</u>	<u>53</u>

Ex-gratia payments totalling £5,385 (2019: £33,536) were paid to staff leaving during the year.

The total of key management personnel compensation was £858,667 (2019: £728,724).

The number of employees whose remuneration exceeded £60,000 and to whom retirement benefits are accruing under defined benefit schemes (note 14) are set out below:

	2020 No	2019 No
£60,001 - £70,000	4	2
£70,001 - £80,000	2	6
£80,001 - £90,000	2	—
£90,001 - £100,000	1	—
£140,001 - £150,000	1	1
	<u>1</u>	<u>1</u>

Notes to the financial statements

for the year ended 31 August 2020

5 Taxation

The School is a registered charity and therefore is not liable to income tax or corporation tax or income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

6 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Furniture & equipment £	Total £
Cost/valuation:				
At 1 September 2019	936,628	449,546	806,602	2,192,776
Additions	—	—	38,054	38,054
Disposals	—	—	—	—
At 31 August 2020	<u>936,628</u>	<u>449,546</u>	<u>844,656</u>	<u>2,230,830</u>
Depreciation:				
At 1 September 2019	359,831	319,892	715,444	1,395,167
Provided during the year	22,324	32,384	43,717	98,425
Disposals	—	—	—	—
At 31 August 2020	<u>382,155</u>	<u>352,276</u>	<u>759,161</u>	<u>1,493,592</u>
Net book value:				
At 31 August 2020	<u>554,473</u>	<u>97,270</u>	<u>85,495</u>	<u>737,238</u>
At 1 September 2019	<u>576,797</u>	<u>129,654</u>	<u>91,158</u>	<u>797,609</u>

All fixed assets owned are used for direct charitable purposes.

The charitable company has adopted a policy of not revaluing its tangible fixed assets. The book value of freehold land and buildings is based on a valuation by Gerald Eve, Chartered Surveyors on November 26 1999 at open market value in accordance with The Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. This valuation of £700,000 has been incorporated in these financial statements with subsequent additions being included at cost.

The historical cost of freehold land and buildings included above at a valuation of £936,628 was £685,106 and the aggregate depreciation thereon would be £293,422.

7 Listed investments

The charitable company holds 372 shares in Lloyds Banking Group plc (2019: 372 shares) which is recorded at its market value of £124 on August 31 2020 (2019: £124).

Notes to the financial statements

for the year ended 31 August 2020

8 Debtors

	2020 £	2019 £
Fees receivable	18,938	76,351
Prepayments and accrued income	184,254	164,276
Other debtors	2,952	6,566
	<u>206,144</u>	<u>247,193</u>

9 Creditors: amounts falling due within one year

	2020 £	2019 £
Deposits refundable within one year	56,500	51,500
Payments for school fees received on account	353,272	463,880
Expense creditors	109,345	93,897
Taxation and social security costs	57,359	49,907
Other creditors	34,868	27,546
Accruals	29,469	22,628
	<u>640,813</u>	<u>709,358</u>

Other creditors includes an amount of £34,868 (2019: £27,546) in respect of contributions due to pension schemes.

10 Creditors: Amounts falling due after more than one year

	2020 £	2019 £
School fee deposits	<u>299,500</u>	<u>285,500</u>

Notes to the financial statements

for the year ended 31 August 2020

11 Restricted funds

(a) The income funds of the School include restricted funds comprising the following balances:

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Technology Fund £	Art Display Fund £	Total £
At 1 September 2019	199,257	233,030	2,277	15,271	—	5,000	454,835
Incoming resources:							
Donations received	—	142,361	764	—	50,000	—	193,125
Resources expended:							
Capital expenditure	33,555	(1,259)	—	(4,750)	(27,546)	—	—
Depreciation	(69,469)	—	—	—	—	—	(69,469)
School activities	—	(26,682)	—	—	—	—	(26,682)
Asra Hawariat School Transfers	—	—	(2,277)	—	—	—	(2,277)
	—	—	—	—	—	—	—
At 31 August 2020	163,343	347,450	764	10,521	22,454	5,000	549,532

	Capital Expenditure fund £	Arts and Sports fund £	Asra Hawariat School fund £	Music and Theatre fund £	Sports Funds £	Art Display fund £	Total £
At 1 September 2018	259,403	161,920	1,734	—	13,000	5,000	441,057
Incoming resources:							
Donations received	—	118,006	2,807	40,000	—	—	160,813
Resources expended:							
Capital expenditure	29,026	—	—	(24,729)	(4,297)	—	—
Depreciation	(89,172)	—	—	—	—	—	(89,172)
School activities	—	(55,599)	—	—	—	—	(55,599)
Asra Hawariat School Transfers	—	—	(2,264)	—	—	—	(2,264)
	—	8,703	—	—	(8,703)	—	—
At 31 August 2019	199,257	233,030	2,277	15,271	—	5,000	454,835

Notes to the financial statements

for the year ended 31 August 2020

11 Restricted funds continued

- b) The Capital Expenditure Fund represents amounts used to purchase fixed assets for the School, from funds raised specifically for such a purpose, and also the annual depreciation charge each year on those assets.

The Arts and Sports Fund has been used partly to fund fixed assets in the past but is also to maintain and develop the School's creative, musical, theatrical and sporting activities, with the majority of its funds being generated by the School's Christmas Fair and Summer Auction.

Further music and art resources will be funded from Music and Theatre Fund and the Art Display Fund, and the main current focus is the upgrading of Technology, in the ICT room and classrooms.

The School also operates funds to support Asra Hawariat School.

12 Unrestricted funds

These funds comprise:

	2020 £	2019 £
Revaluation reserve	162,784	167,824
Accumulated surplus	981,284	688,474
	<u>1,144,068</u>	<u>856,298</u>

The revaluation reserve arose on the revaluation of the freehold land and buildings in 1999, less the depreciation released to the Statement of financial activities.

The remaining unrestricted resources arise principally from the School's day-to-day operations.

13 Analysis of net assets between funds

The fund balances at 31 August 2020 are represented by:

	Restricted funds £	Unrestricted funds £	Total £
Fixed assets	163,343	574,019	737,362
Current assets	386,189	1,510,362	1,896,551
Current liabilities	—	(640,813)	(640,813)
Creditors: Amounts falling due after one year	—	(299,500)	(299,500)
Total net assets	<u>549,532</u>	<u>1,144,068</u>	<u>1,693,600</u>
Unrealised gains included above:			
	Restricted funds £	Unrestricted funds £	Total £
Unrealised gains at 1 September 2019	—	167,824	167,824
Realised in the year	—	(5,030)	(5,030)
Unrealised gains at 31 August 2020	<u>—</u>	<u>162,784</u>	<u>162,784</u>

Notes to the financial statements

for the year ended 31 August 2020

14 Pensions

Teachers' Pensions

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £265,587 (2019: £203,839) and at the year end £32,655 (2019: £25,606) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The latest valuation report in respect of the TPS was prepared at 31 March 2016 and the valuation report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

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

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Notes to the financial statements

for the year ended 31 August 2020

14 Pensions (continued)

Teachers' Pensions (continued)

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Under the definitions set out in section 17 of Financial Reporting Standard 102, the TPS is a multi-employer pension scheme. The charitable company is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, it has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charitable company has set out above the information available on the scheme.

Other Pensions

Pension contributions are also paid to a contributory pension scheme for the benefit of non-teaching staff. In May 2015 the School started its auto-enrolment pension scheme with NEST for the benefit of all non-teaching staff. The assets of this scheme are held separately from those of the School in independently administered funds.

All pension contribution costs are recognised in the statement of financial activities as they become payable. The pension charge for the year includes contributions payable to NEST of £19,761 (2019: £14,371) and at the year end the amount due to the scheme was £2,012 (2019: £1,740). The statutory minimum contribution level increased in April 2019.

15 Capital commitments

There were capital commitments for items contracted for but not provided in the financial statements amounting to £nil (2019: £nil).

16 Other financial commitments

The future minimum lease payments due to the end of the relevant leases are as follows:

	Plant and Equipment 2020 £	Plant and Equipment 2019 £	Land and buildings 2020 £	Land and buildings 2019 £
Operating leases payments due:				
Within one year	2,494	2,493	267,768	266,886
Between 2 and 5 years	1,554	4,024	455,000	715,000
Greater than 5 years	—	—	—	—
	4,048	6,517	722,768	981,886

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for the year ended 31 August 2020

17 Financial Instruments

	2020 £	2019 £
Financial assets that are debt instruments	<u>62,110</u>	<u>90,407</u>
Financial liabilities	<u>521,072</u>	<u>473,071</u>

Financial assets measured at amortised cost comprise fees receivable, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise deposits, expense creditors, pension contributions and expense accruals.

18 Related party transactions

N P Kaye is a trustee of the St Mary Magdalene Music Society which organises an annual series of recitals and concerts at St Mary Magdalene Church, Rowington Close, Little Venice, London W2. The School's pupils, parents and staff usually participate in three concerts a year (but just two this year due to the COVID 19 pandemic) which are sponsored by the charitable company but are also open to the general public. During the year the charitable company incurred expenditure on events at St Mary Magdalene Church of £23,975 (2019: £36,251) and received contributions of £8,000 (2019: £10,000) from the St Mary Magdalene Music Society towards this expenditure.

There were no donations to the charitable company from the Trustees.

19 Limitation of liability

The members of the charitable company guarantee to contribute an amount not exceeding £5 to the assets of the charitable company in the event of a winding up.